

### Fund Data

|  |                   |
|--|-------------------|
| Inception date:                                | February 24, 2015 |
| Class A Ticker:                                | USF.UN            |
| Class A Units outstanding :                    | 626,887 units     |
| Class U Units outstanding:                     | 51,350 units      |
| Total Net Asset Value <sup>(1)</sup> :         | \$4.34 mm         |
| NAV Per Class A Unit <sup>(1)</sup> :          | \$6.25            |
| NAV per Class U unit <sup>(1)</sup> :          | US\$6.73          |
| Class A Market Capitalization <sup>(1)</sup> : | \$3.76 mm         |
| Market price per Class A unit:                 | \$6.00            |
| 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 <sup>(2)</sup> Class A: | \$0.125       |
| Most recent distribution <sup>(2)</sup> Class U: | US\$0.125     |
| Distribution frequency:                          | Quarterly     |
| Current yield <sup>(3)</sup> :                   | 8.3%          |
| Cumulative distributions Class A:                | \$3.05        |
| Cumulative distributions Class U:                | US\$3.05      |

### Top Ten Holdings

|                                |      |
|--------------------------------|------|
| First Republic Bank            | 7.6% |
| Morgan Stanley                 | 7.5% |
| Ameriprise Financial           | 6.6% |
| Berkshire Hathaway Inc.        | 6.5% |
| BlackRock Inc.                 | 6.4% |
| Principal Financial Group Inc. | 6.3% |
| Bank of America Corp           | 6.3% |
| Charles Schwab Corp/The        | 5.7% |
| The Blackstone Group Inc.      | 5.7% |
| U.S. Bancorp                   | 5.7% |

### 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 – March 2021

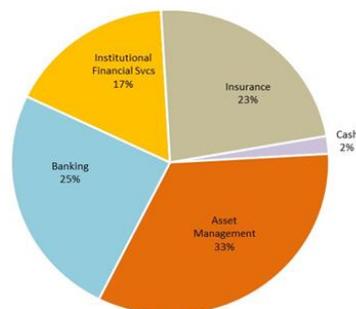
As at March 31, 2021, the Net Asset Value ("NAV") of the Class A unit, USF.UN, was \$6.25 versus \$5.78 on December 31, 2020. The NAV of the Class U unit on March 31, 2021 was US\$6.73 vs. US\$6.17 on December 31, 2020.

Class A unitholders received distributions totaling \$0.125 per unit during the quarter, while Class U unitholders received distributions totaling US\$0.125 per unit during the quarter. The Class A units' closing price on March 31, 2021 was \$6.00 which represents a 4.0% discount to its underlying net asset value. The Fund's Class U units are not listed on the Toronto Stock Exchange.

The first quarter of 2021 was marked by continued strength in North American equity markets which closed at or near all-time highs on expectations the rollout of vaccines around the world will lead to strong global GDP growth and corporate earnings in 2021.

*(cont'd on next page)*

### Sector Allocation



Notes:  
 (1) As at March 31, 2021  
 (2) March Distribution  
 (3) Calculated as most recent distribution annualized divided by closing market price on March 31, 2021

## Portfolio Manager Commentary – cont'd

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Central banks, in the meantime, remained committed to a policy of monetary easing in spite of stronger economic growth and inflation numbers, while governments continue to pass significant stimulus packages despite substantial deficits.

During the period, the total returns for the Financial, Real Estate, and Private Equity companies were 14.1%, 7.4%, and 9.3% (all in CAD\$) respectively. Stocks within the portfolio had varying returns led by Goldman Sachs, which rose 24.5% during the period, while Intercontinental Exchange, Inc. declined 5.2%, while held in the Fund.

Volatility, as measured by the CBOE Volatility Index (“VIX”), continued to decline in the first quarter, with the exception of late January as the so-called “Reddit Rally” fueled fierce price jumps in stocks such as Gamestop and AMC before regulators stepped in to limit trading. The manager continued to be opportunistic with the Strathbridge Selective Overwriting (“SSO”) strategy. On average, 17.4% of the portfolio was written during the period vs. 14.3% during the previous quarter.

The Fund had an average cash position of 2.0% during the quarter vs. 6.7% during the previous quarter. The U.S. dollar exposure was actively hedged throughout the period and ended the quarter approximately 50% hedged back into Canadian dollars.

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## Manager

- ✓ Strathbridge Asset Management Inc., experienced issuer with 8 listed closed-end funds and one mutual fund
- ✓ One of Canada’s most experienced option strategy managers, with almost 25 years of investment management experience in Canada
- ✓ Proprietary selective call writing strategy utilized to enhance income generated from the portfolio and reduce volatility

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## 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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