



DESCRIPTION

For more than 15 years, Globevest Capital has developed a rigorous risk management expertise by using several modeling strategies in options. The Tactical Covered Options Fund aims to provide a superior, tax-efficient return by investing in quality high-dividend stocks, writing covered call options on a portion of this diversified portfolio and selling put options. The use of conservative option strategies reduces the risk associated with a bear market relative to a standard stock strategy. Our flexible tactical approach allows us to modify the allocation between the various strategies as well as the allocation between the sectors according to market conditions and yield outlook.

EQUITIES

Our rigorous selection process aims to acquire equities with a high yield dividend and capital appreciation. This class of shares has a lower correlation to equity markets than shares without dividends and promotes the preservation of capital.

Top positions	Dividend Yield	% of portfolio
MICROSOFT CORP	1.56%	1.70%
APPLE INC	1.39%	1.60%
FACEBOOK INC CL-A	-	1.01%
HOME DEPOT INC	2.12%	1.01%
STANLEY BLACK&DECKER INC	-	0.76%

COVERED CALLS

We are selling covered call options on a portion of our equities in order to increase the income of the portfolio by the premiums received. This strategy also helps to maintain an exposure to capital appreciation.

Top positions	% of portfolio
ENBRIDGE INC	1.45%
CITIGROUP INC-NEW	1.43%
ALIGN TECH INC	1.12%
SUNCOR ENERGY INC NEW	1.07%
GILEAD SCIENCES INC	1.07%

SECURED PUT OPTION WRITING

The Fund's secured put option writing strategy is to commit to buy a stock if it falls a certain percentage below its current market value (typically between 10% and 30%) in exchange for a premium.

Top positions	% of portfolio
HESS CORP	2.02%
SERVICENOW INC	1.87%
AMAZON COM INC	1.75%
ABIOMED INC	1.59%
VALERO ENERGY CORP	1.52%

GENERAL INFORMATION

Manager:	Globevest Capital
Trustee:	Trust Banque Nationale
Custodian:	CIBC Mellon
Auditor:	Raymond Chabot Grand Thornton
Fund AUM: \$ 51 M	Share Price: \$ 11.15
Management fees:	0.85%
Management expense ratio:	1.66%
Eligible to registered accounts:	RRSP, RRIF, LIRA, LIF, RESP, TFSA
Date Series Started	May 3 th , 2016

ASSET ALLOCATION

Equities	33%
Covered Calls	23%
Secured Put Option Writing	44%

AVERAGE MATURITY

	Months	Annualized Yield
Covered Calls	3.3	10.76%
Secured Put Option Writing	2.7	12.69%

Covered calls - Fund holds underlying stock

Stock

ENB	Stock price: 40.29\$
Annual dividend	4.0%

+ Option

ENB	Stock price: 40.29\$
Maturity	2016-10-21
Strike price	Premium
42.50 \$	1.78 \$

horizon of -16.5 months

Participate in the stock growth up to the strike price

Even if the stock does 0%, the annual return of the stock will be 4% // Growth potential: 5.5%

Premium's annualized return

$(1.78\$ / 42.5\$ + 1) ^ (12 / -16.5) - 1 = -2.9\%$
(Premium's return + 1) ^ (12 / horizon) - 1

Protection 38.52 \$

Stock does -4.4% or better : breakeven

Total return = 4% + -2.9% = 1.1% + potential growth of the stock (5.5%)

Secured Put writing - Fund doesn't hold the underlying stock

ABX	Market price : 21.71 \$
Maturity	2016-10-21
Strike price	Premium
20.00 \$	1.00 \$

horizon -16.5 months

1st level 20.00 \$ Buffer

The stock does -7.88% or better : maximum return

2nd level 19.01 \$ Total protection

The stock does -12.44% or better : breakeven

$\frac{1.00 \$}{20.00 \$} = 5\%$ premium + 0.1% interest = 5.1% max return

$2 \cdot 0.1\% \cdot (20\$ + 1\$) = 0.02\$$ -3.51% annual return

1 Average yield to maturity of our fund

$2 \cdot 0.1\% \cdot (20\$ + 1\$) = 0.02\$$

In case of an assignation, the fund can keep the stock bought at 20\$



CALENDAR RETURNS %

YTD 2018	2017	2016	2015	2014	2013	2012	2011
3.92%	13.13%	4.20%	-	-	-	-	-

COMPOUND RETURNS %

1 month	3 month	6 month	YTD	1 year	3 years	5 years	10 years	Inception
1.20%	3.97%	2.22%	3.92%	9.46%	-	-	-	7.58%

Notes: Returns are net of all fees. Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The indicated rates of return are the historical total returns including changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any security holder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.