

## Annual Management Report of Fund Performance

As at December 31, 2017

# Lysander-Canso Corporate Value Bond Fund



# Lysander-Canso Corporate Value Bond Fund

Annual Management Report of Fund Performance as at December 31, 2017

## A Note About Forward Looking Statements

This annual Management Report of Fund Performance includes certain statements that are “forward looking statements”. All statements, other than statements of historical fact, included in this Management Report of Fund Performance that address activities, events or developments that the Fund expects or anticipates will or may occur in the future, including such things as anticipated financial performance, are forward looking statements. The words “may”, “could”, “would”, “should”, “believe”, “plan”, “anticipate”, “expect”, “intend”, “forecast”, “objective” and similar expressions are intended to identify forward looking statements.

These forward looking statements are subject to various risks and uncertainties, including the risks described in the simplified prospectus of the Fund, which could cause actual financial performance and expectations to differ materially from the anticipated performance or other expectations expressed.

Readers are cautioned not to place undue reliance on these forward looking statements. All opinions contained in forward looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

The Fund has no specific intention of updating any forward looking statements whether as a result of new information, future events or otherwise, except as required by securities legislation. Certain research and information about specific holdings in the Fund, including any opinion, is based upon various sources believed to be reliable, but it cannot be guaranteed to be current, accurate or complete. It is for information only, and is subject to change without notice.

## About This Report

This annual Management Report of Fund Performance of Lysander-Canso Corporate Value Bond Fund (the “Fund”) contains financial highlights for the year ended December 31, 2017 but does not contain the complete financial statements of the Fund. This report should be read in conjunction with the annual financial statements of the Fund for the year ended December 31, 2017. Lysander Funds Limited (the “Manager”) is the manager of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling toll-free 1 877 308 6979, by writing to us at Lysander Funds Limited, 100 York Boulevard, Suite 501, Richmond Hill Ontario, L4B 1J8, by visiting our website at [www.lysanderfunds.com](http://www.lysanderfunds.com) or at SEDAR at [www.sedar.com](http://www.sedar.com).

Unitholders may also contact us using one of these methods to obtain a copy of the investment Fund’s proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

## Investment objective

The Fund’s objective is to provide above average, long-term total returns consisting of interest income and some capital gains by investing primarily in fixed income securities.

## Investment Strategies

The Fund’s portfolio manager is Canso Investment Counsel (“Portfolio Manager” or “Canso”). The Fund’s holdings are not restricted by credit ratings. The Portfolio Manager engages in opportunistic buying and selling of primarily corporate bonds using a contrarian approach. Canso believes that it is able to access market segments and exploit inefficiencies in the

corporate bond market that are not available or apparent to most investors, due to its proprietary credit analysis and trading expertise.

Canso tends to take a “bottom up” approach to portfolio construction, focusing on security selection. The exposure to credit risk in the Fund will depend on the phase of the credit cycle and the bottom up valuation of individual securities. When credit spreads are very tight, as they were in 1997 and again in early 2007, Canso’s valuation focus will concentrate the Fund on high quality corporate bonds which will reduce its credit risk. When credit spreads are wide, as they were in 2002, during the “credit crunch” in 2008-2009, and in selected market segments during the latter part of 2011, Canso will aim to exploit wide credit spreads to add to positions at attractive prices.

While the Fund will consist primarily of corporate bonds and other credit instruments, it is expected that Canso will, from time to time, hold other securities in the Fund as a result of exchanges, recapitalization and other reorganizations. The strategy employed by Canso has historically included convertible and distressed bonds. Canso may also purchase additional securities which may include, but are not limited to, equity securities, income trusts and exchange-traded funds. The aggregate exposure to securities other than bonds, other credit instruments and credit exchange-traded funds will be limited to 20% of the Fund’s net asset value. The Fund may from time to time also include a significant amount of cash and/or cash equivalents.

## Risks

# Lysander-Canso Corporate Value Bond Fund

Annual Management Report of Fund Performance as at December 31, 2017

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On December 21, 2017, the Manager decreased the risk rating of the Fund from “low-to-medium” to “low” in accordance with the new standardized methodology for classifying fund volatility mandated by the Canadian Securities Administrators. Please refer to the Fund’s most recent simplified prospectus or its amendments.

