

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE
December 31, 2018

RP STRATEGIC INCOME PLUS FUND

RP INVESTMENT ADVISORS LP

This annual management report of fund performance contains financial highlights but does not contain the complete annual financial statements of the investment fund. You can get a copy of the annual financial statements at your request, and at no cost, by calling 1-877-720-1777, or by writing to us at 39 Hazelton Avenue, Toronto, ON, M5R 2E3, or by visiting our website at www.rpia.ca or SEDAR at www.sedar.com. Unitholders may also contact us using one of these methods to request a copy of the investment fund's interim financial report, proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

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Management Discussion of Fund Performance

The management discussion of fund performance for RP Strategic Income Plus Fund (the "Fund") represents the view of RP Investment Advisors LP (the "Manager") of the significant factors and developments affecting the Fund's performance and outlook for the period from January 01, 2018 to December 31, 2018 (the "reporting period").

Investment Objective and Strategies

The primary objective of the Fund is to produce stable risk-adjusted absolute returns. The Fund intends to achieve its investment objective by investing primarily in investment-grade fixed income instruments, predominantly on a long basis, but with the ability to use cash-covered short positions to hedge interest rate risk.

Risk

The risks associated with investing in the Fund remain as discussed in the Prospectus. The Fund is suitable for medium to long-term investors seeking income returns with low risk. The major risks for the fund are credit risk and interest rate risk. Additional details of the risks associated with investing in the Fund is available in the Prospectus.

During the reporting period the Fund's Risk Rating was lowered from "Low to Medium" to "Low". This change was effective January 12, 2018, as the Fund adopted a new Risk Rating calculation methodology in line with new regulatory requirements under National Instrument 81-102. Due to the fact that the Fund does not have a 10 year performance record, a reference index is used to calculate a portion of the standard deviation of return on which the risk rating is based. The reference index is comprised of 40% FTSE TMX Canada All Corporate Bond Index, 50% Bloomberg Barclays US Corporate Bond Index (CAD hedged), and 10% Bloomberg Barclays US Corporate High Yield Index.

For the period ended December 31, 2018 there were no material changes affecting the overall level of risk associated with investment in the Fund.

Results of Operations

The Fund had a net asset value of \$1.321 billion at the end of the reporting period, with a loss of approximately \$19.5 million resulting from performance.

Class F units of the Fund returned -1.97% for the reporting period. The performance of the other classes of the Fund are substantially similar, save for differences in fees and expenses. Refer to the "Past Performance" section for performance information of each class, as applicable. No unusual trends in sales, redemptions or changes to the components of revenue and expenses were identified during the reporting period.

In 2018, credit markets repriced materially as North American central banks remained on a tightening course, with the U.S. Federal Reserve (the "Fed") hiking interest rates four times and the Bank of Canada hiking three times throughout the year. In the U.S., there was an increasing focus on reducing forward guidance for the purpose of re-introducing market volatility as rates reached relatively normal levels. Alongside these central bank developments, increasing global trade tensions and populist politics sparked worries that left risk markets unsteady through much of the year. These developments played out against the backdrop of credit valuations near historic highs at the beginning of the year.

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During the reporting period, core conviction European bank exposures dragged on Fund performance. In particular Deutsche Bank AG and Santander UK PLC. Despite macro developments in Europe, we continued to view these banks as being exceptionally well capitalized while offering very good value relative to global comparable. Exposures to integrated Canadian energy names such as Enbridge Inc. and Cenovus Energy Inc. were among the best performers in the Fund.

Recent Developments

The combination of gradually rising rates, global tensions and technical market factors produced a gradual, but steady, repricing of corporate credit risk throughout 2018. This repricing accelerated markedly in October as the Fed signaled a more aggressive than anticipated tightening path, given the strength of the U.S. economy. In late December, however, the Fed began to turn more cautious. With a dearth of market liquidity heading into year-end, the repricing of corporate credit became more pronounced bringing credit valuations in line with longer term measures of fair value. We viewed these developments as materially improving the risk/reward proposition of corporate credit heading into 2019.

