

INVESTMENT UPDATE

M&A Activity Boosting Returns

Highlights

- Heinz buying Kraft Foods Group with financial support from Berkshire Hathaway
- United Health Group buying Catamaran Corp
- Both targets, Kraft Foods Group and Catamaran Corp are held in a number of Yorkville's strategies, generating strong returns for investors

On Wednesday March 25th, Warren Buffet's Berkshire Hathaway along with 3G Capital (same group that took Heinz private and bought Tim Hortons through Burger King) announced that Heinz would essentially buy a long-time Yorkville holding, Kraft Foods Group (held in Enhanced Protection, Global Opportunities and US QVR strategies). The new company will be named The Kraft Heinz Company, forming one of the largest food conglomerates in the industry. In addition to the expected synergies of the merger, the Kraft Heinz Food Group will benefit from the unparalleled retailing expertise of 3G and Warren Buffet while the Kraft brands can leverage Heinz's global distribution platform.

Kraft shareholders were rewarded with a \$16.50 per share special dividend in addition to the take-over premium paid by Heinz and Berkshire. This translated into a one day gain of 35.65% for Kraft shareholders.

On Monday March 30th, it was announced that another Yorkville holding, Catamaran Corp (held in Canadian QVR strategy) would be purchased by United Health Group at \$61.50 USD per share, representing a 25.44% premium over the previous price. Catamaran is a Pharmacy Benefits Manager and is considered to have industry-leading technology in the space. United Health Group expects to leverage Catamaran's technology on their large PBM, OptumRX. Following the news, United Health Group's shares also rose by as much as 4%, indicating the market likes the deal. In addition to owning Catamaran, Yorkville also owns United Health Group in the Enhanced Protection and US QVR strategies.

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Performance

| Performance as of March 30 th 2015 (Series O only) | QTD | 1-Year | 3-Year | Since Inception |
|---|---|--------|--------|-----------------|
| Yorkville Enhanced Protection Class | 8.75% | 23.18% | 16.76% | 18.41% |
| Yorkville Global Opportunities Class | 6.57% | 20.46% | 15.41% | 11.51% |
| Yorkville Optimal Return Bond Class | 6.38% | 12.62% | 6.91% | 5.94% |
| Yorkville Canadian QVR Enhanced Protection | Due to regulatory requirements, it is impermissible to publish performance for funds until they are one-year old. | | | |
| Yorkville American QVR Enhanced Protection | | | | |

Commissions, trading commissions, and management fees all may be associated with mutual fund investments. Please read the prospectus before investing. The indicated rates of return are the historical annual compounded total returns including change in share value and reinvestment of all dividends and does not take into account sale, redemption, distributions or optional charges or income taxes payable by any security holder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. Inception date is August 15, 2011 and returns over one year are annualized.

These two deals are a testament to Yorkville's investment strategy and QVR process which have helped significantly in achieving our performance numbers. While the process was designed to help minimize risk in our strategies, it has shown the ability to assist in uncovering compelling investment opportunities like that of Kraft Foods Group and Catamaran Corp.

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