



SEMI-ANNUAL
REPORT

2017

TOP 10 SPLIT TRUST


strathbridge
ASSET MANAGEMENT

Top 10 Split Trust

Letter to Securityholders

We are pleased to present the 2017 semi-annual report containing the management report of fund performance and the unaudited financial statements for Top 10 Split Trust (the “Fund”).

Stock markets around the world advanced in the first half of 2017 as investors believed the inauguration of Donald Trump would usher in a new era of pro-growth policies, deregulation and tax reform. The Federal Reserve Open Market Committee raised interest rates twice so far in 2017, to a range of 1.00 - 1.25 percent, and discussed plans to scale back its US\$4.5 trillion balance sheet. Curiously, long-term interest rates remain subdued, with US 10 Year yield’s declining from 2.4 percent to 2.3 percent in the first 6 months of the year. After rising over 45 percent in 2016, oil prices have come under renewed pressure declining from US\$53.72 to start the year to a low of US\$42.05 on June 21. The broader commodity complex has also suffered in 2017, down 5.3 percent, making it the worst performing asset class year-to-date. Weakness in these areas have contributed to the resource-weighted Toronto Stock Exchange underperforming most markets during this period with a total return of 0.7 percent. Global equities, and more specifically emerging market equities, have decoupled from the commodity trade and are leading the global equity rally so far in 2017. The MSCI Emerging Market Index is up 18.5 percent year-to-date with the MSCI EAFE Index not far behind, up 14.2 percent. The S&P 500 Index returned 9.3 percent with the Technology sector outperforming substantially up 17.2 percent. With most assets classes producing positive returns year-to-date, investor sentiment remains positive and volatility remains extremely low with the VIX (“CBOE Volatility Index”) trading near historical lows at 11.3 percent. Given the uncertainty surrounding the global political landscape with tensions in Syria and North Korea escalating, the ability of President Trump to implement his desired policies, and the Federal Reserve moving from an extended period of easy monetary policy to one that is less accommodating, this period of low volatility is viewed as one that can change at any moment.

During the six months ended June 30, 2017, the Fund paid cash distributions of \$0.17 per Capital Unit and \$0.39 per Preferred Security. The net asset value per Combined Unit decreased from \$17.30 at December 31, 2016 to \$16.67 at June 30, 2017. The total return of the Fund per Combined Unit, including the reinvestment of distributions, was negative 0.5 percent for the period. The net realized gain on options attributable to Strathbridge Selective Overwriting strategy (see “The Fund”) amounted to \$0.05 per Combined Unit as compared to a net realized gain on options of \$0.15 per Combined Unit a year ago, partially attributable to the low level of volatility realized during the period. For a more detailed review of the operations of the Fund, please see the Results of Operations and the Portfolio Manager Report sections.

We thank all securityholders for their continued support and encourage securityholders to review the detailed information contained within the semi-annual report.



John P. Mulvihill
Chairman & CEO
Strathbridge Asset Management Inc.

The Fund

The Fund is a split share trust designed to provide Capital Unit holders with the benefit of any capital appreciation in the value of the portfolio combined with tax-efficient quarterly distributions and to provide holders of the Preferred Securities with fixed cumulative preferential quarterly distributions. These securities are listed on the Toronto Stock Exchange under the ticker symbols TXT.UN for the Capital Units and TXT.PR.A for the Preferred Securities. A Combined Unit of the Fund consists of one Capital Unit and one Preferred Security.

To accomplish its objectives, the Fund invests in a portfolio of securities consisting of common equity securities of the six largest Canadian banks and the four largest Canadian life insurance companies. The Fund may also invest in public investment funds including exchange-traded funds and other Strathbridge Funds (provided that no more than 15 percent of the net asset value of the Fund may be invested in securities of other Strathbridge Funds) that provide exposure to such securities.

The Fund employs a proprietary investment strategy, Strathbridge Selective Overwriting (“SSO”), to enhance the income generated by the portfolio and to reduce volatility. In addition, the Fund may write cash covered put options in respect of securities in which it is permitted to invest.

The SSO strategy is a quantitative, technical based methodology that identifies appropriate times to write and/or close out option positions compared to writing continuously and rolling options every thirty days. This proprietary process has been developed over many years through various market cycles. The Manager believes the primary benefit to investors is to maximize the total return of the particular portfolio while reducing the level of volatility of the portfolio, thereby increasing the risk-adjusted return.

Top 10 Split Trust

Management Report of Fund Performance

Management Report of Fund Performance

This semi-annual management report of fund performance contains the financial highlights for the six months ended June 30, 2017 of Top 10 Split Trust (the “Fund”). The unaudited semi-annual financial statements of the Fund are attached.

Copies of the Fund’s proxy voting policies and procedures, proxy voting disclosure record and quarterly portfolio disclosure may be obtained by calling 1-800-725-7172 toll free, by writing to the Fund at Investor Relations, 121 King Street West, Suite 2600, P.O. Box 113, Toronto, Ontario, M5H 3T9, by email at info@strathbridge.com, or by visiting our website at www.strathbridge.com. You can also request semi-annual or annual reports at no cost by using one of the above methods.

Results of Operations

Distributions

For the six months ended June 30, 2017, cash distributions of \$0.17 per Capital Unit were paid as compared to \$0.11 per Capital Unit a year ago. Interest payments of \$0.39 per Preferred Security remained unchanged from the prior year.