Four new classes of the Fund were launched during the reporting period. Effective January 12, 2018, the Fund commenced offering Class M units. Effective February 5, 2018, the Fund commenced offering Class A-USD, Class F-USD and Class M-USD units. At December 31, 2018 no units of Class M-USD have been sold since the inception of this class. The Fund also changed its Risk Rating during the reporting period. The rating was lowered from “Low to Medium” to “Low”. Additional information pertaining to the nature of this change is presented in the Risk section of this report.

During the reporting period the Fund did not undergo material changes pertaining to its investment objective, asset mix, accounting policies or composition of its Independent Review Committee. The Fund has gradually increased its interest rate sensitivity from an approximate average of 2.5 years to around 4 years, as we continued to enter the latter stages of the current economic cycle with a view that a higher rate sensitivity was prudent for the purposes of creating a portfolio ballast. Taken together, we recognize that risks remain but feel relatively confident that the opportunity ahead in 2019 is much better than was the case in 2018. We believe that there remains further innings in the current economic cycle and that opportunities to extract value are more abundant than they were last year. As such we remain focused on higher quality credit exposure and intend to position the Fund to generate a stable risk-adjusted absolute return. Should the cycle turn, we aim to remain well positioned to preserve capital in line with the Fund’s investment objective.

Related Party Transactions

The Manager manages the overall business and operations of the Fund, including such matters as administration service and fund accounting. The Manager is also responsible for portfolio management and advisory services for the Fund as Portfolio Advisor.

Management Fee

The Manager receives a monthly management fee for providing its service to the Fund. Service includes but not limited to determining and implementing investment policies, practices and strategies; ensuring daily operations and administration of the Fund. The management fee varies for each class of units and is calculated and accrued daily based on a percentage of the net asset value of the class of units of the Fund, plus applicable taxes.

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Operating Expense

The Manager will be responsible for the operating expenses of the Fund, other than certain fund costs (the “Fund Costs”) described below, in exchange for the payment by the Fund of a fixed rate administration fee of 0.25% per annum. Operating expense is accrued daily based on the net asset value of the Fund before daily management fee accruals. In 2018, the Fund rebated \$666,137 in operating fees and respective HST.

The Fund Costs which are payable directly by the Fund are fees, costs and expenses associated with all taxes, brokerage commissions and fees (if applicable), borrowing and interest, security holder meeting fees, the operation of the independent review committee (“IRC”) (including the costs of holding meetings, and fees and expenses of any advisers engaged by the IRC) or other advisory committee, compliance with any governmental and regulatory requirements.

The Fund did not rely on any approval, positive recommendation or standing instruction from its IRC with respect to any related party transactions.

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Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance from its start date to December 31, 2018.

Net Asset Value per Unit ⁽¹⁾

	Net asset value, beginning of period	Total increase (decrease) from operations ⁽²⁾				Total annual distributions ⁽³⁾			Net asset value, end of period ⁽⁴⁾	
		Total revenue	Total expenses	Realized gains (losses)	Unrealized gains (losses)	Total	From income (excluding dividends)	From capital gains		Total
Class A										
Dec 31, 2018	10.34	0.58	(0.14)	(0.82)	0.15	(0.23)	(0.20)	-	(0.20)	9.91
Dec 31, 2017	10.34	0.28	(0.06)	0.28	(0.13)	0.38	(0.22)	(0.21)	(0.43)	10.34
Dec 31, 2016*	10.00	1.21	(1.03)	0.07	0.25	0.50	(0.09)	(0.11)	(0.20)	10.34
Class F										
Dec 31, 2018	10.37	0.51	(0.11)	(0.73)	0.13	(0.20)	(0.25)	-	(0.25)	9.92
Dec 31, 2017	10.36	0.31	(0.07)	0.31	(0.14)	0.41	(0.23)	(0.21)	(0.44)	10.37
Dec 31, 2016*	10.00	1.16	(0.97)	0.06	0.24	0.49	(0.09)	(0.09)	(0.18)	10.36
Class O										
Dec 31, 2018	10.25	0.35	(0.07)	(0.50)	0.09	(0.13)	(0.43)	-	(0.43)	9.72
Dec 31, 2017	10.16	0.44	(0.09)	0.44	(0.20)	0.59	(0.22)	(0.18)	(0.40)	10.25
Dec 31, 2016*	10.00	0.97	(0.74)	0.17	0.08	0.48	(0.20)	(0.18)	(0.38)	10.16
Class M										
Dec 31, 2018*	10.00	0.21	(0.05)	(0.30)	0.05	(0.09)	(0.40)	-	(0.40)	9.48
Class A-USD**										
Dec 31, 2018*	10.00	0.71	(0.09)	(1.00)	0.18	(0.20)	(0.20)	-	(0.20)	9.60
Class F-USD**										
Dec 31, 2018*	10.00	0.65	(0.08)	(0.93)	0.17	(0.19)	(0.23)	-	(0.23)	9.58

