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

Fund Code: LYZ805A

Portfolio Manager: Canso Investment Counsel Ltd.

As of: September 30, 2021

Fund Category: Fixed Income

Benchmark: FTSE Canada Short Term Overall Bond Index[1]

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 75% of the portfolio in BBB or higher.

Risk Tolerance

Low | Medium | High

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 $30 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 A

1 Month	3 Months	YTD	1 Year	3 Year (Annualized)	5 Year (Annualized)	Since Inception (Annualized)
0.0%	0.3%	0.9%	4.0%	3.1%	2.4%	2.2%

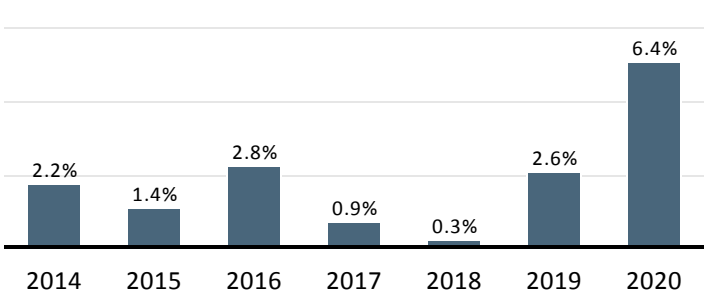
Fund Facts

Series Inception Date	September 18, 2013
Currency	CAD
Fund AUM	$477.6 Million
NAVPU	$10.55
Management Fee	1.05%
MER as of June 30, 2021 (unaudited)	1.26%
Minimum Initial Investment	$1,000
Minimum Subsequent Investment	$100
Liquidity	Daily
RRSP Eligible	Yes

Credit Quality Breakdown (%)

AA & Higher	23.7%
A	31.9%
BBB	27.0%
BB & Lower	16.8%
Not Rated	0.6%

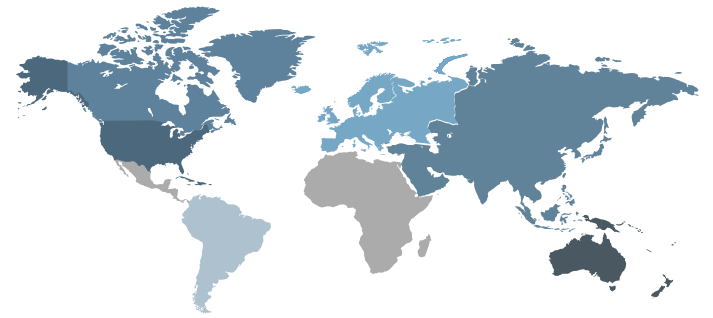
Calendar Year Returns - Series A



Portfolio Characteristics

Number of Securities	103
Number of Issuers	58
Average Term to Maturity (Years)	3.4
Average Duration (Years)	1.4
Average Coupon (%)	2.4%
Yield to Maturity (%)	1.5%
Current Yield (%)	2.1%
Average Credit Quality[2]	A-

Geographic Breakdown



Canada 65.4%
USA 30.0%
Australia 0.0%
South America 0.4%
Europe 4.2%
Asia 0.0%
Other 0.0%

Top 10 Holdings

Security	% of Fund	Rating
BNS FRN Aug 4, 2026 (CORRA +54)	4.7%	A
Canadian Dollar	4.3%	NA
Canada Housing Trust FRN Sep 15, 2023 (Q CDOR -6)	3.9%	AAA
Goldman Sachs FRN Apr 29, 2025 (CDOR +37)	3.7%	A
TransCanada Pipelines FRN Jun 9, 2024 (Q CDOR +29)	3.6%	BBB+
Morgan Stanley FRN Q CDOR +33 Mar 21, 2025	3.2%	A
Bank of America Corp FRN Sep 15, 2027 (Q CDOR +60)	3.2%	A
CIBC FRN Jun 10, 2024 (CDOR +23)	3.0%	A
TD CB FRN Jun 28, 2023 (3M CDOR + 31)	2.9%	AAA
Honda Canada Finance Inc. FRN Feb 26, 2024 (Q CDOR +9)	2.8%	A-
Total	35.3%	

Distributions

Distribution Frequency: Quarterly
Most Recent Distribution per Unit: $0.0178
12-Month Trailing Distribution Yield: 1.2%
Next Record Date: December 16, 2021
Next Distribution Date: December 17, 2021

Distributions ($)/Unit[3]	YTD*	2020	2019	2018	2017	2016	2015	2014	2013
Total Distributions	0.0444	0.2066	0.2104	0.1337	0.0875	0.1604	0.1555	0.2092	0.0171
Interest		0.1957	0.2104	0.1337	0.0794	0.1609	0.1414	0.2098	0.0171
Dividends		0.0001							
Capital Gains		0.0108			0.0085	0.0000	0.0144		
Withholding Tax		0.0000			(0.0004)	(0.0005)	(0.0003)	(0.0006)	

**The final tax character will be determined based on the Fund's tax year end information*

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