

# Lysander Balanced Fund

## Objective

The Fund's objective is to provide above average, long-term total returns consisting of both income and capital gains by investing primarily in a portfolio of fixed income securities and equities.

## Investment Approach and Philosophy

Canso Investment Counsel is a specialty corporate bond portfolio manager with AUM of \$7.3 billion. The investment team consists of 5 senior credit professionals with 20+ years each and 9 additional analysts with experience in corporate bond, corporate banking and bond rating agency backgrounds. The Canso credit professionals have spent their investment careers examining the credit risk of issuers.

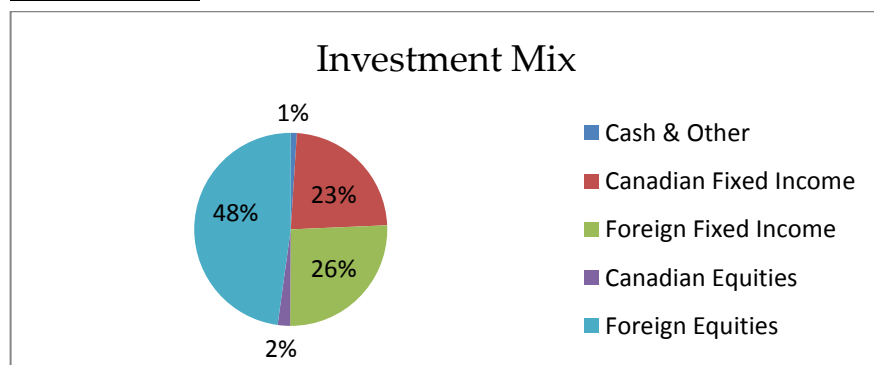
Canso was built on the premise that you do your own research with no reliance on outside credit rating agencies. This proprietary research emphasizes "bottom up" and "deep value" credit analysis concentrating on the **selection of individual securities**.

This **independent credit expertise and investment management experience** enables Canso to buy securities when they are out of favour and priced cheaply compared to their ongoing cash flows. Typically, investments are held for longer time periods, however when market prices exceed valuation expectations, the securities will be sold. The portfolio managers will also shift to higher quality securities if the risk premiums are not attractive enough.

## Calendar Year Returns Series A

*Performance data cannot be published for funds that have been in existence for less than 1 year.*

## Fund Details



## *Fund Information*



January 1, 2012

Managed by:  
Canso Investment Counsel Ltd.

Portfolio Manager:  
John Carswell, CFA

Benchmark:  
DEX Universe All Corporate  
Bond Index and MSCI World  
Index

Fund Codes:  
CFM 800A & 800F

Category:      Balanced  
Distribution:    Quarterly

Fees  
Management:    1.50% A  
Trailer:         0.75% A  
Management:    0.75% F

MER:            TBD  
Minimum:        \$15,000.00  
Subsequent:     \$100.00  
Initial NAVPS:   \$10.00  
Liquidity:       Daily

### Risk Tolerance



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## Top 10 Holdings as of December 30, 2011

<u>Fixed Income</u>	<u>% Hldg</u>	<u>Rating</u>	<u>Equities</u>	<u>% Hldg</u>
Shaw Communications Inc 6.75% Nov 9, 2039	2.97	BBB-	Abbott Laboratories	3.18
Royal Bank of Scotland Tier 1 6.666% Oct 5, 2017	2.76	C	Pfizer Inc.	3.18
Met Life Global Funding I 3.85% Jan 12, 2016	2.52	AA-	Intel	3.01
Ford Credit Canada Ltd. 7.5% Aug 18, 2015	2.48	BB+	WellPoint Inc.	2.85
BAC Canada Finance Corp FRN Feb 21, 2014	2.48	A	Wells Fargo & Co	2.84
Lloyds TSB Bank PLC 10.125% December 16, 2021	2.26	BBB-	Linear Technology Corp.	2.8
Morgan Stanley 4.90% Feb 23, 2017	2.11	A-	Bank of America Corp	2.71
Goldman Sachs 5.25% Jun 1, 2016	2.1	A-	Aon	2.55
Lloyds TSB Bank PLC 4.57% Oct 13, 2015	1.91	A	Speedway Motorsports Inc	2.49
CIT Group Inc. 7.00% May 1, 2017	1.73	B	General Dynamics Corp.	2.47

## Canso Investment Counsel Ltd. - Credit Research Methodology

The process begins with a “bottom up” analysis of the company and its competitive position within an industry. A thorough financial analysis is conducted examining cash flows, profitability, liquidity and capital structure of the firm. A key component of the analysis is “security specific” and highlights where the bond ranks within the capital structure and its legal protection in a downside scenario. Finally, each security is assessed with Canso’s proprietary “Maximum Loss” calculations whereby potential losses are determined for each bond. This serves as a baseline in the allocation and weighting of a security within the overall portfolio. Only recently have rating agencies begun to incorporate this into some of their analysis - Canso has employed this “Maximum Loss” or recovery analysis for many years.

A large in-house data base of over 200 issuers is maintained for all outstanding corporate debt issued in Canada, as well as 35 foreign issuers.

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Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.