Since the reorganization of the Fund in November 2005 when the Fund adopted new objectives and a new investment strategy as the Top 10 Split Trust, the Fund has paid cash distributions of \$5.12 per Capital Unit and interest of \$9.04 per Preferred Security.

Revenue and Expenses

For the six months ended June 30, 2017, the Fund’s dividend income was \$0.32 per Unit, up \$0.01 per Unit from the prior year. Total expenses were \$0.23 per Unit compared to \$0.20 per Unit last year. The Fund had a net realized and unrealized loss of \$0.16 per Unit in the first half of 2017 as compared to a net realized and unrealized loss of \$0.32 per Unit a year earlier.

Net Asset Value

The net asset value per Combined Unit of the Fund decreased 3.6 percent from \$17.30 at December 31, 2016 to \$16.67 at June 30, 2017. The aggregate net asset value of the Fund decreased \$0.72 million, from \$19.84 million at December 31, 2016 to \$19.12 million at June 30, 2017, reflecting a decrease in net assets attributable to holders of Capital Units of \$0.53 million and Capital Unit distributions of \$0.19 million.

Recent Developments

There were no recent developments pertaining to the Fund during the six months ended June 30, 2017.

Management Report of Fund Performance

Related Party Transactions

Strathbridge Asset Management Inc. (“Strathbridge”), as the Investment Manager of the Fund, manages the investment portfolio in a manner consistent with the investment objectives, strategy and criteria of the Fund pursuant to an Investment Management Agreement made between the Fund and Strathbridge dated January 22, 1997 and amended as of November 30, 2005.

Strathbridge is the Manager of the Fund pursuant to a Trust Agreement made between the Fund and Strathbridge dated January 22, 1997 and amended as of November 30, 2005. As such, Strathbridge is responsible for providing or arranging for required administrative services to the Fund.

Strathbridge is paid the fees described under the Management Fees section of this report.

During the period, no recommendations or approvals were required to be sought from the Independent Review Committee (“IRC”) concerning related party transactions.

Independent Review Committee

National Instrument 81-107 - Independent Review Committee for Investment Funds (“NI 81-107”) requires all publicly offered investment funds to establish an IRC to whom the Manager must refer conflict of interest matters for review or approval. NI 81-107 also imposes obligations upon the Manager to establish written policies and procedures for dealing with conflict of interest matters, maintaining records in respect of these matters and providing assistance to the IRC in carrying out its functions. The Chief Compliance Officer, designated by the Manager, is in charge of facilitating the fulfillment of these obligations.

The IRC will prepare, for each financial year, a report to securityholders that describes the IRC and its activities during such financial year and includes, if known, a description of each instance when the Manager acted in a conflict of interest matter for which the IRC did not give a positive recommendation or for which a condition, imposed by the IRC, was not met in its recommendation or approval. Members of the IRC are Robert W. Korthals, Michael M. Koerner and Robert G. Bertram.

Top 10 Split Trust

Management Report of Fund Performance

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

Information for the period ended June 30, 2017 is derived from the Fund's unaudited semi-annual financial statements.

The information for the years ended December 31 is derived from the Fund's audited annual financial statements.

	Six months ended June 30, 2017
NET ASSETS PER COMBINED UNIT	
Net Assets, beginning of period⁽¹⁾	\$ 17.30
INCREASE (DECREASE) FROM OPERATIONS	
Total revenue	0.32
Total expenses	(0.23)
Realized gain (loss) for the period	0.98
Unrealized gain (loss) for the period	(1.14)
Total Increase (Decrease) from Operations⁽²⁾	(0.07)
DISTRIBUTIONS	
From net investment income - Preferred Security	(0.39)
Non-taxable distributions - Capital Unit	(0.17)
Total Distributions⁽³⁾	(0.56)
Net Assets, end of period⁽¹⁾	\$ 16.67

(1) All per Combined Unit figures presented in 2017, 2016, 2015, 2014 and 2013 are referenced to net assets determined in accordance with IFRS which are derived from the Fund's unaudited financial statements for the six months ended June 30, 2017 and the annual audited financial statements for the years ended December 31, 2016, 2015 and 2014. Net assets per Combined Unit for December 31, 2012 were derived from the Fund's audited annual financial statements that were prepared in accordance with Canadian generally accepted accounting principles. Net assets per Combined Unit is the difference between the aggregate value of the assets (including the valuation of securities at closing prices for the years beginning on or after January 1, 2013 and for 2012 at bid prices) and the aggregate value of the liabilities, excluding the Preferred Security liability, divided by the number of Units then outstanding.

	Six months ended June 30, 2017
RATIOS/SUPPLEMENTAL DATA	
Net Asset Value, excluding the Preferred Security liability (\$millions)	\$ 19.12
Net Asset Value (\$millions)	\$ 4.78
Number of Units outstanding	1,146,869
Management expense ratio ⁽¹⁾	2.52% ⁽⁴⁾
Portfolio turnover rate ⁽²⁾	49.19%
Trading expense ratio ⁽³⁾	0.10% ⁽⁴⁾
Net Asset Value per Combined Unit ⁽⁵⁾	\$ 16.67
Closing market price - Preferred Security	\$ 13.34
Closing market price - Capital Unit	\$ 3.90

(1) The management expense ratio ("MER") is the sum of all fees and expenses for the stated period, including harmonized sales tax but excluding transaction fees, divided by the average net asset value. Generally, the MER increases when the Fund becomes smaller in size due to redemptions. The MER, including Preferred Security interest payments, is 7.05%, 7.29%, 6.79%, 6.54%, 7.04% and 7.66% for 2017, 2016, 2015, 2014, 2013 and 2012 respectively. The MER for 2015 and 2014 includes the special resolution expense. The MER for 2015 and 2014 excluding the special resolution expense is 2.10% and 2.08% respectively.

