

McLean Budden

Executive Summary
June 30th, 2009



TABLE OF CONTENTS

| | Page |
|---|------|
| Corporate Overview | 2 |
| Investment Professionals | 3 |
| Assets Under Management | 5 |
| Investment Mandates Offered: | |
| <i>Balanced Funds</i> | 6 |
| <i>Equity Funds</i> | 7 |
| <i>Fixed Income Funds</i> | 10 |
| <i>Liability Driven Investing (LDI) Solutions</i> | 12 |
| <i>Select Funds</i> | 13 |
| <i>LifePlan™ Target Risk Funds</i> | 14 |
| <i>LifePlan™ Target Retirement Date Funds</i> | 15 |
| Private Clients/Mutual Fund Services | 16 |
| Concentrated Models | 18 |
| Defined Contribution/RSP Services | 19 |
| Managed Assets (Segregated Wrap) Programs | 20 |
| Performance Composites | 21 |
| Fee Schedules: | |
| <i>Segregated Fund Management</i> | 23 |
| <i>Pooled Fund Management</i> | 24 |
| McLean Budden Policies | 25 |
| Client Investment and Relationship Policy | 28 |
| Proxy Voting Guidelines | 29 |

**An electronic version of the McLean Budden Executive Summary is available on our website:
www.mcleanbudden.com**

OFFICES AND CONTACT INFORMATION

Toronto

Suite 2525
145 King St. W.
Toronto, ON
M5H 1J8

Alan Daxner
Executive Vice President
Tel. (416) 862-9800
Fax. (416) 862-0167
adaxner@mcleanbudden.com

Vancouver

Suite 3043
595 Burrard Street, PO Box 49105
Vancouver, BC
V7X 1G4

Doug Andrews
Executive Vice President
Tel. (604) 623-3430
Fax. (604) 623-3436
dandrews@mcleanbudden.com

Chicago

4026 N. Bell Avenue
Chicago, IL
USA
60618

Bruce MacNabb
Vice President
Tel. (773) 866-9210
Fax. (773) 866-9211
bmacnabb@mcleanbudden.com

Montréal

Suite 3010
1250 René-Lévesque Blvd. W.
Montréal, PQ
H3B 4W8

Benoit Paradis
Executive Vice President
Tel. (514) 933-0033
Fax. (514) 933-8163
bparadis@mcleanbudden.com

OWNERSHIP

In 1997, Sun Life acquired Gartmore's shares in McLean Budden. As part of the transaction, McLean Budden acquired 100% of SUNIMCO, the "value" oriented investment management subsidiary of Sun Life. This acquisition was pursued in order to meet both our clients' objectives and future needs by enhancing the breadth of investment products offered by the firm. The investment professionals at McLean Budden retain control of day-to-day operations and own approximately 40% of the firm.

CORPORATE HISTORY

| | | | |
|------|---------------------------------------|---------|---|
| 1947 | Established in Montreal | 1999-01 | Sun Life reduces ownership to issue shares to McLean Budden employees |
| 1978 | Toronto office established | 2002 | Chicago office opened |
| 1987 | Gartmore purchases 25% | 2003 | Global Equity mandate awarded in U.S. |
| 1990 | Gartmore increases ownership to 55% | 2005 | Global Equity mandate awarded in Europe |
| 1996 | Vancouver office established | | U.S. Equity mandate awarded in Asia |
| 1997 | Sun Life acquires Gartmore's interest | 2006 | U.S. Equity mandate awarded in Europe |

