

Fund Data

Inception date:	November 16, 2006
Ticker:	CDD.UN
Units outstanding:	634,758 units
Total Net Asset Value ⁽¹⁾	\$4.28 mm
NAV Per Unit ⁽¹⁾ :	\$6.75
Total Market Capitalization	\$4.23 mm
Market price per unit	\$6.67
Management fee:	1.10% p.a.

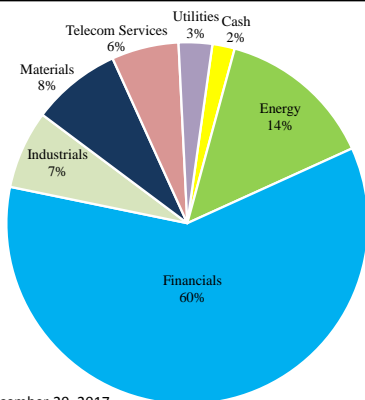
Distributions

Distribution:	6.5% of NAV p.a.
Most recent distribution ⁽²⁾ :	\$0.03667
Distribution frequency:	Monthly
Current yield ⁽³⁾ :	6.6%
Cumulative distributions:	\$5.225421

Top Ten Holdings

Canadian Imperial Bank of Commerce	10.3%
Bank of Montreal	9.0%
Teck Resources Limited – Class B	8.7%
Enbridge Inc.	8.4%
Russel Metals Inc.	8.4%
Royal Bank of Canada	8.4%
National Bank of Canada	8.2%
The Toronto-Dominion Bank	8.0%
TransCanada Corporation	8.0%
Manulife Financial Corporation	7.8%

Sector Allocation



Notes:
 (1) As at December 29, 2017
 (2) December distribution
 (3) Calculated as most recent distribution annualized divided by closing market price on December 29, 2017

Fund Overview

The Fund is a closed-end investment trust designed to provide unitholders with exposure to a blue chip portfolio consisting of fifteen high quality, large capitalization, and dividend paying Canadian companies across multiple industry sectors that have an excellent long term track record of dividend growth and share price appreciation.

Objectives

The fund's investment objectives are:

- to provide Unitholders of the Fund with monthly cash distributions in an amount targeted to be 6.5% per annum on the net asset value ("NAV") of the Fund; and
- to preserve and grow the NAV per Unit.

Rationale

The Fund is appropriate for those investors looking for a diversified Canadian large-capitalization portfolio while earning attractive distributions with lower volatility. The Fund utilizes Strathbridge's proprietary SSO covered call writing strategy to enhance the income generated by the portfolio and to reduce volatility. In addition, the Fund may write cash covered puts options in respect of securities in which it is permitted to invest.

Portfolio Manager Commentary – December 2017

The weakness in energy stocks occurred despite a strong crude price which trended higher during the quarter to touch U\$60 per barrel for the first time since the middle of 2015.

The TSX Health Care stocks were flying high on medical marijuana names which are not part of our core portfolio. Banks and other financials also did well this quarter which are well represented in the fund. Canadian Imperial Bank of Commerce (CM) delivered a total return of 13.4 per cent as our second-best performer.

Teck Resources (TECK.b) has been our star performer off and on for the past few years. It was number one again this quarter with 27.0 per cent total return.

Commentary cont'd on next page

Portfolio Manager Commentary – cont'd

Volatility as measured by the S&P TSX VIX index traded in the 11% range for much of the quarter but also had some especially quiet periods where levels went below 5%. The fund averaged 3.9% overwriten in the quarter, a bit higher than last quarter at 2.2%.

The trading price on December 29, 2017 was \$6.67 up \$0.12 from the September 29, 2017 trading price of \$6.55. The December 29 trading price of \$6.67 represents a discount to NAV of \$0.08 per unit or 1.2 percent of the \$6.75 NAV.

Manager

- ✓ Strathbridge Asset Management Inc., experienced issuer with 10 listed closed-end funds
- ✓ One of Canada's most experienced option strategy managers, with over 20 years of investment management experience in Canada
- ✓ Proprietary selective call writing strategy utilized to enhance income generated from the portfolio and reduce volatility

Forward Looking Information and Disclaimer

This document may contain certain forward-looking statements. These statements may relate to future events or future performance and reflect management's current expectations. Such forward-looking statements reflect management's current beliefs and are based on information currently available to management. Although the forward-looking statements are based upon what management believes to be reasonable assumptions, there can be no assurance that actual results will be consistent with these forward-looking statements. Neither the Funds nor their respective managers assume any obligation to update or revise any forward-looking statement to reflect new events or circumstances. Actual results may differ materially from any forward-looking statement. Historical results and trends should not be taken as indicative of future operations. The Fund is not guaranteed, its value changes frequently and past performance may not be repeated. Unless otherwise indicated and except for returns for period less than one year, the indicated rates of return are the historical annual compounded total returns including changes in security value. All performance data take into account distributions or dividends paid to unitholders but do not take into account sales, redemption, distribution or optional charges or income taxes payable by any securityholder that would have reduced returns.



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