(2) Portfolio turnover rate is calculated based on the lesser of purchases or sales of investments, excluding short-term investments, divided by the average value of the portfolio securities. The Fund employs an option overlay strategy which can result in higher portfolio turnover by virtue of option exercises, when compared to a conventional equity mutual fund.

(3) Trading expense ratio represents total commissions expressed as a percentage of the daily average net asset value during the period.

Management Report of Fund Performance

As a result of the adoption of International Financial Reporting Standards (“IFRS”), for June 30, 2017, December 31, 2016, 2015, 2014 and 2013, the net assets per Combined Unit presented in the financial statements and the net asset value per Combined Unit calculated weekly are both valued at closing prices. For the year ended December 31, 2012, the net assets per Unit presented in the financial statements differs from the net asset value per Unit calculated weekly, primarily as a result of investments being valued at bid prices for financial statements purposes and at closing prices for weekly net asset value purposes.

		Years ended December 31							
		2016	2015	2014	2013	2012			
\$	15.85	\$	17.80	\$	17.52	\$	14.55	\$	13.77
	0.63		0.63		0.62		0.61		0.64
	(0.39)		(0.37)		(0.39)		(0.35)		(0.31)
	0.23		0.63		2.62		0.84		(1.16)
	1.92		(1.74)		(1.37)		2.93		2.47
	2.39		(0.85)		1.48		4.03		1.64
	(0.78)		(0.78)		(0.78)		(0.78)		(0.78)
	(0.25)		(0.32)		(0.41)		(0.28)		(0.11)
	(1.03)		(1.10)		(1.19)		(1.06)		(0.89)
\$	17.30	\$	15.85	\$	17.80	\$	17.52	\$	14.53

(2) Total increase (decrease) from operations consists of interest and dividend revenue, realized and unrealized gain (loss) less expenses excluding Preferred Security interest and is calculated based on the weighted average number of Units outstanding during the period. The schedule is not intended to total to the ending net assets as calculations are based on the weighted average number of Units outstanding during the period.

(3) Distributions to securityholders are based on the number of securities outstanding on the record date for each distribution.

		Years ended December 31							
		2016	2015	2014	2013	2012			
\$	19.84	\$	21.13	\$	24.51	\$	25.34	\$	22.22
	5.50	\$	4.47	\$	7.30	\$	7.26	\$	3.13
	1,146,869		1,332,821		1,376,799		1,446,599		1,526,948
	2.32%		2.12%		2.14%		2.11%		2.12%
	145.80%		95.02%		93.84%		63.41%		73.48%
	0.14%		0.09%		0.08%		0.08%		0.08%
\$	17.30	\$	15.85	\$	17.80	\$	17.52	\$	14.55
\$	12.60	\$	12.46	\$	12.80	\$	12.68	\$	12.64
\$	4.19	\$	3.50	\$	4.42	\$	4.42	\$	1.98

(4) Annualized.

(5) Net Asset Value per Combined Unit is the difference between the aggregate value of the assets including the valuation of securities at closing prices and the aggregate value of the liabilities excluding the Preferred Security liability, divided by the number of units then outstanding.

Top 10 Split Trust

Management Report of Fund Performance

Management Fees

Strathbridge, as the Investment Manager of the Fund, is entitled to fees under the Investment Management Agreement calculated monthly as 1/12 of 1.00 percent of the net asset value of the Fund at each month end. Services received under the Investment Management Agreement include the making of all investment decisions and writing of covered call options in accordance with the investment objectives, strategy and criteria of the Fund. Strathbridge also makes all decisions as to the purchase and sale of securities in the Fund's portfolio and as to the execution of all portfolio and other transactions.

Strathbridge, as the Manager of the Fund, is entitled to fees under the Trust Agreement calculated monthly as 1/12 of 0.10 percent of the net asset value of the Fund at each month end. Services received under the Trust Agreement include providing or arranging for required administrative services to the Fund.

Past Performance

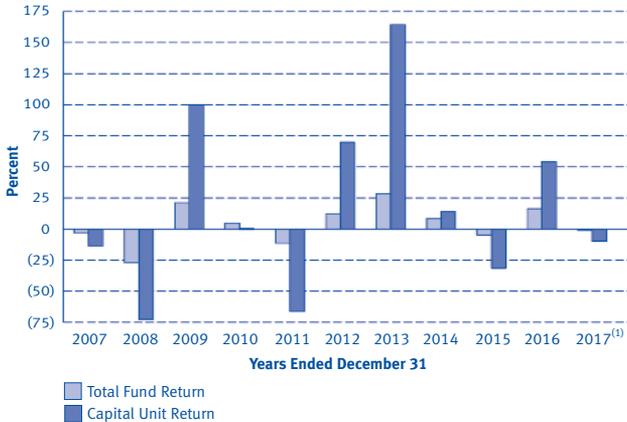
The following chart sets out the Fund's year-by-year past performance. It is important to note that the:

- (1) information shown assumes that all distributions and interest payments made by the Fund during these periods were reinvested in securities of the Fund,
- (2) information does not take into account sales, redemptions, distributions or other optional charges that would have reduced returns, and
- (3) past performance of the Fund does not necessarily indicate how it will perform in the future.