(1) This information is derived from the fund's audited financial statements. The net asset per unit presented in the financial statement differs from the net asset value calculated for the fund pricing purposes.

(2) Net Assets and distributions are per unit of a class are based on actual number of units outstanding at the relevant time. The increase (decrease) from operations per unit of a class is based on the weighted average number of units outstanding for that class during the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

(3) Distributions were paid in cash, reinvested in additional units of the Fund, or both.

(4) This is not a reconciliation of the beginning and ending net assets per unit.

At December 31, 2018 no units of Class M-USD have been sold since inception of this class.

* Information presented is for the partial period from the Fund Class start date.

** Opening and ending NAV per unit of USD classes are presented in U.S dollars.

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Ratios and Supplemental Data

	Total net asset value (\$) ⁽¹⁾	Number of units outstanding ⁽¹⁾	Management expense ratio (%) ⁽²⁾	Management expense ratio before waivers or obsorption (%) ⁽²⁾	Trading expense ratio (%) ⁽³⁾	Portfolio turnover rate (%) ⁽⁴⁾	Net asset value per unit (\$) ⁽¹⁾
Class A							
Dec 31, 2018	65,270,729	6,588,743	1.40%	1.40%	-	20.61	9.91
Dec 31, 2017	66,327,155	6,415,373	1.40%	1.40%	-	21.95	10.34
Dec 31, 2016*	16,072,664	1,554,157	1.40%	1.40%	-	21.52	10.34
Class F							
Dec 31, 2018	446,576,925	45,036,199	1.15%	1.15%	-	20.61	9.92
Dec 31, 2017	442,904,109	42,712,702	1.15%	1.15%	-	21.95	10.37
Dec 31, 2016*	110,483,218	10,661,085	1.15%	1.15%	-	21.52	10.36
Class O							
Dec 31, 2018	793,029,746	81,600,669	0.25%	0.25%	-	20.61	9.72
Dec 31, 2017	536,980,055	52,405,198	0.25%	0.25%	-	21.95	10.25
Dec 31, 2016*	546,023,761	53,750,376	0.25%	0.25%	-	21.52	10.16
Class M							
Dec 31, 2018	252,092	26,605	0.25%	0.25%	-	17.87	9.48
Class A-USD**							
Dec 31, 2018*	990,686	103,167	1.40%	1.40%	-	16.38	9.60
Class F-USD**							
Dec 31, 2018*	10,971,281	1,145,313	1.15%	1.15%	-	15.88	9.58

(1) This information is provided as at December 31 of the year shown.

(2) Management expense ratio is based on total expenses (excluding broker commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

(3) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

(4) The Fund's portfolio turnover ratio indicates how actively the Fund's portfolio manager manages its portfolio investments. A portfolio turnover ratio of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover ratio in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high portfolio turnover rate and the performance of the Fund.

* Information presented is for the partial period from the Fund Class start date.

