

Fund Data

Inception date:	February 24, 2015
Class A Ticker:	USF.UN
Class A Units outstanding :	1,923,064 units
Class U Units outstanding:	161,700 units
Total Net Asset Value ⁽¹⁾ :	\$17.58 mm
NAV Per Class A Unit ⁽¹⁾ :	\$8.23
NAV per Class U unit ⁽¹⁾ :	US\$8.36
Class A Market Capitalization ⁽¹⁾ :	\$15.79 mm
Market price per Class A unit:	\$8.21
Market price per Class U unit:	Unlisted
Management fee:	1.25% p.a.

Distributions

Class A Distribution:	\$0.50 p.a.
Class U Distribution:	US\$0.50 p.a.
Most recent distribution ⁽²⁾ Class A:	\$0.125
Most recent distribution ⁽²⁾ Class U:	US\$0.125
Distribution frequency:	Quarterly
Current yield ⁽³⁾ :	6.1%
Cumulative distributions Class A:	\$1.175
Cumulative distributions Class U:	US\$1.175

Top Ten Holdings

Intercontinental Exchange, Inc.	5.2%
The Progressive Corporation	5.1%
State Street Corporation	5.0%
Marsh & McLennan Companies, Inc.	4.9%
Cash	4.9%
Northern Trust Corporation	4.8%
American International Group, Inc.	4.7%
JPMorgan Chase & Co.	4.6%
AFLAC Incorporated	4.5%
Lincoln National Corporation	4.3%

Fund Overview

The Fund is a closed-end investment trust that invests in an actively managed portfolio of U.S. financial issuers and U.S. publicly listed alternative asset management issuers.

Objectives

The fund's investment objectives are to:

- provide stable quarterly cash distributions of C\$0.125 per unit to Class A holders and US \$0.125 per unit to Class U holders; and
- maximize total returns through capital appreciation and distributions.

Rationale

The U.S. financial sector is one of the largest and most diversified sectors in the U.S. market consisting of multiple financial oriented sub-sectors including banks, diversified financials, insurance companies and real estate investment trusts. These companies provide broad exposure to the U.S. financial services industry through loans and mortgages, insurance and investment products and commercial real estate. The Manager believes that U.S. financial services companies are well positioned to benefit from the improving U.S. economy.

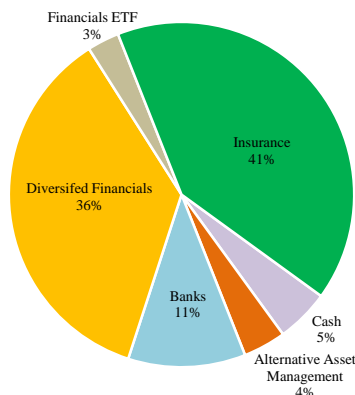
Portfolio Manager Commentary – June 2017

Global equity markets for the most part maintained or continued their strong first quarter rally through the second quarter of 2017. The MSCI Emerging Markets Index was one of the strongest performing indices in the second quarter with a total return of 6.4%, while the S&P 500 Index in the U.S. was up 3.1%. Here in Canada, the S&P/TSX Composite Index declined 1.6% as weakness in the energy and materials sectors dragged down the performance.

The Health Care sector was by far the best performing sector in Canada and the U.S. in the second quarter of 2017 with returns of 13.4% and 7.1% respectively. Meanwhile the Energy sector remained the worst performing sector in Canada in the second quarter with a total return of -8.3% while the Telecommunication Services sector was the worst performing sector in the U.S. with a total return of -7.1%.

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Sector Allocation



Notes:
 (1) As at June 30, 2017
 (2) June Distribution
 (3) Calculated as most recent distribution annualized divided by closing market price on June 30, 2017

Portfolio Manager Commentary – cont'd

During the quarter the S&P 500 Financials Index rose to 409.59 from 394.58, while the S&P 500 Real Estate Sector Index rose to 199.01 from 195.41 on March 31, 2017. Stocks within the portfolio had varying returns led by The Blackstone Group L.P., which rose 15.4% during the period. This was somewhat offset by our holding in Wells Fargo & Company, which declined 6.3% while held in the Fund.

While volatility remained subdued overall, it spiked for a brief period in the middle in April and May before drifting back toward historically low levels. The call writing activity was opportunistic over the period and took advantage of signals generated by the Strathbridge Selective Overwriting (“SSO”) strategy. The Fund ended June 30, 2017 with 2.4 percent of the Fund subject to covered calls, the same amount as at the end of the previous quarter.

The Fund ended the quarter with a cash position of 4.9% vs. 1.8% for the previous quarter.

The U.S. dollar was mostly hedged back into Canadian dollars throughout the period and ended June with approximately 100% of the U.S. dollar exposure hedged, helping negate some of the negative impact of the 3.5% decline in the U.S. dollar vs. the Canadian dollar during the quarter.

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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