## Results of Operations

The Fund had positive returns for the year of 1.9% for Series A and 2.4% for Series F.

This positioning and performance is entirely consistent with the Fund’s fundamental investment objective and strategies. The net assets of the Fund increased to over \$2.1 billion at December 31, 2017 from \$1.5 billion at the beginning of the year. This was mainly due to subscriptions of \$1.0 billion offset by redemptions of \$457.4 million during the year.

There were no unusual changes to the components of revenue and expenses of the Fund and there were no unusual events or transactions, economic changes or market conditions that affected performance beyond what would be reasonably expected.

The Fund did not borrow money during the year except for immaterial short-term cash overdrafts.

## Recent Developments

Bond returns varied significantly in 2017 based on term to maturity. Long term bonds performed well as their yields declined, while short term bonds lagged as their yields tended to rise. Despite the historic tax overhaul bill passed by the U.S. Congress, yields on longer term Treasury bonds remained stubbornly low. The Federal Reserve raised interest rates three times in the year and signaled that further tightening is expected in 2018. The Fed believes that the labour market has strengthened and economic activity has been rising at a strong pace. They expect inflation to stabilize around its 2% objective over the medium term.

The Bank of Canada increased its “Key Interest Rate” twice in the year and signaled that further rate increases were in store in 2018. The Canadian economy performed well, with the unemployment rate falling to a 40 year low. Corporate bonds remained attractive for investors as the combination of higher running yields and spread tightening caused corporate bonds to outperform Government issues.

Canso believes the U.S. economy is demonstrating strong job gains and improving household spending. The weakness in the U.S. dollar and tax cuts should benefit corporations. Protectionist policies proposed by the new U.S. government may

lead to weakness in emerging markets. The economic outlook in Europe is also showing optimism. Canso remains concerned about consumer debt levels and stretched house prices in Canada. The recent measures introduced by the government to control the ‘frothy’ housing market are timely but may erode the valuation of the single largest asset in Canadian households. Canadian households are vulnerable to a sharp rise in interest rates and an increase in unemployment. Additional uncertainties to the economy arise from Ontario’s minimum wage hike and the North American Free Trade Agreement (NAFTA) negotiations. However, the Canadian dollar has responded positively to the strength in oil prices and to a declining spread between Canadian and U.S. interest rates.

The largest purchases in the year were of high quality floating rate notes and senior short term fixed rate notes of Canadian banks. Canso has been deliberately increasing the credit quality of the bond positions in the Fund, believing that the additional yield offered on lower quality credits has declined to the point where it is unattractive in most cases. This led to sales of lower rated issues such as Bombardier, Navient, and Teck Resources where Canso believes the bonds are fully valued. At year-end, the Fund’s weight in issues rated below BBB declined to 16.7% from 41.1% at the beginning of the year.

Canso also believes there is significant price risk in longer maturity bonds from the prospect of rising interest rates. This risk has been moderated by concentrating the portfolio in bonds with short maturities and floating rate notes. At year-end, the Fund was 42% invested in floating rate notes.

The Fund’s future performance will be affected by future changes in the level of interest rates and by changes to the additional yield provided by corporate bonds over Government of Canada bonds. But the degree to which these future changes occur are highly uncertain. There have been no changes to the Manager or Portfolio Manager, or change of control of the Manager, or of the Fund. There have been no actual or planned reorganizations, mergers or similar transactions.

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There were changes to the membership of the Fund’s Independent Review Committee (“IRC”). On January 31, 2017, Ruth Gould was appointed as an IRC member.

## Related Party Transactions

The Manager provides or arranges for the provision of all general management and administrative services required by

# Lysander-Canso Corporate Value Bond Fund

Annual Management Report of Fund Performance as at December 31, 2017

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the Fund in its day-to-day operations, including but not limited to, calculating and reporting the net asset value of the Fund and its series, preparing all offering documents, unitholder recordkeeping and other administrative services. The Manager receives a management fee for these services. The fee is calculated based on a percentage of the net asset value of the Fund as disclosed in the simplified prospectus.

The Fund paid \$18,653,491 (including HST) in management fees to the Manager for the year ended December 31, 2017 (December 31, 2016 - \$13,278,707).

The Portfolio Manager is responsible for all investment advice provided to the Fund including providing investment analysis and recommendations, making investment decisions and arranging for the acquisition and disposition of portfolio investments. Fees for providing these services is included in the management fee.