PRODUCT HISTORY

| Start Date | Investment Mandate | Start Date | Investment Mandate |
|------------|---|------------|--|
| 1947 | Private Clients: Balanced, U.S. Equity, Bonds and S/T | 1998 | Canadian Equity (Core) Fund Canadian Equity Plus Fund |
| 1956 | Pension Clients: Balanced, U.S. Equity, Bonds and S/T, Canadian Equity "Growth" Style | 1999 | Balanced (Core) Fund International Equity Fund |
| 1969 | Private Clients: Foreign Balanced | 2000 | Select Balanced Fund Select Canadian Equity Fund Select Global Equity Fund Select Fixed Income Fund |
| 1991 | Immunized Bond Style | 2001 | Balanced Value Fund Tactical Asset Allocation Style |
| 1992 | Short-Term Bond Style | 2002 | Global Equity Growth Style Global Equity Value Style LifePlan™ Target Risk Funds |
| 1993 | "Total Equity" Style | 2005 | Short Term Fixed Income Fund LifePlan™ Target Retirement Date Funds |
| 1994 | Canadian Equity "Value" Style Balanced "Value" Style Global Equity Style International Equity (EAFE) Style | 2006 | High Income Equity Mutual Fund |
| 1995 | Global Equity (Core) Fund | 2009 | Liability Driven Investment (LDI) Solutions Global Equity (Core) (C\$ – Hedged) |
| 1996 | Fixed Income Plus Fund | | |
| 1997 | Long Term Fixed Income Fund Global Fixed Income Style | | |

