



**FUND DETAILS**

AS AT JUNE 30, 2020

TSX Symbol	LBS; LBS.PR.A
Total Assets	\$382 million
Inception Date	Oct. 17, 2006
NAV - Class A	\$3.83
Redemption Price - Pref	\$10.00
Management Fee	0.60% p.a.
Pref Credit Rating	Pfd-3 (low)

**Distributions per share:**

Class A	\$0.10 monthly/\$1.20 p.a.
Preferred	\$0.13625 quarterly/\$0.545 p.a.

Distribution Rate (Class A) <sup>1</sup>	n/a%
Distribution Rate (Pref) <sup>1</sup>	5.7%
Maturity Date <sup>2</sup>	Oct. 30, 2023

**WHY INVEST?**

- Equal weight investment in Canada's four largest publicly-listed life insurance companies ("Lifecos") and the "Big Six" banks ("Banks")
- Manager believes Canadian Lifecos and Banks are currently attractively valued relative to historical averages, representing a compelling entry point
- Lifecos and Banks all have a dominant market position in Canada, favourable demographic trends and significant international operations
- Potential for capital appreciation for Class A shares due to leveraged exposure to the Lifecos and Banks
- Distributions:

Preferred Shares - Target of \$0.545 p.a.; \$6.98 dividends declared since inception  
 Class A Shares - Target of \$1.20 p.a.;<sup>3</sup> \$15.05 distributions declared since inception

**INVESTMENT OBJECTIVES**

To provide holders of Preferred shares with fixed cumulative preferential quarterly cash distributions and to return the original issue price on the maturity date.

To provide holders of Class A shares with regular monthly cash distributions<sup>4</sup> and the opportunity for capital appreciation.

**Portfolio Manager and Manager**

Brompton Funds Limited



Laura Lau, BAsC (Hons), CFA, DMS  
Senior Vice President and Chief Investment Officer



Michael Clare, BComm (Hons), CPA, CA, CFA  
Vice President and Portfolio Manager

Founded in 2000, Brompton is an experienced investment fund manager with income focused investment solutions including TSX traded closed-end funds and exchange-traded funds.

**PORTFOLIO**

JUNE 30, 2020

Top 10 Holdings	% of Portfolio
National Bank of Canada	10.7%
Canadian Imperial Bank of Commerce	10.5%
Sun Life Financial Inc.	10.3%
Royal Bank of Canada	10.0%
Manulife Financial Corporation	9.9%
iA Financial Corporation Inc.	9.8%
Bank of Montreal	9.7%
Toronto-Dominion Bank	9.5%
Bank of Nova Scotia	9.3%
Great-West Lifeco Inc.	9.0%
<b>Total</b>	<b>98.7%</b>



Annual Compound Returns <sup>4</sup>	1-YR	3-YR	5-YR	10-YR	Since Inception
Life & Banc Split Corp. - Class A	(41.1%)	(14.7%)	(2.1%)	7.9%	3.9%
S&P/TSX Capped Financials Index	(11.0%)	0.7%	5.0%	8.5%	6.1%
S&P/TSX Composite Index	(2.2%)	3.9%	4.4%	6.3%	4.9%
Life & Banc Split Corp. - Preferred	5.6%	5.2%	5.1%	5.1%	5.2%
S&P/TSX Preferred Share Index	(7.2%)	(4.0%)	(0.9%)	0.9%	0.7%
Life & Banc Split Corp. - Unit	(13.1%)	(2.1%)	3.2%	7.4%	5.2%

<sup>(1)</sup> Distributions are based on market price as at June 30, 2020. Source: TMX Group Inc.

<sup>(2)</sup> Subject to the extension of the term for periods of up to five years as determined by the board of directors. The announcement of any extension will be made by news release at least 60 days prior to the then current termination date.

<sup>(3)</sup> Class A share distribution of \$0.10/mo (\$1.20/p.a.) will be declared and paid in any month, only if the net asset value per unit (each unit consisting of one Class A and one Preferred share) is in excess of \$15.00, based on the most recently calculated NAV as of the date of each distribution declaration.

<sup>(4)</sup> Returns are for the periods ended June 30, 2020. The table shows the Fund's compound return on a Class A share, Preferred share and unit for each period indicated, compared with the S&P/TSX Capped Financials Index ("Financials Index") and the S&P/TSX Composite Index ("Composite Index") and the S&P/TSX Preferred Share Index ("Preferred Share Index") (together the "Indices"). The Financials Index is derived from the Composite Index based on the financials sector of the Global Industry Classification Standard. The Composite Index tracks the performance, on a market weight basis, of a broad index of large-capitalization issuers listed on the Toronto Stock Exchange ("TSX"). The Preferred Share Index tracks the performance, on a market weight basis, of a broad index of preferred shares trading on the TSX that meet the criteria relating to size, liquidity and issuer rating. The Fund invests in a passively managed portfolio of four Canadian life insurance companies and six Canadian banks. The Fund is not expected to mirror the performance of the Indices, which have more diversified portfolios. The Indices are calculated without the deduction of management fees, fund expenses and trading commissions, whereas the performance of the Fund is calculated after deducting such fees and expenses. Further, the performance of the Fund's Class A shares is impacted by the leverage provided by the Fund's Preferred shares.

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You will usually pay brokerage fees to your dealer if you purchase or sell shares of the Fund on the Toronto Stock Exchange or other alternative Canadian trading system (an "exchange"). If the shares are purchased or sold on an exchange, investors may pay more than the current net asset value when buying shares of the investment fund and may receive less than the current net asset value when selling them.

There are ongoing fees and expenses associated with owning shares of an investment fund. An investment fund must prepare disclosure documents that contain key information about the Fund. You can find more detailed information about the Fund in the public filings available at [www.sedar.com](http://www.sedar.com). The indicated rates of return are the historical annual compounded total returns including changes in share value and reinvestment of all distributions and do not take into account certain fees such as redemption costs or income taxes payable by any securityholder that would have reduced returns. Investment funds are not guaranteed, their values change frequently and past performance may not be repeated.

Certain statements contained in this document constitute forward-looking information within the meaning of Canadian securities laws. Forward-looking information may relate to matters disclosed in this document and to other matters identified in public filings relating to the Fund, to the future outlook of the Fund and anticipated events or results and may include statements regarding the future financial performance of the Fund. In some cases, forward-looking information can be identified by terms such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "intend", "estimate", "predict", "potential", "continue" or other similar expressions concerning matters that are not historical facts. Actual results may vary from such forward-looking information. Investors should not place undue reliance on forward-looking statements. These forward-looking statements are made as of the date hereof and we assume no obligation to update or revise them to reflect new events or circumstances.

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FUNDS

VALUE  
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