

Lysander-Canso Balanced Fund - Series F

Fund Code: LYZ800F

Portfolio Manager: Canso Investment Counsel Ltd.

As of September 30, 2019

Fund Category: Balanced

Benchmark: 50% FTSE Canada All Corporate Bond Index and 50% S&P Global BMI (CAD)¹



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.

Risk Tolerance



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 \$32.8 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%	-2.0%	4.7%	-10.4%	4.7%	2.1%	8.4%

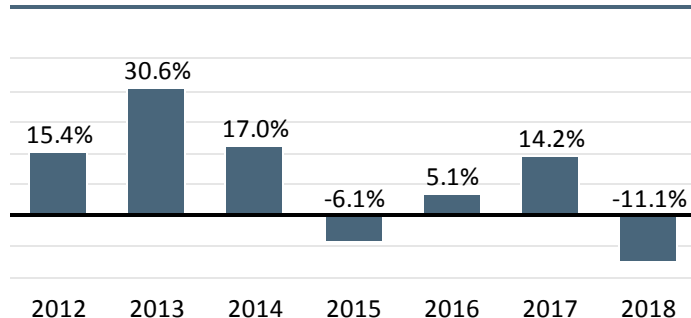
Fund Facts

Series Inception Date	December 23, 2011
Currency	CAD
Fund AUM	\$27.5 Million
NAVPU	\$15.40
Management Fee	0.75%
MER (As of June 30, 2019 - unaudited)	1.02%
Minimum Initial Investment	\$1,000
Minimum Subsequent Investment	\$100
Liquidity	Daily
RRSP Eligible	Yes

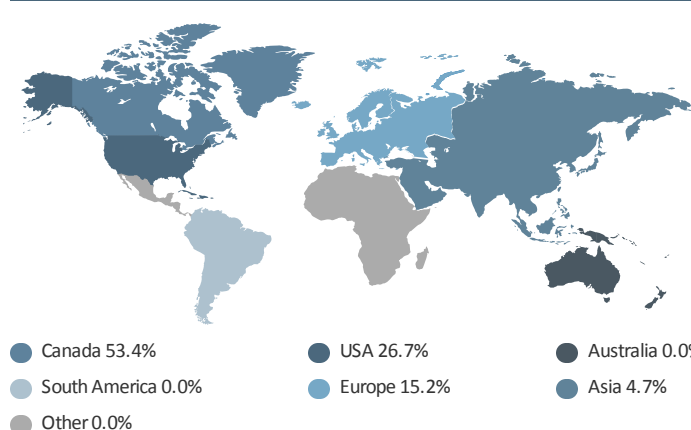
Asset Mix

Asian Equity	4.8%
Canadian Equity	35.1%
Canadian Fixed Income	18.2%
Cash & Equivalents	2.6%
European Equity	7.7%
Foreign Fixed Income	14.9%
US Equity	16.8%

Calendar Year Returns - Series F



Geographic Breakdown



Equity

Top 10 Equity Holdings

Equities (64.1% of the Fund)	% of Fund
General Electric	7.0%
Apple Inc.	4.5%
Maxar Technologies Ltd.	4.5%
Nintendo Co Ltd	4.2%
Bombardier Inc.	3.3%
SNC Lavalin	3.2%
Second Cup Ltd.	3.1%
Royal Bank of Scotland Group PLC - London	3.1%
Enbridge Inc.	3.0%
BZ Holdings Inc. Series C Preferred Share	3.0%
Total	39.0%

Portfolio Characteristics

Number of Securities	30
Dividend Yield	1.4%

Fixed Income

Top 10 Fixed Income Holdings

Fixed Income (33.1% of the Fund)	% of Fund	Rating
TWDC Enterprises 18 Corp. 2.758% Oct 7, 2024	2.1%	A
Apple Inc. 2.513% Aug 19, 2024	2.1%	AA+
Lloyds Bank PLC FRN Jul 11, 2023 (3M CDOR + 55)	1.8%	A+
Shaw Communications Inc. 6.75% Nov 9, 2039	1.6%	BBB-
MCAP Service NHA MBS FRN (98001252) July 1, 2020 (M CDOR+35)	1.4%	AAA
AT&T Inc. 5.10% Nov 25, 2048	1.2%	BBB
AT&T Inc. 4.85% May 25, 2047	1.1%	BBB
Eurofima 4.55% Mar 30, 2027	1.1%	AA+
UniCredit S.p.A Sr Pref 4.625% Apr 12, 2027 (USD) 144A	1.0%	BBB
Strait Crossing Dev. Inc. (amort) 6.17% Sep 15, 2031	1.0%	BBB-
Total	14.4%	

Portfolio Characteristics

Number of Securities	78
Number of Issuers	63
Average Term to Maturity (Years)	12.4
Average Duration (Years)	6.5
Average Coupon (%)	4.5%
Yield to Maturity (%)	3.4%
Current Yield (%)	4.0%
Average Credit Quality ²	A-

Credit Quality Breakdown (%)

AA & Higher	31.0%
A	20.9%
BBB	35.0%
BB & Lower	9.2%
Not Rated	3.8%

Distributions

Distribution Frequency: Quarterly
Most Recent Distribution per Unit: \$0.0993
12-Month Trailing Distribution Yield: 10.3%

Next Record Date: December 19, 2019
Next Distribution Date: December 20, 2019

Distributions (\$) / Unit ³	YTD*	2018	2017	2016	2015	2014	2013	2012
Total Distributions	0.3065	1.4407	0.1465	0.7799	0.9180	0.1036	0.1173	0.1175
Interest		0.0136	-	0.0005	-	---	0.0076	0.0258
Dividends		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		(0.0062)	-	(0.0009)	-	(0.0042)	-	-

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

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