The Manager paid \$8,169,500 (including HST) to the Portfolio Manager for the year ended December 31, 2017 (December 31, 2016 - \$5,664,897).

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

# Lysander-Canso Corporate Value Bond Fund

Annual Management Report of Fund Performance as at December 31, 2017

## Financial Highlights

### Series A

Year ended	31-Dec-2017	31-Dec-2016	31-Dec-2015	31-Dec-2014	31-Dec-2013
<b>Net assets per unit<sup>1</sup></b>					
Net assets, beginning of year	\$ 11.41	\$ 10.85	\$ 11.05	\$ 10.53	\$ 10.04
Operations:					
Total revenue	0.37	0.51	0.52	0.49	0.48
Total expenses	(0.17)	(0.17)	(0.17)	(0.17)	(0.16)
Realized gains (losses)	0.31	0.12	0.01	-	(0.03)
Unrealized gains (losses)	(0.30)	0.41	(0.30)	0.41	0.55
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>\$ 0.21</b>	<b>\$ 0.87</b>	<b>\$ 0.06</b>	<b>\$ 0.73</b>	<b>\$ 0.84</b>
Distributions:					
From income (excluding dividends)	\$ (0.18)	\$ (0.30)	\$ (0.30)	\$ (0.30)	\$ (0.32)
From dividends	-	-	-	-	-
From capital gains	(0.30)	(0.01)	(0.03)	-	-
<b>Total distributions<sup>2 3</sup></b>	<b>\$ (0.48)</b>	<b>\$ (0.31)</b>	<b>\$ (0.33)</b>	<b>\$ (0.30)</b>	<b>\$ (0.32)</b>
<b>Net assets, end of year<sup>2 3</sup></b>	<b>\$ 11.16</b>	<b>\$ 11.41</b>	<b>\$ 10.85</b>	<b>\$ 11.05</b>	<b>\$ 10.53</b>
<b>Ratios and supplemental data</b>					
Net asset value <sup>4</sup>	\$ 418,056,559	\$ 363,902,125	\$ 347,958,235	\$ 262,405,499	\$ 119,195,639
Units outstanding	37,473,830	31,890,959	32,065,761	23,746,035	11,316,393
Management expense ratio <sup>5</sup>	% 1.51	% 1.49	% 1.52	% 1.53	% 1.58
Management expense ratio before waivers or absorption	1.51	1.49	1.52	1.53	1.58
Portfolio turnover rate <sup>6</sup>	34.1	31	45	39	51
Trading expense ratio <sup>7</sup>	0.01	0.01	0.02	-	0.01
Net asset value per unit, end of year	\$ 11.16	\$ 11.41	\$ 10.85	\$ 11.05	\$ 10.53

### Notes

- 1 The information is derived from the Fund's audited annual financial statements. All per unit figures presented are referenced to net assets determined in accordance to IFRS.
- 2 Net assets and distributions are based on the actual numbers of units outstanding at the relevant time. The increase (decrease) in operations is based on the weighted average number of units outstanding over 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 or reinvested in additional units, or both.
- 4 This information is provided at the end of the period shown.
- 5 The management expense ratio is based on the total expenses of the period ended and is expressed as an annualized percentage of daily average net asset values during the period.
- 6 The Fund's portfolio turnover rate indicates how actively the Fund's portfolio manager manages its portfolio investments. A portfolio turnover rate 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 rate 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 turnover rate and the performance of a fund. The portfolio turnover rate is calculated based on the lesser of purchases or sales of securities divided by the weighted average market value of portfolio securities, excluding short term securities.
- 7 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.

