



Fund Data

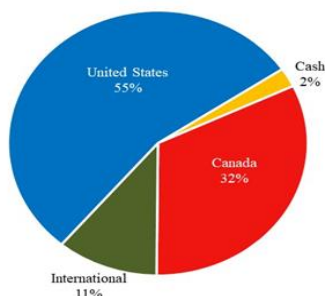
Inception date:	February 17, 2004
Ticker (Preferred / Class A share):	WFS.PR.A / WFS
Units outstanding:	927,634 Units
Total Net Asset Value ⁽¹⁾	\$11.9 mm
NAV Per Preferred Shares ⁽¹⁾ :	\$10.00
NAV Per Class A Shares ⁽¹⁾ :	\$2.89
Total Market Capitalization	\$11.8 mm
Market price Per Preferred Shares	\$9.92
Market price Per Class A Shares	\$2.85
Management fee:	1.10% p.a.

Distributions (Class A & Preferred share)

Class A distribution:	See Note 2
Preferred distribution:	\$0.13125
Distribution frequency:	Quarterly
Current Preferred Yield ⁽³⁾ :	5.3%
Cumulative Class A distributions:	\$5.54
Cumulative Preferred distributions:	\$9.12

US Bancorp.	5.9%
The Charles Schwab Corp	5.9%
JP Morgan Chase & Co.	5.9%
Banc of America Corp	5.8%
Berkshire Hathaway Inc.	5.7%
Bank of Montreal	5.4%
Blackrock Inc.	5.0%
Sun Life Financial Inc.	4.9%
Manulife Financial Inc.	4.8%
National Bank of Canada	4.6%

Sector Allocation⁽⁴⁾



(1) As at June 30, 2021
(2) Distributions on the Class A shares have been suspended in accordance with the Prospectus as the NAV per Unit is less than \$15.00
(3) Calculated as most recent distribution annualized divided by market price on June 30, 2021
(4) Calculated as percent of gross assets not including other liabilities

Fund Overview

The Fund is a split share corporation which invests in common equity securities selected from the ten largest financial services companies by market capitalization in each of Canada, the United States and the Rest of the World. The Fund utilizes Strathbridge's proprietary SSO covered call writing strategy to enhance the income generated by the portfolio and to reduce volatility.

Objectives

The fund's investment objectives are:

- to provide holders of Preferred shares with fixed cumulative preferential quarterly cash distributions in the amount of \$0.13125 per Preferred share representing a yield on the issue price of the Preferred shares of 5.25% per annum;
- to provide holders of Class A shares with quarterly cash distributions targeted to be 8.0% per annum; and
- to return the issue price to holders of both Preferred Shares and Class A Shares at the time of redemption of such shares on the termination date.

Rationale

While the global financial services market has experienced one of the worst financial crises in history, the investment manager believes the global financial services sectors are poised to provide strong returns over the next several years. The preferred shares are appropriate for an investor looking for a more secure investment than common equities with a high level of income. The Class A shares are appropriate for an investor seeking a highly leveraged play on the global financial services industry.

Portfolio Manager Commentary – June 2021

As of June 30, 2021, the Net Asset Value ("NAV") of a combined unit (WFS.PR.A + WFS) was \$12.89 versus \$12.54 on March 31, 2021.

Preferred shareholders received a distribution of \$0.13125 per share, while the distribution for the Class A share remains suspended in accordance with the terms of the prospectus as the NAV per unit was less than \$15.00. The Fund's two share classes are listed on the Toronto Stock Exchange as WFS.PR.A and WFS. The closing mid-price on June 30, 2021 was \$9.92 and \$2.85 per share respectively which, when combined, represents an \$0.12 discount to the NAV per unit.

North American equity markets continued to rally in the second quarter of 2021 as vaccination rates around the world increased significantly and economies continued to open up. The S&P/TSX Index rose 8.6%, the S&P 500 Index rose 8.6% and the S&P Global 100 Index rose 8.7%. In Canada, Technology stocks led the advance with a 23% return in the quarter while Health Care stocks were the only group in the red, down 11.6%. In the U.S., 10 of 11 sectors generated positive performance in the second quarter led by Real Estate stocks up 13.1%. Only the defensive Utilities stocks posted a negative return, down 0.4%.

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Portfolio Manager Commentary – cont'd

During the period, the Global Financials companies underperformed the broader markets but still posted a solid total return of 6.3% in U.S. dollar terms and 4.9% in Canadian dollar terms. Stocks held within the portfolio had varying returns led by Banco Bilbao Vizcaya Argentaria, S.A. of Spain, rising 18.8%. At the other end of the spectrum, Progressive Corp., declined 9.3% while held in the Fund.

Volatility, as measured by the CBOE Volatility Index (“VIX”), continued to decline in the second quarter as markets traded around all-time highs. As a result, the manager remained selective with the Strathbridge Selective Overwriting (“SSO”) strategy as the Fund had on average 12.7% of the portfolio written during the period and ended June 30, 2021 with 4.9% of the portfolio subject to covered calls.

The Fund had an average cash position of 2.5% during the quarter versus 2.0% 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.

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 over 25 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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