Year-By-Year Returns

The following bar chart illustrates how the Fund's total return varied from year to year for each of the past ten years and for the six months ended June 30, 2017. The chart also shows, in percentage terms, how much an investment made on January 1 in each year would have increased or decreased by the end of that fiscal year or June 30, 2017 for the six months ended.

Total Return



⁽¹⁾ For the six months ended June 30, 2017.

Management Report of Fund Performance

Portfolio Manager Report

Stock markets around the world advanced in the first half of 2017 as investors believed the inauguration of Donald Trump would usher in a new era of pro-growth policies, deregulation, health care and tax reform. The Federal Reserve Open Market Committee raised interest rates twice so far in 2017, to a range of 1.00 - 1.25 percent, and discussed plans to scale back its US\$4.5 trillion balance sheet. Curiously, long-term interest rates remain subdued, with US 10 Year yield's declining from 2.4 percent to 2.3 percent in the first 6 months of the year. After rising over 45 percent in 2016, oil prices have come under renewed pressure declining from US\$53.72 to start the year to a low of US\$42.05 on June 21. The broader commodity complex has also suffered in 2017, down 5.3 percent, making it the worst performing asset class year-to-date. Weakness in these areas have contributed to the resource-weighted Toronto Stock Exchange underperforming most markets during this period with a total return of 0.7 percent. Global equities, and more specifically emerging market equities, have decoupled from the commodity trade and are leading the global equity rally so far in 2017. The MSCI Emerging Market Index is up 18.5 percent year-to-date with the MSCI EAFE Index not far behind, up 14.2 percent. The S&P 500 Index returned 9.3 percent with the Technology sector outperforming substantially up 17.2 percent. With most assets classes producing positive returns year-to-date, investor sentiment remains positive and volatility remains extremely low with the VIX ("CBOE Volatility Index") trading near historical lows at 11.3 percent. Given the uncertainty surrounding the global political landscape with tensions in Syria and North Korea escalating, the ability of President Trump to implement his desired policies, and the Federal Reserve moving from an extended period of easy monetary policy to one that is less accommodating, this period of low volatility is viewed as one that can change at any moment.

For the six months ended June 30, 2017, the total return per Combined Unit, including reinvestment of distributions, was negative 0.5 percent. In comparison, the S&P/TSX Capped Financials Index return was 2.6 percent and the S&P/TSX Composite Index return (with dividend reinvestment) was 0.7 percent. The Capital Units achieved its investment objective of providing quarterly distributions in an amount targeted to be 7.5 percent of the net asset value ("NAV"). The Preferred Security also achieved its investment objective of providing fixed quarterly cash interest payments equal to 6.25 percent on the \$12.50 principal amount. In aggregate, the Fund paid cash distributions of \$0.167060 per Capital Unit and \$0.39062 per Preferred Security during the first half of the year. While the NAV per Preferred Security remained unchanged at \$12.50, the NAV per Capital Unit decreased from \$4.80 at the end of 2016 to \$4.17 at June 30, 2017.

The portfolio holdings had an average return of 1.7 percent over the first half. The bank holdings generally outperformed the insurance holdings with an average return of 2.2 percent versus the average for the insurers of 1.0 percent. Industrial Alliance Insurance and Financial Services Inc. and The Bank of Nova Scotia led the total returns with gains of 6.8 percent and 6.4 percent respectively. Sun Life Financial Inc. and the Canadian Imperial Bank of Commerce trailed with returns of negative 8.4 percent and negative 1.6 percent respectively.

The gross dividend yield on the fund holdings was 3.8 percent. Bank gross dividend yield topped the insurance companies at 4 percent versus 3.5 percent. The five-year dividend growth rate at the end of the first half was 6.7 percent for all the holdings. This compares with a five-year growth rate last year of 6.3 percent. The long-term rate of dividend growth is improving, but only slightly.

The average call writing exposure over the first half this year was 5.8 percent, down from 8.6 percent over the first half last year. The overwritten positions ranged from zero to 15.4 percent of the portfolio. Call writing activity was slightly higher in the second quarter. The net realized gain on options attributable to Strathbridge Selective Overwriting ("SSO") strategy amounted to \$0.05 per unit. The average cash position was 3.8 percent for the period.

Top 10 Split Trust

Management Report of Fund Performance

Summary of Investment Portfolio

The composition of the portfolio may change due to ongoing portfolio transactions of the Fund. A quarterly portfolio summary, which includes the percentage of net asset value for each holding, and a monthly portfolio list are available on our website at www.strathbridge.com.

Asset Mix

June 30, 2017

	% of Net Asset Value ⁽¹⁾
Financials	95.8 %
Cash	4.3 %
Other Assets (Liabilities)	(0.1)%
	100.0 %

⁽¹⁾ The Net Asset Value excludes the Preferred Security liability.

Portfolio Holdings

June 30, 2017

	% of Net Asset Value ⁽¹⁾
The Bank of Nova Scotia	12.0 %
Royal Bank of Canada	11.7 %
National Bank of Canada	11.0 %
The Toronto-Dominion Bank	11.0 %
Manulife Financial Corporation	10.2 %
Industrial Alliance Insurance and Financial Services Inc.	8.7 %
Sun Life Financial Inc.	8.4 %
Great-West Lifeco Inc.	8.2 %
Canadian Imperial Bank of Commerce	7.4 %
Bank of Montreal	7.2 %
Cash	4.3 %

⁽¹⁾ The Net Asset Value excludes the Preferred Security liability.