# Lysander-Canso Corporate Value Bond Fund

Annual Management Report of Fund Performance as at December 31, 2017

## Series A5\*

Year ended	31-Dec-2017		31-Dec-2016		31-Dec-2015
Net assets per unit <sup>1</sup>					
Net assets, beginning of year	\$	9.82	\$	10.85	\$ 10.00*
Operations:					
Total revenue		0.32		0.22	0.46
Total expenses		(0.15)		(0.15)	(0.15)
Realized gains (losses)		0.30		0.10	(0.02)
Unrealized gains (losses)		(0.28)		0.58	(0.46)
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>\$</b>	<b>0.19</b>	<b>\$</b>	<b>0.75</b>	<b>\$ (0.17)</b>
Distributions:					
From income (excluding dividends)	\$	(0.50)	\$	(0.50)	\$ (0.48)
From dividends		-		-	
From capital gains		(0.30)		(0.01)	(0.04)
<b>Total distributions<sup>2 3</sup></b>	<b>\$</b>	<b>(0.80)</b>	<b>\$</b>	<b>(0.51)</b>	<b>\$ (0.52)</b>
<b>Net assets, end of year<sup>2 3</sup></b>	<b>\$</b>	<b>9.26</b>	<b>\$</b>	<b>9.82</b>	<b>\$ 9.58</b>
Ratios and supplemental data					
Net asset value <sup>4</sup>	\$	6,595,328	\$	3,036,047	\$ 2,597,454
Units outstanding		712,250		309,013	271,216
Management expense ratio <sup>5</sup>	%	1.51	%	1.52	% 1.52
Management expense ratio before waivers or absorption		1.51		1.52	1.52
Portfolio turnover rate <sup>6</sup>		34.1		31	45
Trading expense ratio <sup>7</sup>		0.01		0.01	0.02
Net asset value per unit, end of year	\$	9.26	\$	9.82	\$ 9.58

## Notes

\* Series A5 commenced operations on December 30, 2014 and accordingly 2014 period numbers are not available

1 The information is derived from the Fund's audited annual financial statements. All per unit figures presented are referenced to net assets determined in accordance to IFRS.

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

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# Lysander-Canso Corporate Value Bond Fund

Annual Management Report of Fund Performance as at December 31, 2017

## Series F

Year ended	31-Dec-2017	31-Dec-2016	31-Dec-2015	31-Dec-2014	31-Dec-2013
<b>Net assets per unit<sup>1</sup></b>					
Net assets, beginning of year	\$ 12.66	\$ 12.09	\$ 12.34	\$ 11.79	\$ 11.24
Operations:					
Total revenue	0.42	0.57	0.58	0.55	0.56
Total expenses	(0.12)	(0.12)	(0.12)	(0.12)	(0.12)
Realized gains (losses)	0.36	0.11	-	-	(0.04)
Unrealized gains (losses)	(0.36)	0.50	(0.35)	0.47	0.62
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>\$ 0.30</b>	<b>\$ 1.06</b>	<b>\$ 0.11</b>	<b>\$ 0.90</b>	<b>\$ 1.02</b>
Distributions:					
From income (excluding dividends)	\$ (0.30)	\$ (0.46)	\$ (0.44)	\$ (0.45)	\$ (0.45)
From dividends	-	(0.01)	-	-	-
From capital gains	(0.36)	(0.01)	(0.04)	-	-
<b>Total distributions<sup>2 3</sup></b>	<b>\$ (0.66)</b>	<b>\$ (0.48)</b>	<b>\$ (0.48)</b>	<b>\$ (0.45)</b>	<b>\$ (0.45)</b>
<b>Net assets, end of year<sup>2 3</sup></b>	<b>\$ 12.35</b>	<b>\$ 12.66</b>	<b>\$ 12.09</b>	<b>\$ 12.34</b>	<b>\$ 11.79</b>
<b>Ratios and supplemental data</b>					
Net asset value <sup>4</sup>	\$ 1,680,465,791	\$ 1,147,841,408	\$ 892,036,525	\$ 578,361,516	\$ 223,937,712
Units outstanding	136,047,541	90,653,766	73,780,130	46,862,600	18,993,119
Management expense ratio <sup>5</sup>	% 0.95	% 0.94	% 0.95	% 0.96	% 1.01
Management expense ratio before waivers or absorption	0.95	0.94	0.95	0.96	1.01
Portfolio turnover rate <sup>6</sup>	34.1	31	45	39	51
Trading expense ratio <sup>7</sup>	0.01	0.01	0.02	-	0.01
Net asset value per unit, end of year	\$ 12.35	\$ 12.66	\$ 12.09	\$ 12.34	\$ 11.79

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# Lysander-Canso Corporate Value Bond Fund

