

Lysander-Canso Balanced Fund - Series F

Fund Code: LYZ800F

Portfolio Manager: Canso Investment Counsel Ltd.

As of June 30, 2020

Fund Category: Balanced

Benchmark: 50% FTSE Canada All Corporate Bond Index and 50% MSCI All Country World (CAD) Index¹

Investment Focus

The Fund seeks to provide capital growth while moderating equity volatility by investing in a diversified portfolio of equities and bonds. It is unrestricted in both credit quality and geographic allocation.

Why Invest In This Fund

Established in 1997, Canso is an independent firm focused on bottom up security selection. Proprietary research developed over multiple market cycles guides the investment of over \$31.4 billion in AUM.

Each security is assessed on its own merits using bottom-up, fundamental research. For debt securities, Canso uses its proprietary *Maximum Loss* grade, where the max loss quantifies recovery value in the event of a default. The greater the potential downside, the lower the portfolio weight. Canso believes in concentrating their best ideas and having high conviction portfolios with limited holdings.

This independent credit expertise and successful investment management experience enables Canso to buy securities when they are out of favour and priced at a discount to their intrinsic value.

- **Long Term Capital Growth** - Concentrated, high-conviction portfolio of value oriented global debt and equity securities that the manager has identified as trading at a substantial discount to their intrinsic value.
- **Active Management** - The portfolio's neutral mix is 50/50, with the latitude to be within +/- 25% of the default asset mix allowing the manager the flexibility to position the portfolio according to market conditions.
- **Proven Investment Expertise** - Large investment team with experienced credit specialists with an expertise in determining default risks and recovery values of issuers to identify opportunities. The continuity of the team has contributed to the successful management of investor portfolios over different market cycles.

Compound Returns - Series F

1 Month	3 Months	YTD	1 Year	3 Year (Annualized)	5 Year (Annualized)	Since Inception (Annualized)
3.2%	14.5%	-12.6%	-4.8%	-0.3%	0.0%	7.3%

Fund Facts

Series Inception Date	December 23, 2011
Currency	CAD
Fund AUM	\$24.6 Million
NAVPU	\$14.79
Management Fee	0.75%
MER (As of December 31, 2019)	1.01%
Minimum Initial Investment	\$1,000
Minimum Subsequent Investment	\$100
Liquidity	Daily
RRSP Eligible	Yes

Asset Mix

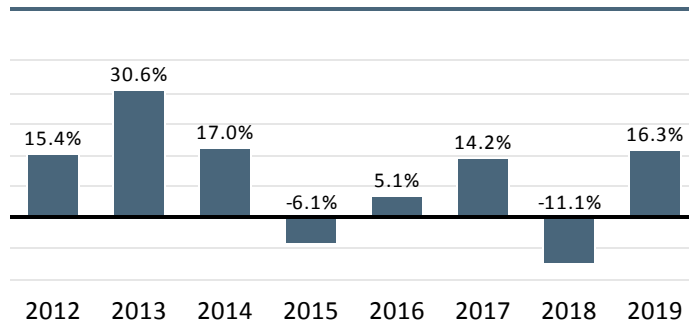
Asian Equity	4.7%
Canadian Equity	37.3%
Canadian Fixed Income	17.4%
Cash & Equivalents	2.5%
European Equity	8.0%
Foreign Fixed Income	11.0%
US Equity	19.0%



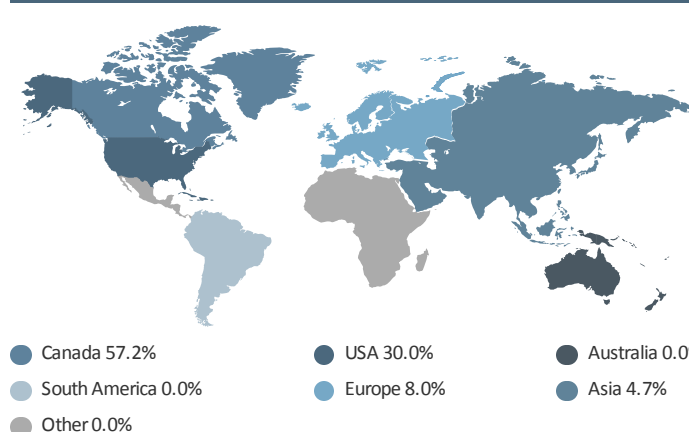
Risk Tolerance



Calendar Year Returns - Series F



Geographic Breakdown



Equity

Top 10 Equity Holdings

Equities (68.9% of the Fund)	% of Fund
Manulife Financial Corp.	4.4%
Nintendo Co Ltd	4.2%
Kraft Heinz Co.	3.9%
Enbridge Inc.	3.7%
Apple Inc.	3.7%
Yellow Pages Limited	3.5%
Ovintiv Inc.	3.4%
Cenovus Energy Inc.	3.4%
SNC Lavalin	3.3%
General Electric	2.6%
Total	36.1%