Forward-Looking Statements

This report may contain forward-looking statements about the Fund. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as “expects”, “anticipates”, “intends”, “plans”, “believes”, “estimates” or negative versions thereof and similar expressions. In addition, any statement that may be made concerning future performance, strategies or prospects, and possible future Fund action, is also forward-looking. Forward-looking statements are based on current expectations and projections about future events and are inherently subject to, among other things, risks, uncertainties and assumptions about the Fund and economic factors.

Forward-looking statements are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied in any forward-looking statements made by the Fund. Any number of important factors could contribute to any divergence between what is anticipated and what actually occurs, including, but not limited to, general economic, political and market factors, interest and foreign exchange rates, global equity and capital markets, business competition, technology change, changes in government regulations, unexpected judicial or regulatory proceedings, and catastrophic events.

The above-mentioned list of important factors is not exhaustive. You should consider these and other factors carefully before making any investment decisions and you should avoid placing undue reliance on forward-looking statements. While the Fund currently anticipates that subsequent events and developments may cause the Fund's views to change, the Fund does not undertake to update any forward-looking statements.

Management's Responsibility for Financial Reporting

The accompanying condensed financial statements of Top 10 Split Trust (the "Fund") and all the information in this semi-annual report are the responsibility of the management of Strathbridge Asset Management Inc. (the "Manager") and have been approved by the Fund's Board of Advisors (the "Board").

The condensed financial statements have been prepared by management in accordance with International Financial Reporting Standards and include certain amounts that are based on estimates and judgments. Management has ensured that the other financial information presented in this semi-annual report is consistent with the condensed financial statements. The significant accounting policies which management believes are appropriate for the Fund are described in Note 3 of the annual financial statements for the year ended December 31, 2016.

The Manager is also responsible for maintaining a system of internal controls designed to provide reasonable assurance that assets are safeguarded and that accounting systems provide timely, accurate and reliable financial information.

The Board meets periodically with management and the independent auditor to discuss internal controls, the financial reporting process, various auditing and financial reporting matters, and to review the annual report, the financial statements and the independent auditor's report. Deloitte LLP, the Fund's independent auditor, has full and unrestricted access to the Board.



John P. Mulvihill
Director
Strathbridge Asset Management Inc.



John D. Germain
Director
Strathbridge Asset Management Inc.

August 8, 2017

Top 10 Split Trust

Notice to Securityholders

The accompanying unaudited Condensed Financial Statements for the six months ended June 30, 2017 have been prepared by management and have not been reviewed by the independent auditor of the Fund.

Condensed Financial Statements

Statements of Financial Position

As at June 30, 2017 (Unaudited) and December 31, 2016 (Audited)

	Note	June 30, 2017	Dec. 31, 2016
ASSETS			
Financial assets at fair value through profit or loss	2	\$ 18,313,903	\$ 19,972,679
Dividends receivable		61,727	64,562
Cash		828,185	698,364
TOTAL ASSETS		19,203,815	20,735,605
LIABILITIES			
Accrued liabilities		35,689	42,604
Derivative liabilities	2	33,994	–
Accrued management fees	5	17,305	19,287
Preferred securities		14,335,863	14,335,863
Redemptions payable		–	838,100
TOTAL LIABILITIES		14,422,851	15,235,854
NET ASSETS ATTRIBUTABLE TO HOLDERS OF CAPITAL UNITS		\$ 4,780,964	\$ 5,499,751
NET ASSETS ATTRIBUTABLE TO HOLDERS OF CAPITAL UNITS PER CAPITAL UNIT		\$ 4.1687	\$ 4.7954

The notes are an integral part of the Condensed Financial Statements.

Top 10 Split Trust

Condensed Financial Statements

Statements of Comprehensive Income

Six months ended June 30 (Unaudited)

	Note	2017	2016
INCOME			
Dividend income		\$ 368,919	\$ 396,819
Interest income		–	2,745
Net realized gain/(loss) on investments at fair value through profit or loss	3	1,065,079	(529,478)
Net realized gain on options at fair value through profit or loss	3	57,210	199,297
Net change in unrealized gain/loss on investments at fair value through profit or loss	3	(1,312,232)	(72,218)
TOTAL INCOME/(LOSS), NET		178,976	(2,835)
EXPENSES			
Management fees	5	107,549	107,115
Service fees		9,713	6,622
Administrative and other expenses		50,199	41,557
Transaction fees	6	9,699	18,019
Custodian fees		19,470	19,290
Audit fees		15,919	16,719
Advisory board fees	5	10,200	10,200
Independent review committee fees	5	3,750	3,410
Legal fees		2,249	3,330
Securityholder reporting costs		10,783	7,881
Harmonized sales tax		18,646	17,621
TOTAL EXPENSES		258,177	251,764
OPERATING LOSS		(79,201)	(254,599)
Preferred security interest		(447,990)	(493,773)
DECREASE IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF CAPITAL UNITS	7	\$ (527,191)	\$ (748,372)
DECREASE IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF CAPITAL UNITS PER CAPITAL UNIT	7	\$ (0.4597)	\$ (0.5875)

The notes are an integral part of the Condensed Financial Statements.

