

### Fund Data

Inception date:	October 30, 1996
Ticker (Preferred / Class A share):	PIC.PR.A / PIC.A
Preferred shares outstanding:	14,491,791 shares
Class A shares outstanding:	14,568,591 shares
Total Net Asset Value <sup>(1)</sup>	\$266.4 mm
NAV Per Class A Shares <sup>(1)</sup> :	\$3.37
NAV Per Preferred Shares <sup>(1)</sup> :	\$15.00
Total Market Capitalization	\$268.3 mm
Market price Per Class A Shares	\$4.90
Market price Per Preferred Shares	\$13.54
Management fee:	0.90% p.a.

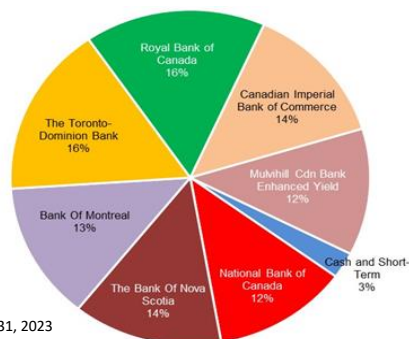
### Distributions (Class A & Preferred Share)

Class A distribution:	\$0.81276 p.a.
Preferred distribution:	\$0.8625 p.a.
Most recent Class A distribution: <sup>(2)</sup>	\$0.20319
Most recent Preferred distribution: <sup>(2)</sup>	\$0.215625
Distribution frequency:	Quarterly
Current Class A yield <sup>(3)</sup> :	16.6%
Current Preferred yield <sup>(3)</sup> :	6.4%
Cumulative Class A distributions:	\$28.07
Cumulative Preferred distributions:	\$23.28

### Top Holdings

The Toronto-Dominion Bank	16.7%
Royal Bank of Canada	16.5%
Canadian Imperial Bank of Commerce	13.7%
The Bank of Nova Scotia	13.6%
Bank of Montreal	13.4%
Mulvihill Canadian Bank Enhanced Yield ETF	12.3%
National Bank of Canada	11.3%
Cash and Short-Term	2.6%

### Sector Allocation



Notes:  
(1) As at July 31, 2023  
(2) July distribution  
(3) Calculated as most recent distribution annualized divided by closing market price on July 31, 2023

### Fund Overview

The Fund is a split share corporation designed to provide investors with exposure to six Canadian banks. The Fund utilizes an active 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 Preferred shareholders with cumulative preferential quarterly cash distributions of \$0.215625 per share, representing an annual yield of 5.75% on the original issue price of the Preferred shares; and
- to provide Class A shareholders with quarterly cash distributions of \$0.20319 per share; and
- to return the original issue price to holders of both preferred share and Class A shares upon windup of the Fund.

### Rationale

The six Canadian banks have a history of strong earnings growth, which has resulted in increases in their dividend rates and share price appreciation. The preferred shares are appropriate for an investor looking for a more secure investment than common equities with an attractive distribution. The class A shares are appropriate for an investor seeking a leveraged play on the six banks included in the portfolio while earning attractive distributions.

### Portfolio Manager Commentary – July 2023

As of July 31, 2023, the Net Asset Value ("NAV") of the Fund was \$18.37 per unit compared to \$18.42 per unit on April 28, 2023. The Fund's two share classes are listed on the Toronto Stock Exchange as PIC.A and PIC.PR.A. They closed on July 31, 2022 at \$4.90 and \$13.54 respectively which, when combined, represent a \$0.07 premium to the Net Asset Value. Distributions totaling \$0.20319 per share were paid to the Class A shareholders and \$0.215625 per share were paid to the Preferred shareholders during the quarter.

Equity markets continued to rally in the fiscal third quarter of 2023, looking past many of the headwinds facing the economy and markets. The S&P 500 Index continued to outperform with a total return of 8.7% (6.8% in CAD \$), aided by Technology, Consumer Discretionary and Communications Services stocks. The S&P/TSX Composite returned 0.8%, due to less exposure to these sectors and large weights in materials and energy which underperformed during the period.

## Portfolio Manager Commentary – cont'd

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The Canadian banks generated a total return of 2.1% during the quarter which slightly outperformed the broader market. The performance of the six banks within the portfolio varied with The Toronto-Dominion Bank ("TD") leading the way with a total return of 6.0% while the Royal Bank of Canada ("RBC") lagged with a total return of negative 2.8%. Five of the six banks in the portfolio announced dividend increases during the quarter, with an average increase 3.1%. The Toronto-Dominion Bank was the only bank to not announce a dividend increase during the period.

Volatility for the Canadian banks continued to remain low, therefore, there was no call writing during the period. However, the manager did write some cash covered puts during the period with an average exposure of 5.6%.

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## Manager

- ✓ Mulvihill Capital Management Inc., experienced issuer with 4 listed closed-end funds, three exchange traded funds ("ETF") and one mutual fund
- ✓ One of Canada's most experienced option strategy managers, with over 26 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.