

Fund Data

Inception date:	February 24, 2015
Class A Ticker:	USF.UN
Class A Units outstanding :	1,781,756 units
Class U Units outstanding:	90,000 units
Total Net Asset Value ⁽¹⁾ :	\$14.85 mm
NAV Per Class A Unit ⁽¹⁾ :	\$7.81
NAV per Class U unit ⁽¹⁾ :	US\$7.95
Class A Market Capitalization ⁽¹⁾ :	\$13.70 mm
Market price per Class A unit:	\$7.69
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⁾ :	6.5%
Cumulative distributions Class A:	\$1.800
Cumulative distributions Class U:	US\$1.800

Top Ten Holdings

The Blackstone Group L.P.	7.2%
Aon PLC	6.4%
JPMorgan Chase & Co.	6.1%
Cash	5.6%
Berkshire Hathaway Inc. Cl B	5.6%
Ameriprise Financial Inc.	5.4%
American Express Company	5.3%
CME Group Inc.	5.2%
Morgan Stanley	5.1%
Aflac Incorporated	5.0%

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

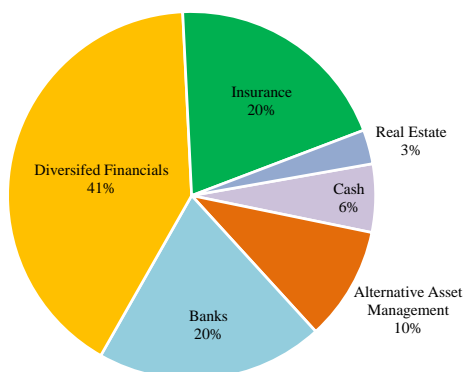
The U.S. financial sector is one of the largest and most diversified sectors in the U.S. market consisting of multiple financial oriented sub-sectors including banks, diversified financials, insurance companies and real estate investment trusts. These companies provide broad exposure to the U.S. financial 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 – September 2018

North American markets were mixed in the 3rd quarter, with the Canadian S&P/TSX Index declining 0.6% and the U.S. S&P 500 Index gaining 7.7%. In the Canadian market, 6 of 11 sectors were positive for the quarter, with Health Care leading the way up 31.1% due to strength in the Cannabis sector. The U.S. market saw 8 of 11 sectors with positive performance, also led by Health Care up 14.1%, while the Real Estate, Energy and Materials sectors lagged the broader market with negative returns.

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Sector Allocation



Notes:
 (1) As at September 28, 2018
 (2) September Distribution
 (3) Calculated as most recent distribution annualized divided by closing market price on September 28, 2018

Portfolio Manager Commentary – cont'd

During the period the total return for the S&P 500 Financials Index was 2.7%, the S&P 500 Real Estate Sector Index was negative 0.7%, while the S&P Listed Private Equity Index was 4.2% (all in CAD\$). Stocks within the portfolio had varying returns led by insurance broker AON PLC., which rose 12.4% during the period. At the other end of the spectrum, State Street Corp declined 5.7% while held in the Fund.

Equity volatility, as measured by the Chicago Board Options Exchange Volatility Index ("VIX"), remained low and traded in a narrow range between 10 and 16 for most of the quarter. The Fund opportunistically wrote call options during the period as the Fund on average had 8.1% of portfolio written during the period vs. 13.4% on average during the previous quarter.

The Fund held an average cash position of 6.3% during the period vs. 7.6% during the previous quarter. The U.S. dollar exposure was actively hedged throughout the period and ended the third quarter 75% hedged back into Canadian dollars.

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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