** Total net asset value and ending NAV per unit of USD classes are presented in U.S. dollars.

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Management Fees

The annual maximum management fee paid by the Fund is a percentage of the average daily net asset value of each class exclusive of any applicable taxes, specific fund expenses and operating expenses, which is accrued daily and is paid to the Manager monthly in arrears. Management fees pay for portfolio and investment advisory services, oversight of any service providers, marketing and promotional activities, arranging for the distribution and sale of securities of the Fund, general administration of fund operations and sales and trailing commissions paid to dealers. The percentages and major services paid for out of the management fees are set out below:

	Annual Management Fee Rate	Breakdown of Services	
		Dealer Commission	General Administration, Investment Advice and Profit
Class A Units	1.15%	21.74%	78.26%
Class F Units	0.90%	–	100%
Class A-USD Units	1.15%	21.74%	78.26%
Class F-USD Units	0.90%	–	100%

Class M - no management fee are paid by the Fund with respect to Class M units.

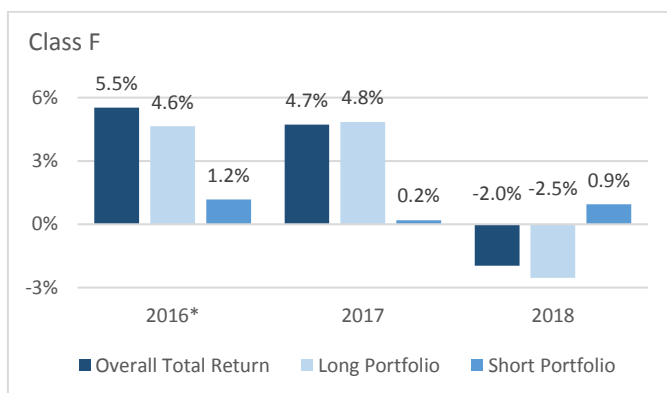
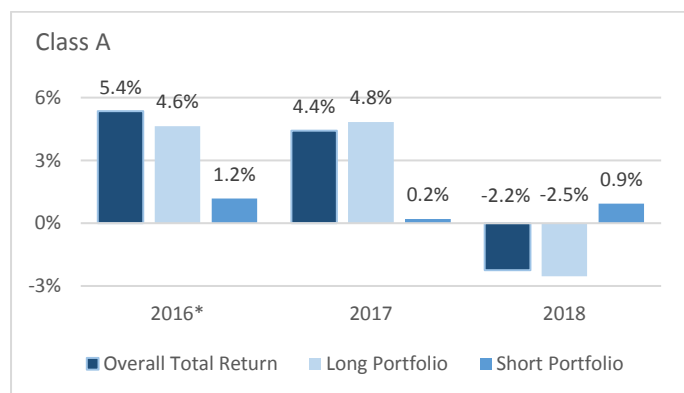
Class O - no management fee are paid by the Fund with respect to Class O units. Class O unitholders pay a negotiated fee directly to the Manager for investment and management services.

Past Performance

The performance information provided is based on changes in net asset value and assumes reinvestment of all distributions into additional units of the Fund. The performance information does not take into account sales, redemption, distribution or optional charges or income taxes payable by any unitholder that would have reduced returns. Past performance of the Fund does not necessarily indicate how it will perform in the future. As required under applicable securities regulation, the return of the Fund's long and short portfolio positions are shown in addition to the overall total return.