Condensed Financial Statements

Statements of Changes in Net Assets Attributable to Holders of Capital Units

Six months ended June 30 (Unaudited)

	2017	2016
NET ASSETS ATTRIBUTABLE TO HOLDERS OF CAPITAL UNITS, BEGINNING OF YEAR	\$ 5,499,751	\$ 4,466,516
Decrease in Net Assets Attributable to Holders of Capital Units	(527,191)	(748,372)
Capital Unit Transactions		
Value for Capital Units redeemed, excluding Preferred Securities	-	(413,115)
Distributions		
Non-taxable distributions	(191,596)	(131,700)
Changes in Net Assets Attributable to Holders of Capital Units during the Period	(718,787)	(1,293,187)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF CAPITAL UNITS, END OF PERIOD	\$ 4,780,964	\$ 3,173,329

The notes are an integral part of the Condensed Financial Statements.

Top 10 Split Trust

Condensed Financial Statements

Statements of Cash Flows

Six months ended June 30 (Unaudited)

	2017	2016
CASH, BEGINNING OF YEAR	\$ 698,364	\$ 470,781
Cash Flows Provided by (Used In) Operating Activities		
Operating Loss	(79,201)	(254,599)
Adjustments to Reconcile Net Cash Provided by (Used In) Operating Activities		
Net realized (gain)/loss on investments at fair value through profit or loss	(1,065,079)	529,478
Net realized gain on options at fair value through profit or loss	(57,210)	(199,297)
Net change in unrealized gain/loss on investments at fair value through profit or loss	1,312,232	72,218
(Increase)/decrease in dividends receivable	2,835	(11,299)
Decrease in accrued liabilities and accrued management fees	(8,897)	(13,258)
Purchase of investment securities	(9,474,283)	(14,344,021)
Proceeds from disposition of investment securities	10,977,110	19,099,213
	1,686,708	5,133,034
Cash Flows Used In Financing Activities		
Capital Unit redemptions	(232,375)	(560,494)
Preferred Security redemptions	(605,725)	(2,268,400)
Capital Unit distributions	(191,596)	(131,700)
Preferred Security interest	(447,990)	(493,773)
	(1,477,686)	(3,454,367)
Net Increase in Cash during the Period	129,821	1,424,068
CASH, END OF PERIOD	\$ 828,185	\$ 1,894,849
Dividends received	\$ 371,754	\$ 385,520
Interest received	\$ -	\$ 2,745

The notes are an integral part of the Condensed Financial Statements.

Schedule of Investments

As at June 30, 2017 (Unaudited)

	Number of Shares/ (Contracts)	Average Cost/ (Proceeds)	Fair Value	% of Net Assets Attributable to Holders of Capital Units and Preferred Securities
INVESTMENTS				
Canadian Common Shares				
Financials				
Bank of Montreal	14,400	\$ 1,328,757	\$ 1,371,168	
Canadian Imperial Bank of Commerce	13,400	1,437,207	1,412,226	
Great-West Lifeco Inc.	44,520	1,584,967	1,564,878	
Industrial Alliance Insurance and Financial Services Inc.	29,600	1,436,817	1,665,296	
Manulife Financial Corporation	80,300	1,752,495	1,952,093	
National Bank of Canada	38,560	1,919,875	2,102,677	
Royal Bank of Canada	23,800	2,031,582	2,241,008	
Sun Life Financial Inc.	34,800	1,592,424	1,613,328	
The Bank of Nova Scotia	29,400	2,086,189	2,293,494	
The Toronto-Dominion Bank	32,100	1,982,202	2,097,735	
Total Financials		17,152,515	18,313,903	95.8 %
Total Canadian Common Shares		\$ 17,152,515	\$ 18,313,903	95.8 %
Options				
Written Covered Call Options (100 shares per contract)				
Manulife Financial Corporation - July 2017 @ \$23	(161)	\$ (5,432)	\$ (13,965)	
National Bank of Canada - July 2017 @ \$54	(129)	(7,353)	(10,741)	
Sun Life Financial Inc. - July 2017 @ \$46	(129)	(1,742)	(9,288)	
Total Written Covered Call Options		(14,527)	(33,994)	(0.2)%
Total Options		\$ (14,527)	\$ (33,994)	(0.2)%
Adjustment for transaction costs		(8,088)		
TOTAL INVESTMENTS		\$ 17,129,900	\$ 18,279,909	95.6 %
OTHER NET ASSETS			836,918	4.4 %
NET ASSETS ATTRIBUTABLE TO HOLDERS OF CAPITAL UNITS AND PREFERRED SECURITIES			\$ 19,116,827	100.0 %

Top 10 Split Trust

Notes to Condensed Financial Statements

June 30, 2017 (Unaudited)

1. Basis of Presentation

The condensed semi-annual financial statements for Top 10 Split Trust (the “Fund”) have been prepared in compliance with International Financial Reporting Standards (“IFRS”), specifically the International Accounting Standard (“IAS”) 34 Interim Financial Reporting. However, not all disclosures required by IFRS for annual financial statements have been presented and, accordingly, these condensed semi-annual financial statements should be read in conjunction with the most recently prepared annual financial statements for the year ended December 31, 2016.

These condensed semi-annual financial statements follow the same accounting policies and method of application as the most recent audited financial statements for the year ended December 31, 2016.

These condensed financial statements were approved by the Board of Advisors on August 8, 2017.

2. Risks Associated with Financial Instruments

The various types of risks associated with its investment strategies, financial instruments and markets in which the Fund invests remain unchanged from the prior year and are described in Note 6 of the audited financial statements for the year ended December 31, 2016.

