



Who is Lysander Funds?

Lysander Funds Ltd. provides a unique opportunity for individual investors to access Canso's investment expertise along with other innovative money managers through select investment advisors. Lysander Funds Ltd. currently distributes three Canso pooled funds on an Offering Memorandum basis, a closed end fund and now three "new" prospectus funds. Lysander Funds Ltd. is majority owned by Canso Investment Counsel Ltd.

Who is Canso Investment Counsel?

"Proven Independent Credit Expertise"

Canso Investment Counsel is a private Canadian company that was established in 1997 by founder John Carswell. Canso specializes in corporate debt and is one of the country's leading managers in this asset class with \$7.3 billion in assets under management representing over 65 institutional clients. Over 15 professionals within the Canso team are dedicated to the investment process of portfolio management, credit analysis and trading. The 5 senior credit analysts come from a variety of private lending, insurance company and rating agency backgrounds, averaging 20+ years each of experience.

Canso was built on the premise that you do your own research with no reliance on external rating agencies. Canso's independent credit and investment analysis focuses on assets of the firm and the cash flows that support investment value. Canso is well known for its security selection process using a "bottom up" and "deep value" approach when analyzing both companies and their capital structure.

Portfolios are constructed one security at a time to maximize overall yield at an acceptable level of credit risk.

The Canso philosophy is to buy securities when they are out of favour and priced cheaply compared to their ongoing cash flows. Typically, they prefer to buy and hold investments for longer time periods, but will sell securities when market prices exceed valuation expectations, or better investment opportunities arise.

www.cansofunds.com

Our Aviation Story

Both the Lysander and Canso were aircraft that flew in the Second World War. They earned their reputation for rugged reliability, endurance and versatility in both war and peace. These two aircraft embody our theme of disciplined and proprietary credit research applied in portfolio management to consistently add value in turbulent financial markets.

The Lysander in particular was advanced with a unique wing design embodied in our logo. This design enabled it to take off and land on very short runways and provided excellent visibility from the cockpit. The Lysander was involved in many successful covert missions and became a stalwart. Lysander Funds mission in bringing superior investment returns to investors holds true to its namesake.



Lysander Funds Family Lysander Funds Family

We believe that the combination of proven investment expertise along with competitive fees will deliver superior long- term investment returns, preserve capital, build wealth and provide income for investors in the Lysander Fund Family. We believe that “investing from the ground up” adheres to these principles.

Canso has provided disciplined and consistent rates of return and has achieved top rankings in third party evaluations over most time periods since 2000. (1)

(1) Brockhouse Cooper Performance Appraisal Report: quarterly

Existing Funds - Offering Memorandum Funds

The following pooled funds are offered on an Offering Memorandum basis to investors;

<u>Pooled Funds</u>	<u>Inception Date:</u>	<u>Pool Assets</u>	<u>Related Mandates</u>
Canso Canadian Bond Fund:	March 31, 2008,	\$22 million	\$489 million
Canso Corporate Bond Fund:	June 30, 2004,	\$300 million	\$2.4 billion
Canso Corporate Value Bond Fund:	December 31, 2000	\$188 million	\$1.1 billion

Closed End Fund – Canso Credit Income Fund (PBY.UN)

The Canso Credit Income Fund trades on the TSX under the code PBY.UN. The fund seeks to maximize returns for unit holders on a tax-advantaged basis by investing in an actively managed and diversified portfolio of corporate bonds. The fund also has the ability to hedge interest rate risk.

The Canso Credit Income Fund is a closed end fund that was launched in June 2010 raising \$146.4 million and was re-opened a year later in May 2011 adding an additional \$78 million to total \$224.4 million to date. The Class A units of Canso Credit Income Fund trade on the TSX under the code PBY.UN.

Prospectus Funds

Lysander Funds Ltd. offers three income producing funds managed with the same “bottom up” research and “yield focused” philosophy identifying the most attractive opportunities across the corporate capital structure.

Lysander Canadian Bond Fund
Lysander Corporate Value Bond Fund
Lysander Balanced Fund

The Lysander Fund Family provides investors’ access to one of the country’s leading research and investment management teams at Canso Investment Counsel.

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.