

**REPORT TO UNITHOLDERS:
MATCO FUNDS**



Dear Investor:

The Independent Review Committee of the Matco Funds was established in 2007 to provide the specific role of reviewing mutual fund conflict of interest matters identified and referred to us by Matco Financial Inc. and to provide our approval or recommendation(s). Our focus is on the question of whether the managers proposed action achieves a fair and reasonable result for the mutual fund and its unitholders.

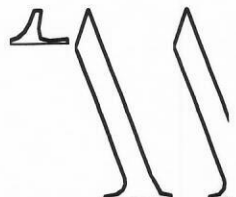
The Independent Review Committee has established a written Charter pursuant to the provisions of the new *National Instrument 81-107, Independent Review Committee for Investment Funds*. The Charter can viewed be on Matco Financial Inc.'s website at www.matcofinancialinc.com

At least once per year the Independent Review Committee will also review and assess the adequacy and effectiveness of the policies and procedures relating to conflict of interest matters in respect of the Matco Funds. The Independent Review Committee members also assume the responsibility for reviewing and self-assessment of committee independence, compensation, and effectiveness.

We are pleased to publish the eleventh annual report to unitholders of the Matco Funds under the requirements of the National Instrument 81-107 as designed by the Canadian securities regulators. This report covers the period January 1, 2019 to December 31, 2019.

A handwritten signature in black ink, appearing to read 'Alan Akers', written over a horizontal line.

Alan Akers
Chair of the Independent Review Committee



MEMBERS OF THE INDEPENDENT REVIEW COMMITTEE

Name	Background	Residence	First Appointment
Alan Akers Chairperson	Chartered Professional Accountant	Calgary, AB	November 2007
Mike Smith Member	Entrepreneur	Calgary, AB	January 1, 2012
F. Andrew Abbott Member	Investment Professional	Canmore, AB	June 30, 2015

HOLDINGS OF SECURITIES

A. Matco Funds

As at December 31, 2019, the percentage of units or shares of each series of the Matco family of funds (the "Funds") beneficially owned, directly or indirectly, in aggregate, by all members of the Independent Review Committee did not exceed 10 per cent. With the exception of the Series 'O' Matco Small Cap Fund of which the aggregate ownership was 14%.

B. Manager and Service Providers

As at December 31, 2019, no member of the Independent Review Committee beneficially owned, directly or indirectly, any class or series of voting or equity securities of Matco Financial Inc. (the "Manager") or in any person or company that Matco has advised provides services to the Funds or the Manager.

COMPENSATION AND INDEMNITIES

The annualized aggregate compensation paid by the Funds to the Independent Review Committee in 2019 was \$21,000. This amount was allocated among the Funds. No indemnities were paid on behalf of the Independent Review Committee for the period.

Compensation of the Independent Review Committee was set by the committee in 2019. At least annually, the Independent Review Committee and the Manager will review compensation levels of the Independent Review Committee and the Manager will make a recommendation regarding such compensation to the Independent Review Committee. In conducting such review and making such recommendation, consideration will be given to the following:

- (1) The best interest of the Funds
- (2) The number, nature, and complexity of the Funds
- (3) The nature and extent of the workload of each member
- (4) The fact that each Fund must pay its reasonable allocation of the compensation
- (5) The goal that compensation should fairly reflect the general and specific benefits accruing to the Fund



CONFLICT OF INTEREST MATTERS

The Independent Review Committee is not aware of any instance in which the Manager acted in a conflict of interest matter during the 2019 year or of any instance in which the Manager acted in a conflict of interest matter but did not meet a condition imposed by the Independent Review Committee.

The Independent Review Committee has relied upon reports and/or certifications provided by the Manager in fulfilling its duties under the Independent Review Committee's Charter. For the 2019 year, the Manager has advised that it has complied with its related policies and procedures and has reported periodically to the Independent Review Committee. Copies of the current policies and procedures were reviewed by the Independent Review Committee in 2019.

MFI FUNDS:

Matco Fixed Income Fund (Series A, F, N, O)
Matco Balanced Fund (Series A, F, N, O)
Matco Canadian Equity Fund (Series A, F, N, O)*
Matco Small Cap Fund (Series A, F, N, O)*
Matco Global Equity Fund (Series A, F, N, O)*
Matco Cannabis Investment Fund (Series A, D, F, O)

** previous to August 9, 2019, these funds were each a class of the Matco Funds Corp. On August 9, 2019, they were converted to separate taxable and legal entities through a tax deferred conversion. Following that date, they become mutual fund trusts.*

