

Fund Data

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| Inception date: | February 24, 2015 |
| Class A Ticker: | USF.UN |
| Class A Units outstanding : | 1,771,006 units |
| Class U Units outstanding: | 100,500 units |
| Total Net Asset Value ⁽¹⁾ : | \$16.16 mm |
| NAV Per Class A Unit ⁽¹⁾ : | \$8.51 |
| NAV per Class U unit ⁽¹⁾ : | US\$8.67 |
| Class A Market Capitalization ⁽¹⁾ : | \$14.59 mm |
| Market price per Class A unit: | \$8.24 |
| Market price per Class U unit: | Unlisted |
| Management fee: | 1.25% p.a. |

Distributions

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|--|---------------|
| 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: | \$1.425 |
| Cumulative distributions Class U: | US\$1.425 |

Top Ten Holdings

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|--------------------------------|------|
| Ameriprise Financial Inc. | 6.3% |
| CME Group Inc. | 6.2% |
| The Charles Schwab Corporation | 5.4% |
| BlackRock, Inc. | 5.3% |
| JPMorgan Chase & Co. | 5.2% |
| PNC Financial Services Group | 5.1% |
| Northern Trust Corporation | 5.0% |
| Wells Fargo & Company | 4.9% |
| Morgan Stanley | 4.6% |
| Berkshire Hathaway Inc. | 4.5% |

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.

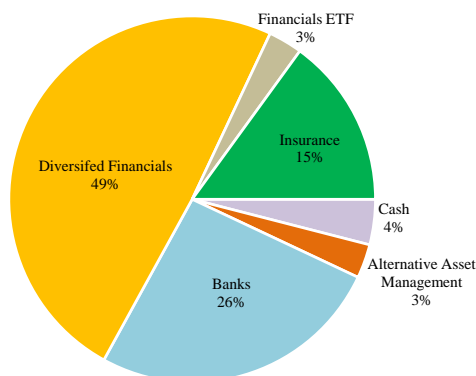
Portfolio Manager Commentary – December 2017

Global equity markets rallied strongly in the fourth quarter of 2017, with many indices closing the year at or near new all-time highs. The Dow Jones Industrial Average was one of the strongest performing indices in the fourth quarter with a total return of 11.0%, while the NASDAQ Composite Index in the U.S. was up 7.3%. Here in Canada, the S&P/TSX Composite Index which had lagged most other indices in the first three quarters of 2017, generated a total return of 4.4% in the fourth quarter.

During the period the S&P 500 Financials Index rose to 463.94 from 429.08, the S&P 500 Real Estate Sector Index rose to 203.86 from 199.20, while the S&P Listed Private Equity Index rose to 145.15 from 143.97 on September 29, 2017. Stocks within the portfolio had varying returns led by Bank of America Corp., which rose 17.0% during the period. This was somewhat offset by our holding in AON PLC, which declined 6.3% while held in the Fund.

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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

Portfolio Manager Commentary – cont'd

Volatility levels, as measure by the Chicago Board Options Exchange Volatility Index (“VIX”) remained at the lower end of its historical range, touch new all-time lows in late November, which adds to the challenge of overwriting. However, this low level of volatility and the manager’s favourable view on the market provided an opportunity to purchase calls options on select names while limiting the call writing activity over the period. The Fund on average had 3% of portfolio written during the period vs. 4.1% on average during the previous quarter.

The Fund ended the quarter with a cash position of 3.5% vs. 3.1% for the previous quarter.

The U.S. dollar was mostly hedged back into Canadian dollars throughout the period and ended December with approximately 100% of the U.S. dollar exposure hedged.

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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