Credit Risk

During the periods ended June 30, 2017 and December 31, 2016, the counterparties to the Fund’s derivative financial instruments had a credit rating of A-1 or higher from Standard & Poor’s Ratings Services.

Liquidity Risk

The amounts in the table are the contractual undiscounted cash flows:

	As at June 30, 2017		
	Financial Liabilities		
	On Demand	< 3 months	Total
Accrued liabilities	\$ –	\$ 35,689	\$ 35,689
Derivative liabilities	–	33,994	33,994
Accrued management fees	–	17,305	17,305
Preferred securities	14,335,863	–	14,335,863
	\$ 14,335,863	\$ 86,988	\$ 14,422,851

	As at December 31, 2016		
	Financial Liabilities		
	On Demand	< 3 months	Total
Redemptions payable	\$ –	\$ 838,100	\$ 838,100
Accrued liabilities	–	42,604	42,604
Accrued management fees	–	19,287	19,287
Preferred securities	14,335,863	–	14,335,863
	\$ 14,335,863	\$ 899,991	\$ 15,235,854

Market Risk

(a) Price Risk

Approximately 96 percent (December 31, 2016 - 101 percent) of the Fund’s net assets attributable to holders of Capital Units, excluding the Preferred Security liability, held at June 30, 2017 were publicly

Notes to Condensed Financial Statements

June 30, 2017 (Unaudited)

traded equities. If equity prices on the exchange increased or decreased by 5 percent as at June 30, 2017, the net assets attributable to holders of Capital Units, excluding the Preferred Security liability, would have increased or decreased by \$0.9 million (December 31, 2016 - \$1.0 million) respectively or 4.8 percent (December 31, 2016 - 5.0 percent) of the net assets attributable to holders of Capital Units, excluding the Preferred Security liability, all other factors remaining constant. In practice, actual trading results may differ and the difference could be material.

Concentration Risk

Concentration risk arises as a result of the concentration of exposures with the same category, whether it is geographical location, product type, industry sector or counterparty type. The following is a summary of the Fund's concentration risk:

	June 30, 2017	Dec. 31, 2016
Financials	100.0%	100.0%

Fair Value Measurement

The following table illustrates the classification of the Fund's assets and liabilities measured at fair value within the fair value hierarchy as at June 30, 2017 and December 31, 2016.

	As at June 30, 2017				
	Level 1	Level 2	Level 3	Total	
Canadian Common Shares	\$ 18,313,903	\$ -	\$ -	\$ 18,313,903	
Options	(9,288)	(24,706)	-	(33,994)	
	\$ 18,304,615	\$ (24,706)	\$ -	\$ 18,279,909	

	As at December 31, 2016				
	Level 1	Level 2	Level 3	Total	
Canadian Common Shares	\$ 19,972,679	\$ -	\$ -	\$ 19,972,679	

There were no transfers between Level 1 and Level 2 and the Fund did not hold any financial instruments within Level 3 of the fair value hierarchy during the six months ended June 30, 2017 and during the year ended December 31, 2016.

3. Financial Instruments by Category

The following tables present the carrying amounts of the Fund's financial instruments by category as at June 30, 2017 and December 31, 2016.

	As at June 30, 2017				
	Financial Instruments at FVTPL		Financial Instruments at Amortized Cost		Total
	Designated at Inception	Held for Trading			
Assets					
Non-derivative financial assets	\$ 18,313,903	\$ -	\$ -	\$ -	\$ 18,313,903
Dividends receivable	-	-	-	61,727	61,727
Cash	-	-	-	828,185	828,185
	\$ 18,313,903	\$ -	\$ -	\$ 889,912	\$ 19,203,815
Liabilities					
Accrued liabilities	\$ -	\$ -	\$ 35,689	\$ -	\$ 35,689
Derivative liabilities	-	33,994	-	-	33,994
Accrued management fees	-	-	-	17,305	17,305
Preferred securities	-	-	-	14,335,863	14,335,863
	\$ -	\$ 33,994	\$ 14,388,857	\$ -	\$ 14,422,851

Top 10 Split Trust

Notes to Condensed Financial Statements

June 30, 2017 (Unaudited)

	As at December 31, 2016				Total
	Financial Instruments at FVTPL		Financial Instruments at Amortized Cost		
	Designated at Inception	Held for Trading			
Assets					
Non-derivative financial assets	\$ 19,972,679	\$ -	\$ -	\$ -	\$ 19,972,679
Dividends receivable	-	-	-	64,562	64,562
Cash	-	-	-	698,364	698,364
	\$ 19,972,679	\$ -	\$ -	\$ 762,926	\$ 20,735,605
Liabilities					
Redemptions payable	\$ -	\$ -	\$ -	\$ 838,100	\$ 838,100
Accrued liabilities	-	-	-	42,604	42,604
Accrued management fees	-	-	-	19,287	19,287
Preferred securities	-	-	-	14,335,863	14,335,863
	\$ -	\$ -	\$ -	\$ 15,235,854	\$ 15,235,854

The following table presents the net loss on financial instruments at FVTPL by category for the six months ended June 30, 2017 and 2016.

