

Lysander-Canso Short Term & Floating Rate Fund - Series F

Fund Code: LYZ805F

Portfolio Manager: Canso Investment Counsel Ltd.

As of September 30, 2019

Fund Category: Fixed Income

Benchmark: FTSE Canada Short Term Overall Bond Index¹



Investment Focus

The fund invests primarily in short term fixed income and floating rate debt securities of Canadian and foreign issuers with a minimum of 60% of the portfolio in BBB or higher.

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. 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.

- **Short Term Fixed Income Solution** - An investment grade portfolio of low duration corporate bonds with the ability to include up to 30% in non investment grade yield enhancements.
- **Low Sensitivity to Interest Rates** - The manager seeks to maximize return while limiting interest risk by investing in primarily short term and floating rate debt securities.
- **Proven Management Expertise** - Large and experienced credit specialists with an expertise in determining default risks and recovery values of issuers to identify corporate bond opportunities. The continuity of the team has contributed to the successful management of investor portfolios over different market cycles.

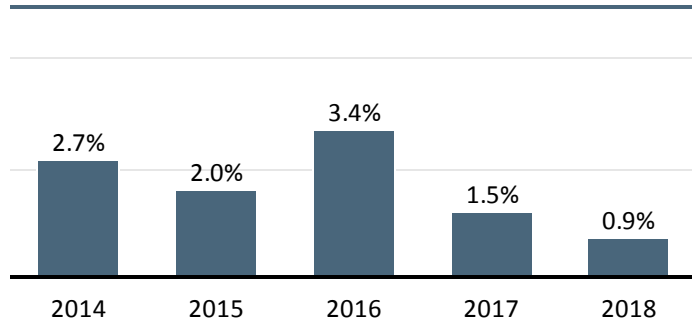
Compound Returns - Series F

1 Month	3 Months	YTD	1 Year	3 Year (Annualized)	5 Year (Annualized)	Since Inception (Annualized)
0.3%	0.7%	2.2%	2.0%	1.9%	2.1%	2.2%

Fund Facts

Series Inception Date	September 18, 2013
Currency	CAD
Fund AUM	\$116.1 Million
NAVPU	\$10.12
Management Fee	0.55%
MER (As of June 30, 2019 - unaudited)	0.74%
Minimum Initial Investment	\$1,000
Minimum Subsequent Investment	\$100
Liquidity	Daily
RRSP Eligible	Yes

Calendar Year Returns - Series F



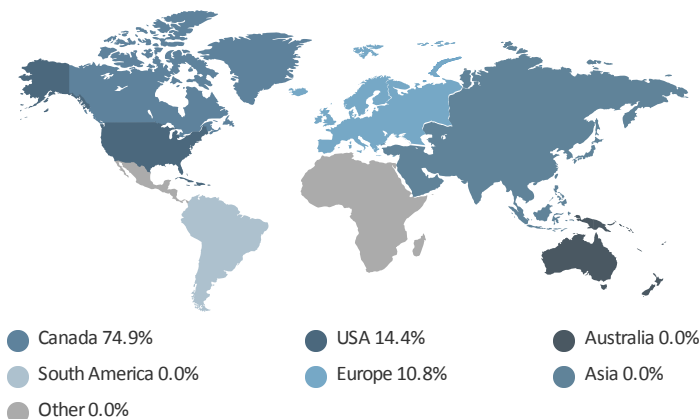
Top 10 Holdings

Security	% of Fund	Rating
BMO CB FRN Feb 1, 2023 (3M CDOR + 19)	9.9%	AAA
Lloyds Bank PLC FRN Jul 11, 2023 (3M CDOR + 55)	8.5%	A+
Kraft Canada Inc. FRN July 6, 2020 (Q CDOR +105)	7.9%	BBB-
Metlife Global Funding I FRN Sep 27, 2022 (Q CDOR +50)	7.7%	AA-
RBC CB FRN Jun 27, 2022 (3M CDOR + 14)	6.1%	AAA
VW Credit Canada Inc. FRN Sep 27, 2021(Q CDOR +68)	5.2%	BBB+
TD CB FRN Jun 28, 2023 (3M CDOR + 31)	5.1%	AAA
SNC Lavalin FRN Mar 2, 2021 (Q CDOR + 54)	4.8%	BB+
AT&T Inc. FRN (Q LIBOR + 118) Jun 12, 2024 (USD)	4.2%	BBB
RBC CB FRN Mar 23, 2020 (3M CDOR + 36)	3.6%	AAA
Total	63.1%	

Portfolio Characteristics

Number of Securities	62
Number of Issuers	31
Average Term to Maturity (Years)	3.5
Average Duration (Years)	0.4
Average Coupon (%)	2.8%
Yield to Maturity (%)	2.7%
Current Yield (%)	2.8%
Average Credit Quality ²	A+

Geographic Breakdown



Credit Quality Breakdown (%)

AA & Higher	42.9%
A	15.5%
BBB	33.0%
BB & Lower	6.9%
Not Rated	1.7%

Distributions

Distribution Frequency: Quarterly
Most Recent Distribution per Unit: \$0.0575
12-Month Trailing Distribution Yield: 2.3%
Next Record Date: December 19, 2019
Next Distribution Date: December 20, 2019

Distributions (\$)/Unit ³	YTD*	2018	2017	2016	2015	2014	2013
Total Distributions	0.1777	0.1787	0.1711	0.2153	0.2100	0.2200	0.0285
Interest		0.1787	0.1552	0.2160	0.1910	0.2206	0.0285
Dividends		---	---	---	---	---	---
Capital Gains		---	0.0167	0.0000	0.0194	---	---
Withholding Tax		---	(0.0008)	(0.0007)	(0.0004)	(0.0006)	---

*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 Short Term and Floating Rate 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. 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. [®]Lysander Funds is a registered trademark of Lysander Funds Limited.