| Name | Education | Responsibility | Age | Year Joined Firm | Years of Industry Experience |
|---------------------|----------------------|---|-----|------------------|------------------------------|
| Douglas Mahaffy** | BA, CA, MBA | Chairman | 63 | 1989 | 35 |
| Roger Beauchemin** | BA Econ., CFA | President & CEO, Asset Mix | 44 | 1999 | 11 |
| John Ackerl | B.Sc., MBA, CFA | Client Service*, Canadian Equity "Core" | 44 | 2000 | 14 |
| Doug Andrews** | B. Comm., MBA | Client Service*, Cdn. Equity "Growth" | 52 | 1996 | 25 |
| Andrew Au | | Portfolio Analyst | 44 | 1998 | 22 |
| Ryan Ball | B. Comm., CFA | Equity Analyst | 32 | 2005 | 4 |
| Ian Bigney | BA Econ., CFA | Equity Analyst | 30 | 2001 | 7 |
| Steve Bonnyman | B.Sc., MBA, CFA | Equity Analyst | 47 | 2006 | 20 |
| Jean-Philippe Bry | BA Econ. | Equity Analyst | 48 | 2008 | 23 |
| Scott Campbell | CFP, CIM, FCSI | Client Service*, Canadian Equity "Growth" & "Core", Global Equity "Growth" | 38 | 2002 | 15 |
| Scott Connell | B. Comm., CFA | Equity Analyst, Global Equity "Growth", Canadian Equity "Growth" | 40 | 1999 | 11 |
| Cort Conover | BA, CFA | Fixed Income, Money Market | 47 | 1994 | 23 |
| John Cushman | BA, CBV, MBA, CFA | Equity Analyst, Canadian Equity "Value" | 54 | 2005 | 27 |
| Ralph Daghfal | B. Comm., CFA | Private Client, Client Service* | 37 | 2007 | 13 |
| Brian Dawson** | BA, CFA | Canadian Equity "Value", Global Equity "Value" & "Core", U.S. Equity, International Equity | 46 | 1989 | 23 |
| David Davies | BA Econ., CFA | Private Client, Client Service* | 47 | 2003 | 21 |
| Alan Daxner** | B.Sc., MBA, CFA | Client Service*, Canadian Equity "Value & "Select", U.S. Equity | 42 | 1998 | 17 |
| Lachlan Dodds | BA Econ. | Portfolio Analyst | 28 | 2008 | 6 |
| Greg Doyle | BA, CGA, CFA, FCSI | Controller | 53 | 2004 | 12 |
| Susan Eagleson | BA Econ., CFA | Private Client, Client Service* | 38 | 1994 | 15 |
| Linda Evans | | Equity Trader | 57 | 1973 | 35 |
| Claudio Faiella | BA, MBA, CFA | Equity Trader | 40 | 1995 | 13 |
| Patrick Fournell | B.Sc., MBA, CFA | Client Service*, International Equity | 38 | 2005 | 16 |
| Adam Gregg | BA, CA | Fixed Income, Credit Analyst | 38 | 2004 | 7 |
| Michael Hakes | BA, MBA, CFA | Equity Analyst, Global Equity "Growth" | 45 | 2002 | 18 |
| Ted Harris | BA | Private Client, Client Service*, "Select" | 62 | 1990 | 34 |
| Bill Healy | B. Comm., M.Sc., CFA | Private Client, Client Service* | 43 | 2002 | 19 |
| Bradley Hicks | HBA | Client Service*, Canadian Equity "Value" & "Core", Global Equity "Value" | 32 | 2003 | 9 |
| Miranda Hubbs** | B.Sc., CBV, MBA, CFA | Equity Analyst, Cdn. Equity "Growth", U.S. Equity, Global Equity "Core" | 42 | 2002 | 15 |
| Catherine Jackman | B. Comm., CFA | Private Client, Client Service* | 37 | 2006 | 5 |
| Jamie Keating | B. Comm., CA, CFA | Equity Analyst, Canadian Equity "Value" | 48 | 2007 | 21 |
| David Kilburn** | BA, CFA | Private Client, Client Service* | 40 | 2007 | 16 |
| Soami Kohly | B.Sc., CFA, FCIA | Liability Driven Investing Solutions | 39 | 2009 | 15 |
| Peter Kotsopoulos** | BA, CFA | Asset Mix, Fixed Income | 44 | 1995 | 20 |
| Ed Kwan | B.Sc., CFA | Private Client, Client Service* | 49 | 2001 | 21 |
| Alexandre Legault | BA, MBA, CFA | Client Service* | 37 | 2006 | 13 |
| Bob Livingston** | BA, MBA, CFA | Private Client, Client Service* | 56 | 1996 | 35 |
| Barb Lockhart** | BA | Finance and Administration | 44 | 1987 | 21 |
| Bruce MacNabb | BA, CFA | Client Service*, Global Equity, U.S. Equity, International Equity | 45 | 2002 | 19 |
| Tony Magri | B. Comm., MBA, CFA | Fixed Income | 43 | 1996 | 18 |
| Scott Mahaffy | BA, LL.B, MPA | Legal, Compliance | 36 | 2004 | 5 |
| Natalia Manaeva | BA | Portfolio Analyst | 34 | 2003 | 5 |
| Paul Marcogliese | B. Math, CFA | Fixed Income | 33 | 1999 | 9 |
| Dave Mason | CIM, FCSI | Client Service* | 46 | 2009 | 21 |
| Mary Mathers | B.Sc., MBA, CFA | Equity Analyst, Global Equity "Value", U.S. Equity | 42 | 1999 | 11 |
| Bruce Murray** | BA, CFA | Asset Mix, Canadian Equity "Growth", Global Equity "Core" & "Growth", U.S. Equity, International Equity | 57 | 1990 | 33 |
| Cindy Nam | BBA, CFA | Fixed Income, Money Market | 28 | 2004 | 5 |
| Dimi Ntantoulis | B.Sc.Ph.m., MBA | Equity Analyst | 39 | 2006 | 12 |
| Benoit Paradis** | BA, CFA | Client Service*, Global Equity "Core", Canadian Equity "Core", International Equity | 43 | 1997 | 17 |
| Grant Patterson | BA | Compliance | 35 | 2000 | 10 |
| Gail Prins-Visser | BA | Portfolio Analyst | 45 | 2007 | 19 |
| Yoshiko Saba | MBA | Equity Analyst | 53 | 2003 | 25 |
| Susan Shuter** | B.Sc., MBA, CFA | Canadian Equity "Value", Global Equity "Value" | 51 | 1986 | 28 |
| Colin Sinclair** | BBA, CFA | Private Client, Client Service*, Canadian Equity "Core" | 41 | 1999 | 16 |
| Robert Spector | BA, MA, CFA | Chief Economist, Asset Mix, Fixed Income | 38 | 2005 | 16 |
| Kumar Stenger | B.Sc., MBA, CFA | Equity Analyst, Global Equity "Growth", U.S. Equity | 49 | 2002 | 20 |
| Hans van Monsjou | B. Comm., CFA | Client Service*, Canadian Equity "Core" | 54 | 1989 | 33 |
| Eleanor Wang | B. Comm., MBA, CFA | Equity Analyst, International Equity | 45 | 2000 | 18 |

* Client Service includes portfolio management

** Member of the firm's Management Services Group

SUCCESSION PLANNING

Having been in business since 1947, McLean Budden has evolved into its fourth generation of management. Our experience and success in succession planning provides the assurance of consistent investment style, service and performance.