Annual Management Report of Fund Performance as at December 31, 2017

## Series F5\*

Year ended	31-Dec-2017		31-Dec-2016		31-Dec-2015
Net assets per unit <sup>1</sup>					
Net assets, beginning of year	\$	9.94	\$	9.63	\$ 10.00*
Operations:					
Total revenue		0.32		0.38	0.46
Total expenses		(0.09)		(0.09)	(0.09)
Realized gains (losses)		0.31		0.10	(0.05)
Unrealized gains (losses)		(0.29)		0.43	0.41
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>\$</b>	<b>0.25</b>	<b>\$</b>	<b>0.82</b>	<b>\$ (0.09)</b>
Distributions:					
From income (excluding dividends)	\$	(0.50)	\$	(0.50)	\$ (0.49)
From dividends		-		-	
From capital gains		(0.27)		(0.01)	(0.05)
<b>Total distributions<sup>2 3</sup></b>	<b>\$</b>	<b>(0.77)</b>	<b>\$</b>	<b>(0.51)</b>	<b>\$ (0.54)</b>
<b>Net assets, end of year<sup>2 3</sup></b>	<b>\$</b>	<b>9.43</b>	<b>\$</b>	<b>9.94</b>	<b>\$ 9.63</b>
Ratios and supplemental data					
Net asset value <sup>4</sup>	\$	29,305,182	\$	9,246,593	\$ 8,012,337
Units outstanding		3,106,933		929,916	831,742
Management expense ratio <sup>5</sup>	%	0.95	%	0.95	% 0.95
Management expense ratio before waivers or absorption		0.95		0.95	0.95
Portfolio turnover rate <sup>6</sup>		34.1		31	45
Trading expense ratio <sup>7</sup>		0.01		0.01	0.02
Net asset value per unit, end of year	\$	9.43	\$	9.94	\$ 9.63

## Notes

\* Series F5 commenced operations on December 30, 2014 and accordingly 2014 period numbers are not available

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# Lysander-Canso Corporate Value Bond Fund

Annual Management Report of Fund Performance as at December 31, 2017

## Series O\*

Year ended	31-Dec-2017	31-Dec-2016	31-Dec-2015	31-Dec-2014
<b>Net assets per unit<sup>1</sup></b>				
Net assets, beginning of year	\$ 9.83	\$ 10.42	\$ 10.50	\$ 10.00*
Operations:				
Total revenue	0.22	0.04	0.48	0.46
Total expenses	(0.01)	(0.01)	(0.01)	(0.01)
Realized gains (losses)	0.23	0.14	0.04	0.01
Unrealized gains (losses)	(0.30)	(0.25)	(0.06)	0.38
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>\$ 0.14</b>	<b>\$ (0.08)</b>	<b>\$ 0.45</b>	<b>\$ 0.84</b>
Distributions:				
From income (excluding dividends)	\$ (0.31)	\$ (0.50)	\$ (0.28)	\$ (0.45)
From dividends	-	-	-	-
From capital gains	-	(0.01)	(0.03)	(0.45)
<b>Total distributions<sup>2 3</sup></b>	<b>\$ (0.31)</b>	<b>\$ (0.51)</b>	<b>\$ (0.31)</b>	<b>\$ (0.45)</b>
<b>Net assets, end of year<sup>2 3</sup></b>	<b>\$ -</b>	<b>\$ 9.83</b>	<b>\$ 10.42</b>	<b>\$ 10.50</b>
<b>Ratios and supplemental data</b>				
Net asset value <sup>4</sup>	\$ -	\$ 2,264,588	\$ 5,920,903	\$ 10,071,574
Units outstanding	-	230,265	568,438	959,535
Management expense ratio <sup>5</sup>	% -	% 0.13	% 0.11	% 0.12
Management expense ratio before waivers or absorption	-	0.13	0.11	0.12
Portfolio turnover rate <sup>6</sup>	-	31	45	39
Trading expense ratio <sup>7</sup>	-	0.01	0.02	-
Net asset value per unit, end of year	\$ -	\$ 9.83	\$ 10.42	\$ 10.50

## Notes

\* Series O was fully redeemed on March 31, 2016 and recommenced operations on October 4, 2016. Series O was fully redeemed on October 2, 2017

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# Lysander-Canso Corporate Value Bond Fund