	June 30, 2017	June 30, 2016
Net Realized Gain/(Loss) on Financial Instruments at FVTPL		
Designated at Inception	\$ 1,065,079	\$ (529,478)
Held for Trading	57,210	199,297
	1,122,289	(330,181)
Net Change in Unrealized Gain/Loss on Financial Instruments at FVTPL		
Designated at Inception	(1,292,765)	(87,293)
Held for Trading	(19,467)	15,075
	(1,312,232)	(72,218)
Net Loss on Financial Instruments at FVTPL	\$ (189,943)	\$ (402,399)

4. Capital Units and Preferred Securities

For the six months ended June 30, 2017, cash distributions paid to Capital Unit Holders were \$191,596 (June 30, 2016 - \$131,700) representing a payment of \$0.17 (June 30, 2016 - \$0.11) per Capital Unit and interest payments paid to Preferred Securities were \$447,990 (June 30, 2016 - \$493,773) representing \$0.39 (June 30, 2016 - \$0.39) per Preferred Security.

During the six months ended June 30, 2017, nil (June 30, 2016 - 137,494) Capital Units and Preferred Securities were redeemed with a total retraction value of nil (June 30, 2016 - \$2,131,789).

During the six months ended June 30, 2017 and year ended December 31, 2016, securityholder transactions are as follows:

	June 30, 2017	Dec. 31, 2016
Capital Units outstanding, beginning of year	1,146,869	1,332,821
Capital Units redeemed	-	(185,952)
Capital Units outstanding, end of period	1,146,869	1,146,869
Preferred Securities outstanding, beginning of year	1,146,869	1,332,821
Preferred Securities redeemed	-	(185,952)
Preferred Securities outstanding, end of period	1,146,869	1,146,869

Notes to Condensed Financial Statements

June 30, 2017 (Unaudited)

5. Related Party Transactions

(a) Management Fees

Total management fees for the six months ended June 30, 2017 were \$107,549 (June 30, 2016 - \$107,115).

(b) Advisory Board Fees

Total advisory board fees paid to the external members of the Board of Advisors for the six months ended June 30, 2017 were \$10,200 (June 30, 2016 - \$10,200).

(c) Independent Review Committee Fees

Total remuneration paid to the external members of the Independent Review Committee for the six months ended June 30, 2017 were \$3,750 (June 30, 2016 - \$3,410).

6. Brokerage Commissions and Soft Dollars

The ascertainable soft dollar value received as a percentage of total transaction fees paid during the six months ended June 30, 2017 and 2016 is disclosed below:

	June 30, 2017	June 30, 2016
Soft Dollars	\$ 5,285	\$ 9,062
Percentage of Total Transaction Fees	54.5%	50.3%

7. Increase/(Decrease) in Net Assets Attributable to Holders of Capital Units per Capital Unit

The decrease in net assets attributable to holders of Capital Units per Capital Unit for the six months ended June 30, 2017 and 2016 is calculated as follows:

	June 30, 2017	June 30, 2016
Decrease in Net Assets Attributable to Holders of Capital Units	\$ (527,191)	\$ (748,372)
Weighted Average Number of Capital Units Outstanding during the Period	1,146,869	1,273,895
Decrease in Net Assets Attributable to Holders of Capital Units per Capital Unit	\$ (0.4597)	\$ (0.5875)

8. Future Accounting Policy Changes

In July 2014, the International Accounting Standards Board (“IASB”) finalized the reform of financial instruments accounting and issued IFRS 9: Financial Instruments (“IFRS 9”) (as revised in 2014), which contains the requirements for: a) the classification and measurement of financial assets and financial liabilities, b) impairment methodology and c) general hedge accounting. IFRS 9 (as revised in 2014) will supersede IAS 39 Financial Instruments: Recognition and Measurement in its entirety upon its effective date. The new standard, which becomes effective for annual periods beginning on or after January 1, 2018, is not expected to have a significant impact on the Fund.

In January 2016, a Disclosure Initiative was issued by the IASB, which amends IAS 7 Statements of Cash Flows. The amendments are designed to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash flow changes. These amendments are effective for the annual periods beginning on or after January 1, 2017. Based on the Manager’s evaluation, the amendments are not expected to have a significant impact on the December 31, 2017 financial statements.

Investment Funds Managed by Strathbridge Asset Management Inc.

UNIT TRUSTS

Canadian Utilities & Telecom Income Fund (UTE.UN)

Core Canadian Dividend Trust (CDD.UN)

Low Volatility U.S. Equity Income Fund (LVU.UN)

NDX Growth & Income Fund (NGL.UN)

U.S. Financials Income Fund (USF.UN)

Top 10 Canadian Financial Trust (TCT.UN)

SPLIT SHARES

Premium Income Corporation (PIC.PR.A/PIC.A)

S Split Corp. (SBN.PR.A/SBN)

Top 10 Split Trust (TXT.PR.A/TXT.UN)

World Financial Split Corp. (WFS.PR.A/WFS)

Head Office

Strathbridge Asset Management Inc.

121 King Street West, Suite 2600

P.O. Box 113

Toronto, Ontario

M5H 3T9

Tel: 416-681-3966

Toll Free: 1-800-725-7172

Fax: 416-681-3901

Email: info@strathbridge.com

Visit our website at www.strathbridge.com for additional information on all Strathbridge Investment Funds.




strathbridge
ASSET MANAGEMENT

www.strathbridge.com

Strathbridge Asset Management Inc.
Investor Relations
121 King Street West, Suite 2600
P.O. Box 113
Toronto, Ontario
M5H 3T9

Tel: 416-681-3966
Toll Free: 1-800-725-7172
Fax: 416-681-3901
Email: info@strathbridge.com