Year- by-Year Returns

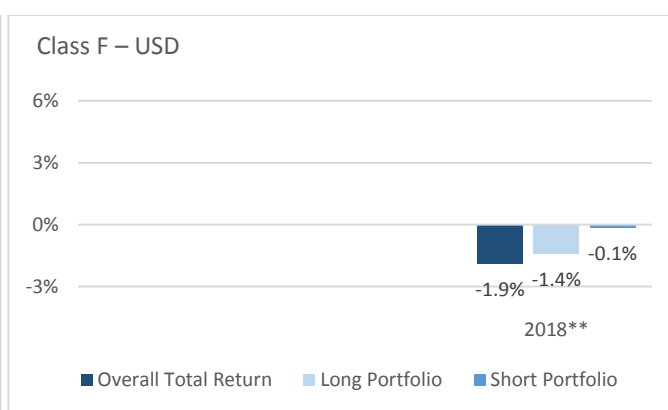
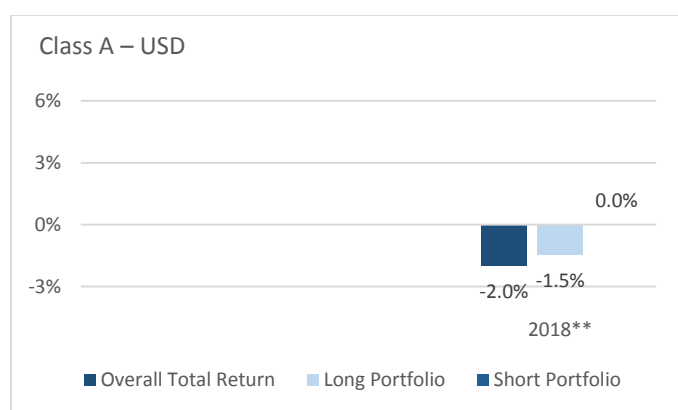
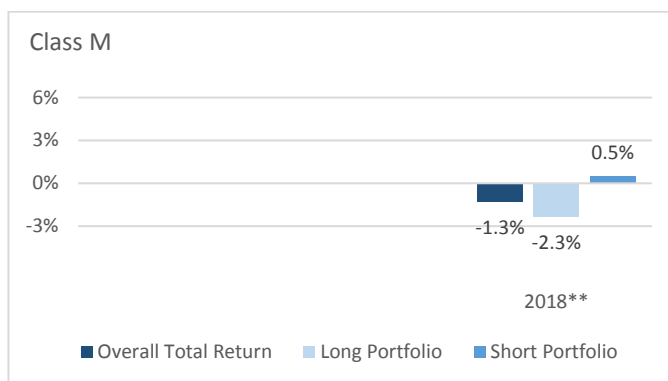
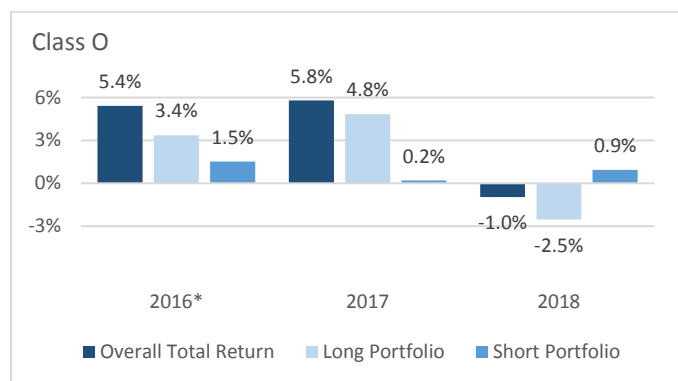
The following bar charts show the Fund's performance for the periods shown, and illustrates how the Fund's performance has changed from year to year. The charts show, in percentage terms, how much an investment made on the first day of the period would have grown or decreased by the last day of each period.



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At December 31, 2018 no units of Class M-USD have been sold since inception of this class.

* Performance presented is for the partial period from the Fund Class start date to December 31, 2016.

** Performance presented is for the partial period from the Class start date to December 31, 2018.

Annual Compound Returns (%)

The table below shows the annual compound returns for each class of the Fund and the respective long and short portfolio positions to a broad based market index, the FTSE TMX Canada All Corporate Bond Index.

The FTSE TMX Canada All Corporate Bond Index is a broad based index comprised of fixed coupon, investment grade corporate bonds issued in Canada and denominated in Canadian dollars. The index is weighted by market capitalization and all constituents have a remaining term to maturity of at least one year. The index includes financial, infrastructure, energy, communication, real estate and securities sectors.