Portfolio Characteristics

Number of Securities	37
Dividend Yield	2.3%

Fixed Income

Top 10 Fixed Income Holdings

Fixed Income (28.4% of the Fund)	% of Fund	Rating
The Walt Disney Company 3.057% Mar 30, 2027	1.3%	A-
Boeing Co 5.805% May 1, 2050 (USD)	1.3%	BBB
AT&T Inc. 4.85% May 25, 2047	1.3%	BBB
Eurofima 4.55% Mar 30, 2027	1.3%	AA
Strait Crossing Dev. Inc. (amort) 6.17% Sep 15, 2031	1.2%	BBB-
Shaw Communications Inc. 6.75% Nov 9, 2039	1.0%	BBB-
Maxar Technologies Inc. 9.75% Dec 31, 2023 (USD)	1.0%	B
TransCanada Pipelines FRN May 15, 2067 (3M LIBOR+221) (USD)	1.0%	BBB
Pembina Pipeline Corp 4.75% Mar 26, 2048	1.0%	BBB
Pembina Pipeline Corp 4.54% Apr 3, 2049	0.8%	BBB
Total	11.2%	

Portfolio Characteristics

Number of Securities	96
Number of Issuers	71
Average Term to Maturity (Years)	14.7
Average Duration (Years)	7.9
Average Coupon (%)	5.3%
Yield to Maturity (%)	5.2%
Current Yield (%)	5.1%
Average Credit Quality ²	BBB

Credit Quality Breakdown (%)

AA & Higher	16.0%
A	19.4%
BBB	36.6%
BB & Lower	24.9%
Not Rated	3.0%

Distributions

Distribution Frequency: Quarterly
Most Recent Distribution per Unit: \$0.0850
12-Month Trailing Distribution Yield: 1.8%

Next Record Date: September 24, 2020
Next Distribution Date: September 25, 2020

Distributions (\$)/Unit ³	YTD*	2019	2018	2017	2016	2015	2014	2013	2012
Total Distributions	0.1199	0.3572	1.4407	0.1465	0.7799	0.9180	0.1036	0.1173	0.1175
Interest		0.0484	0.0136	-	0.0005	-	---	0.0076	0.0258
Dividends		0.3361	0.1956	0.1336	0.1250	0.0265	0.1078	0.1097	0.0590
Capital Gains		---	1.2376	0.0129	0.6553	0.8915	---	-	0.0327
Withholding Tax		(0.0273)	(0.0062)	-	(0.0009)	-	(0.0042)	-	-

*The final tax character will be determined based on the Fund's tax year end information

Lysander Funds Limited is the investment fund manager of Lysander-Canso Balanced Fund (the "Fund"). This document is not an invitation to invest in the Fund and does not constitute a public offering of sale. Purchases in the Fund can only be made through an Investment Professional on the terms in the Fund's offering document by eligible investors. Each purchaser of units in a fund may have statutory or contractual right of action. Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The indicated rates of return are historical annual compounded total returns including changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any securityholder that would have reduced returns. Mutual funds are not guaranteed or insured, their values change frequently and past performance may not be repeated. ¹Source: FTSE Canada Global Debt Capital Markets. Copyright © FTSE Canada Global Debt Capital Markets. All rights reserved. Copyright © 2020 MSCI Inc. All rights reserved. ²Fixed income securities unrated by external agencies are assigned an internal Canso rating for Average Credit Quality. ³Distributions are based on the actual number of units outstanding at the relevant time. Distributions are paid in cash or reinvested in additional units, or both. If the series' net income/capital gains is less than the amounts distributed in the year, the distribution will include a return of capital. In these circumstances, if an investor elects to receive their distributions in cash and not reinvest distributions, it is expected that the value of their investment will decline over time. Distributions are not an indication of performance, rate of return or yield. ⁴Lysander Funds is a registered trademark of Lysander Funds Limited.