McLean Budden hires senior personnel well in advance of potential retirements. Our firm is well-regarded in the industry and is able to attract highly motivated and experienced investment professionals. We have a long-term philosophy of making equity available to new staff.

Our long-term results illustrate that we have been able to successfully handle management transition and that our commitment to a team approach works.

PERSONNEL CHANGES *(last four years)*

| Year | +/- | Name | Responsibility |
|-------------|------------|----------------------------------|--|
| 2005 | + | John Cushman | Equity Analyst |
| 2005 | + | Patrick Fournell | Client Service* |
| 2006 | - | Sheila Norman | Private Client, Client Service* |
| 2006 | + | Catherine Jackman | Private Client, Client Service* |
| 2006 | - | John Durfy | Equity Analyst, Canadian Equity Growth, International Equity |
| 2006 | + | Dimi Ntantoulis | Equity Analyst |
| 2006 | + | Steve Bonnyman | Equity Analyst |
| 2006 | + | Alexandre Legault | Client Service* |
| 2007 | + | David Kilburn | Private Client, Client Service* |
| 2007 | - | Brad Haughey | Portfolio Analyst |
| 2007 | + | Jamie Keating | Equity Analyst |
| 2007 | + | Ralph Daghfal | Private Client, Client Service* |
| 2007 | + | Gail Prins-Visser | Portfolio Analyst |
| 2007 | + | Natalia Manaeva | Portfolio Analyst |
| 2007 | - | Bill Giblin <i>(Retired)</i> | Canadian Equity Growth, U.S. Equity, Global Equity** |
| 2007 | - | Ted Thompson <i>(Retired)</i> | Asset Mix, Canadian Equity Value, Global Equity Value** |
| 2008 | - | Mary Hallward <i>(Retired)</i> | Asset Mix, Global Equity “Core”, U.S. Equity** |
| 2008 | + | Lachlan Dodds | Portfolio Analyst |
| 2008 | + | Jean-Philippe Bry | Equity Analyst |
| 2008 | - | Monika Skiba <i>(Retired)</i> | Equity Analyst, Canadian Equity “Value”, Global Equity “Value” |
| 2009 | + | Soami Kohly | Liability Driven Investing Solutions |
| 2009 | + | Dave Mason | Client Service* |
| 2009 | - | Heather Shannon <i>(Retired)</i> | Private Client, Client Service* |

* Client Service includes portfolio management ** Member of the firm’s Management Services Group

COMPENSATION

Portfolio managers earn a base salary, merit bonus and income through their shareholdings. The investment professionals and senior administrative staff own approximately 40% of the firm.

An individual’s merit bonus is determined by the President & CEO and is based on the person’s overall contribution to the firm’s success. Bonuses are not specifically tied to short-term investment performance, as this approach would conflict with our long-term, team-based, investment process.

ASSETS UNDER MANAGEMENT (as at June 30, 2009)

| Plan Type | Assets (\$ millions) | Investment Vehicle | # of Accounts | Assets (\$ millions) |
|---|-----------------------------|--------------------------------------|----------------------|-----------------------------|
| Pension: | | Segregated | 212 | \$ 12,978 |
| Defined Benefit | \$ 12,817 | Pooled: | | |
| Defined Contribution/Group RRSP | 10,509 | Direct | 533 | 14,487 |
| | \$ 23,326 | 3rd Party | n.a. | 2,198 |
| Institutional | 2,720 | Mutual Funds: | | |
| Endowment/Foundation | 1,514 | Direct | n.a. | 1,327 |
| Private Clients (incl. MB Mutual Funds) | 3,430 | 3rd Party | n.a. | 2,845 |
| Mutual Funds | 2,845 | Total Assets Under Management | | \$ 33,835 |
| Total Assets Under Management | \$ 33,835 | | | |