Annual Management Report of Fund Performance as at December 31, 2017

## Management Fees

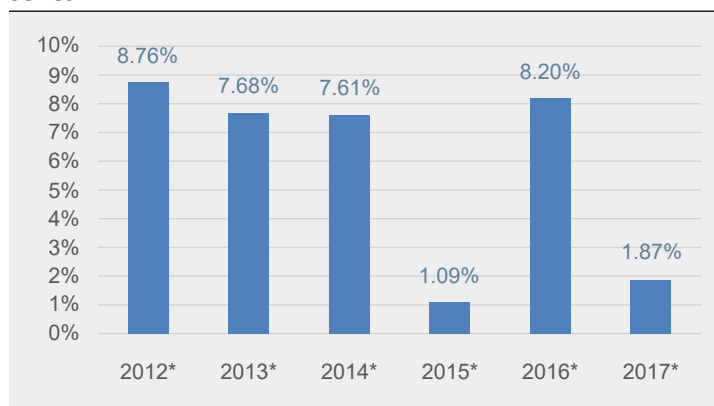
The Manager provides or arranges the provision of all general management and administrative services required by the Fund, and as described in the section “Related Party Transactions” above.

In consideration for such services, the Manager receives a monthly management fee, based on the net asset value of each Series, calculated daily and payable monthly. The Fund pays a management fee of 1.25% per annum for Series A and A5 units and 0.75% per annum for Series F and F5 units. No management fee is charged to the Fund with respect to Series O units, but investors are charged a negotiated management fee.

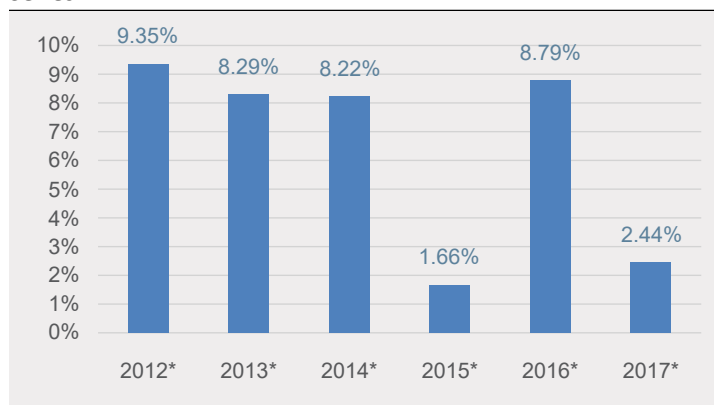
Service fees or trailing commissions of a maximum of 0.50% per annum are paid on Series A units to dealers. This comprises 40% of the management fee of Series A units.

## Year-by-Year Returns

### Series A



### Series F

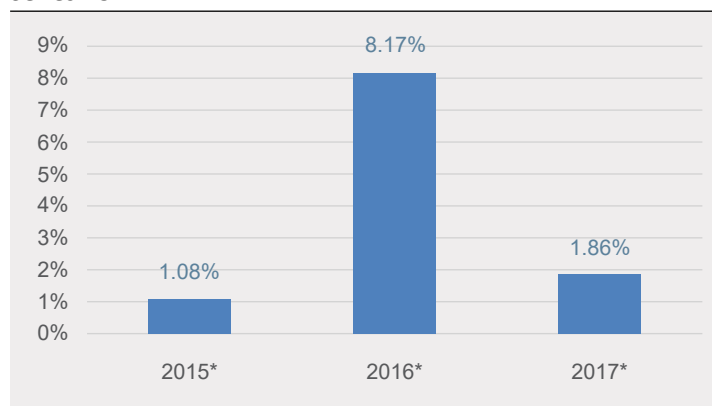


## Past Performance

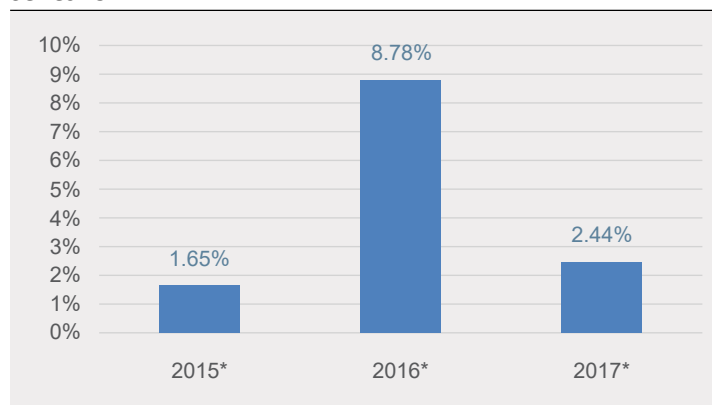
The Fund became a reporting issuer on December 23, 2011. The commencement of operations as a reporting issuer for Series A was December 28, 2011 and for Series F was December 23, 2011 and Series O was October 4, 2016. Series O no longer has any unitholders as at October 2, 2017. Accordingly returns are shown for the relevant years as indicated below. Series A5 and F5 issued units on December 30, 2014. Accordingly no performance information is shown for Series A5 and F5 units prior to 2015.

