



NICOLA WEALTH

The Pool

The fundamental investment objective of Nicola Canadian Tactical High Income Fund to invest in publicly traded securities that distribute income with a target yield of 4% in excess of the S&P/TSX Composite Index Yield.

The Strategy

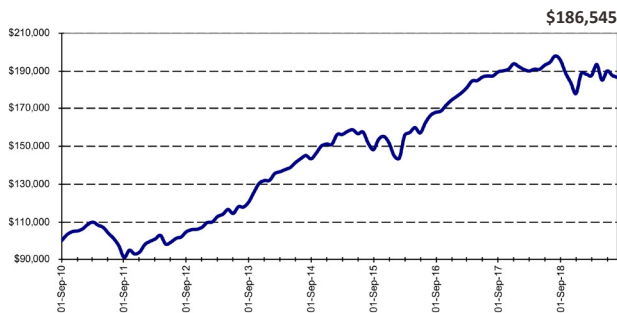
The fund has the ability to use covered call and put strategies, primarily investing in securities that may include: equities, preferred shares, common shares, REITs, high yield bonds, convertible debentures, options, exchange-traded securities, mutual funds, Canadian bonds and foreign bonds. The fund may also invest in cash and money market securities.

The Manager

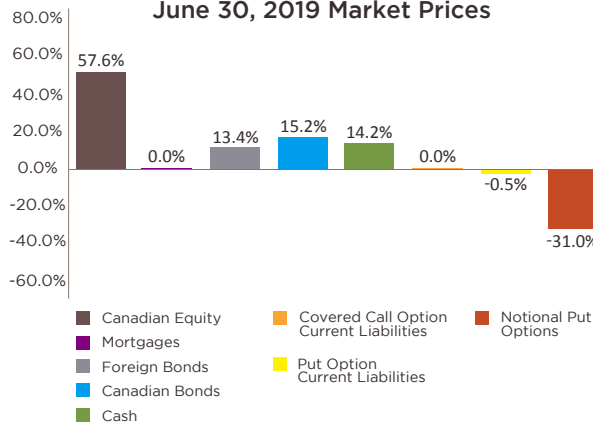
Nicola Wealth, the "Fund Manager," is a wealth management and planning firm established in 1994. With a philosophy built on cash flow and diversification, our growing series of funds is managed by members of Nicola Wealth's Portfolio Management Team.

PERFORMANCE (cumulative return)

\$100,000 INVESTED AT INCEPTION



Asset Mix based on June 30, 2019 Market Prices



Total Assets (millions) \$206.0	
12-Month Trailing Cash Flow Distribution 7.2%	
Returns for the period ENDING AUGUST 31, 2019	
1 month	-0.5%
3 month	0.8%
6 month	-0.9%
1 year	-5.7%
2 year	-0.2%
3 year	3.9%
4 year	5.3%
5 year	5.2%
6 year	8.0%
7 year	9.0%
8 year	8.5%
Since Inception*	7.2%

* September 30, 2010

PERFORMANCE (monthly returns) as of August 31, 2019

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	TOTAL
2019	5.9%	-0.1%	0.3%	3.1%	-4.3%	2.6%	-1.3%	-0.5%					4.8%
2018	-0.8%	-0.8%	-0.4%	0.5%	0.0%	1.2%	0.8%	1.7%	-1.1%	-3.5%	-2.7%	-3.1%	-8.1%
2017	1.1%	1.2%	1.5%	1.9%	0.1%	1.0%	0.3%	0.0%	1.1%	0.3%	0.4%	1.5%	11.1%
2016	-4.5%	-0.8%	8.3%	1.1%	1.6%	-1.8%	3.4%	2.4%	1.0%	0.4%	1.8%	1.5%	14.9%
2015	-0.1%	3.4%	0.0%	1.1%	0.6%	-1.3%	0.6%	-3.8%	-2.3%	3.7%	1.0%	-2.2%	0.4%
2014	0.1%	2.7%	0.7%	0.9%	0.8%	1.9%	1.4%	1.2%	-1.2%	2.2%	2.5%	0.7%	14.7%
2013	2.3%	0.4%	2.6%	1.0%	2.2%	-1.8%	3.1%	-0.1%	2.3%	4.3%	3.7%	1.2%	23.2%
2012	4.2%	1.7%	1.3%	1.8%	-4.5%	1.1%	2.0%	0.8%	2.7%	1.0%	0.2%	1.0%	14.0%
2011	1.1%	2.2%	1.1%	-1.5%	-1.2%	-2.9%	-2.7%	-3.9%	-6.3%	4.2%	-2.0%	1.1%	-10.6%
2010										3.1%	1.5%	0.4%	5.0%

Covered Call Option Current Liabilities

This is the current market value of the Covered Call Options written against our underlying long-only stock positions. Writing a Covered Call Option is a strategy that delivers a premium by agreeing to sell a stock we already own at a certain price. Writing (selling) Covered Call Options becomes an obligation to the writer (seller).

Put Option Current Liabilities

This is the current market value of the Put Options that were written in the portfolio. Writing a Put Option is a strategy that delivers a premium by agreeing to buy a stock at a certain price. Writing (selling) Put Options becomes an obligation to the writer (seller).

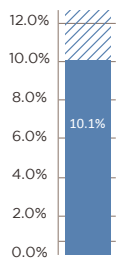
Notional Put Option Exposure

This is the current market value of the Put Options that were written in the portfolio. Writing a Put Option is a strategy that delivers a premium by agreeing to buy a stock at a certain price. Writing (selling) Put Options becomes an obligation to the writer (seller).

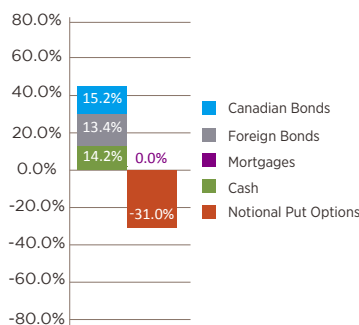
Collateral Sources

These are assets available to be drawn upon should notional put options be exercised.

Percentage of equities partially or fully covered



Collateral sources and notional put option exposure



Top Holdings as of June 30, 2019 (excluding Cash, Money Market and Treasuries)

	TOTAL
NICOLA WEALTH BOND FUND	15.2%
PIMCO MONTHLY INCOME FUND	13.4%
IGM FINANCIAL INC.	5.8%
SLEEP COUNTRY CANADA HOLDINGS INC.	3.8%
CINEPLEX INC.	3.7%
BANK OF NOVA SCOTIA	3.7%
WEST FRASER TIMBER CO LTD.	3.6%
TRANSCONTINENTAL INC.	3.3%
MAGNA INTERNATIONAL INC.	3.3%
GUARDIAN CAPITAL	3.1%

Disclosure

- Past performance is not indicative of future results.
- Returns are net of fund expenses.
- Please refer to the Nicola Wealth Funds Offering Memorandum for additional details and important disclosure information.

Nicola Wealth is registered as a Portfolio Manager, Exempt Market Dealer and Investment Fund Manager with the required provincial securities' commissions.