	<u>1 Year</u>	<u>Since Inception</u>
Class A	-2.25%	4.15%
Long Portfolio	-2.54%	3.81%
Short Portfolio	0.94%	1.33%
Class F	-1.97%	4.57%
Long Portfolio	-2.54%	3.81%
Short Portfolio	0.94%	1.33%
Class O	-0.97%	5.84%
Long Portfolio	-2.54%	3.10%
Short Portfolio	0.94%	1.52%
Broad Based Index	1.10%	2.19%

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Summary of Investment Portfolio

The "Top 25 Holdings" of the Fund as at December 31, 2018, as a percentage of the Net Asset Value of the Fund.

Long Positions		Asset Class Allocation	% of NAV
CANADIAN GOVERNMENT 2.75% 12/01/2048	6.77	Canadian Fixed Income	50.10
CANADIAN GOVERNMENT 2% 09/01/2023	6.22	U.S. Fixed Income	50.40
CANADIAN GOVERNMENT 2% 06/01/2028	5.79	International Fixed Income	0.21
SANTANDER UK PLC 5% 11/07/2023	4.09	Unrealized Gain/(Loss) on Derivatives	-0.82
WARNER MEDIA LLC 3.6% 07/15/2025	3.12	Cash	3.33
BANK OF NOVA SCOTIA BA 01/17/2019	2.85	Total investments (Long Position)	103.22
HSBC BANK BA 01/16/2019	2.65	Other Assets Less Liabilities	-3.22
SUNCOR ENERGY VENTURES 4.5% 04/01/2022	2.60	Total Portfolio Allocation	100.00
ROYAL BK SCOTLND GRP PLC 6% 12/19/2023	2.52		
CANADIAN IMPERIAL BANK OF COMMERCE BA 01/16/2019	2.27	The investments and percentages may change due to	
NXP BV/NXP FUNDING LLC 4.625% 06/15/2022	2.04	ongoing transactions by the Fund. Quarterly updates are	
BACARDI LTD 5.15% 05/15/2038	2.00	available on the Manager's website or by contacting the	
NATIONAL BANK OF CANADA BA 01/07/2019	1.95	Manager, toll-free at 1-877-720-1777 or by email at	
FORD MOTOR CREDIT CO LLC FLOATING 09/24/2020	1.94	investors@rpia.ca.	
ROYAL BK SCOTLND GRP PLC 6.1% 06/10/2023	1.89		
SYSCO CANADA INC 3.65% 04/25/2025	1.89		
GENERAL MOTORS CO FLOATING 09/10/2021	1.76		
TORONTO-DOMINION BANK BA 01/15/2019	1.73		
E*TRADE FINANCIAL CORP 3.8% 08/24/2027	1.63		
ENBRIDGE INC 6.25% 03/01/2078	1.57		
SYNOVUS FINANCIAL CORP 5.75% 12/15/2025	1.50		
DEUTSCHE BANK NY 4.875% 12/01/2032	1.49		
ATHABASCA OIL CORP 9.875% 02/24/2022	1.42		
CANADIAN GOVERNMENT 1.5% 06/01/2026	1.37		
	63.06		
Short Positions			
US TREASURY N/B 3.125% 11/15/2028	-1.43		
	-1.43		

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Forward-Looking Statements

This Annual Management Report of Fund Performance, including “Results of Operations” and “Recent Developments” may contain forward-looking statements which reflect the current expectations of the Manager with respect to future events. The statements are based on assumptions made by the Manager from information available at the time, regarding but not limited to, the Fund, financial markets and/or economic conditions. Many factors could cause the Fund’s actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Forward-looking statements involve significant risks, uncertainties and assumptions about future events and factors that may prove to be incorrect at a future date. These factors could include, among other things, general economic, political and market factors, including interest and foreign exchange rates, business competition, changes in government regulations or in tax laws and catastrophic events. Although the forward-looking statements contained in this report are based upon what the Manager currently believes to be reasonable assumptions, the Manager cannot assure current or prospective investors that actual results, performance or achievements will be consistent with these forward-looking statements. The Manager undertakes no obligation to update any forward-looking statement to reflect a change in assumption, belief or event.

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