The performance information assumes that any distributions are reinvested in additional units of the Fund. The performance information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance. Past performance does not necessarily indicate how the series will perform in the future.

### Series A5



### Series F5



\* For the period January 1 to December 31

# Lysander-Canso Corporate Value Bond Fund

Annual Management Report of Fund Performance as at December 31, 2017

## Annual Compound Returns

The following table shows the Fund's annual compound return for each period indicated, compared with the FTSE TMX Canada All Corporate Bond Index (the "Index"). The Index is divided into sub-indices based on credit rating: a combined AAA/AA sector, a single A sector, and a BBB sector. The returns of the Index are calculated without the deduction of fees and expenses, whereas the performance of the Fund is calculated after deducting such fees and expenses.

For years ended December 31,2017		1 Year		3 Year <sup>2</sup>		5 Year <sup>2</sup>		Since Inception <sup>3</sup>
Annual Compound Return								
Series A <sup>1</sup>	%	1.87	%	3.67	%	5.24	%	5.84
Series A5 <sup>1</sup>		1.86		3.65		N/A		3.65
Series F <sup>1</sup>		2.44		4.25		5.83		6.47
Series F5 <sup>1</sup>		2.44		4.24		N/A		4.24
FTSE TMX Canada All Corporate Bond Index <sup>4</sup>	%	2.52	%	2.56	%	3.01	%	4.05

## Notes

<sup>1</sup> Returns are based on the net asset value per unit of the relevant series of the Fund and assume that all distributions were reinvested.

<sup>2</sup> Compound period returns are annualized.

<sup>3</sup> Period from December 28, 2011 to December 31, 2017 (Series A), December 23, 2011 to December 31, 2017 (Series F) and December 30, 2014 to December 31, 2017 (Series A5 and F5). Since inception returns are annualized.

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# Lysander-Canso Corporate Value Bond Fund

Annual Management Report of Fund Performance as at December 31, 2017

## Summary of Investment Portfolio

% of NAV			% of NAV		
Top 25 Issuers			Asset Mix		
Royal Bank of Canada	%	9.7	Canadian Equities	%	2.6
Toronto Dominion Bank		9.7	Canadian Fixed Income		77.9
Bank of Nova Scotia		7.7	Cash and cash equivalents		6.8
Cash and cash equivalents		6.8	Foreign Equities		0.5
Bank of Montreal		6.0	Foreign Fixed Income		11.2
Honda Canada Finance Inc		4.8	Other assets less liabilities		1.0
Navient Corp		4.1	<b>Total</b>	<b>%</b>	<b>100.0</b>
Bombardier Inc.		2.8	Sector		
Enbridge Inc.		2.5	Cash and cash equivalents	%	6.8
Hydro One Inc.		2.4	Communication		11.4
Sobeys Inc.		2.3	Energy		7.2
Kraft Canada Inc.		2.2	Federal		7.5
Merrill Lynch NHA MBS (98002097)		2.2	Financials		54.8
Canadian Imperial Bank of Commerce		2.2	Industrials		8.2
Bell Canada		1.9	Infrastructure		3.0
GE Capital Canada		1.7	Other assets less liabilities		1.0
TransCanada Pipelines		1.6	Securitization		0.1
Met Life Global Funding		1.5	<b>Total</b>	<b>%</b>	<b>100.0</b>
Clearstream Energy Services Inc.		1.4			
National Bank		1.4			
First National NHA MBS (97508460)		1.4			
National Grid Electrical		1.4			
Cogeco Cable Inc.		1.3			
MetLife Global Funding		1.3			
Xplornet Communications Inc. (Equity)		1.2			
<b>Total</b>	<b>%</b>	<b>81.5</b>			



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