| Mandate | Assets (\$ millions) | Direct Mandates** | Assets (\$ millions) |
|--------------------------------------|-----------------------------|--------------------------------------|-----------------------------|
| Full Balanced | | Geographic Distribution: | |
| - Growth | \$ 12,218 | British Columbia | \$ 779 |
| - Value | 833 | Northern Territories | 111 |
| - Core | 3,341 | Alberta | 1,508 |
| Domestic Balanced | | Saskatchewan/Manitoba | 2,013 |
| - Growth | 709 | Ontario | 10,947 |
| - Value | 156 | Quebec | 1,844 |
| - Core | 121 | Atlantic Provinces | 936 |
| Canadian Equity | | Outside Canada | 2,035 |
| - Growth | 2,684 | Total Assets Under Management | \$ 20,173 |
| - Value | 1,179 | | |
| - Core | 1,752 | | |
| Equity Plus* | | | |
| - Growth | 679 | | |
| - Value | 28 | | |
| - Core | 344 | | |
| Global Equity | 3,883 | | |
| Bonds | 2,794 | | |
| Immunized Bonds | 56 | | |
| Money Market | 3,058 | | |
| Total Assets Under Management | \$ 33,835 | | |

| Mandate | Assets (\$ millions) | Asset Class/Style | Assets (\$ millions) |
|--------------------------------------|-----------------------------|--------------------------------------|-----------------------------|
| Full Balanced | 16,548 | Canadian Equity - Growth | \$ 8,313 |
| Domestic Balanced | 830 | - Value | 1,710 |
| Canadian Equity | 5,615 | - Core | 3,314 |
| Equity Plus* | 1,051 | | 13,337 |
| Global Equity | 3,883 | Global Equity | 7,772 |
| Bonds | 2,850 | Bonds | 8,904 |
| Money Market | 3,058 | Money Market | 3,822 |
| Total Assets Under Management | \$ 33,835 | Total Assets Under Management | \$ 33,835 |

* includes global equity component
 ** excludes mutual funds and alliance relationships

| | Balanced | | Balanced (Core) ³ | Balanced (Value) ⁴ | Balanced (Domestic) ⁵ | | | | | | | | | | | | | | | | | | | | | | | |
|---|--|--|--|--|---|---|----------------|-----|---------------------------|---|---------------|-----|------------|-----|------------|---|---------------|-----|-------|-----|------------|----|----------------|------|-------|-------|------|----------|
| | Growth Pension ¹ | Growth ² | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Year Introduced | 1956 | 1994 | 1994 (Simulated results Q1 94 – Q4 99) | 1994 | 1984 | | | | | | | | | | | | | | | | | | | | | | | |
| Style | <p>For each mandate the asset mix is tailored to the client's Investment Policy Statement</p> <table border="0" style="width: 100%;"> <tr> <td style="width: 60%;"> <p>For fully discretionary accounts: Strategic Asset Mix Target:</p> <table border="0"> <tr> <td>Total Equities</td> <td>60%</td> <td>(Cdn. 30% // Foreign 30%)</td> </tr> <tr> <td>Bonds</td> <td>35%</td> <td></td> </tr> <tr> <td>Short-term</td> <td>5%</td> <td></td> </tr> </table> </td> <td style="width: 40%;"> <p>For fully discretionary accounts: Strategic Asset Mix Target:</p> <table border="0"> <tr> <td>Cdn. Equities</td> <td>45%</td> </tr> <tr> <td>Bonds</td> <td>50%</td> </tr> <tr> <td>Short-term</td> <td>5%</td> </tr> </table> </td> </tr> </table> <p>Each mandate's asset mix is reviewed and systematically rebalanced in the context of its benchmark:</p> <table border="0"> <tr> <td>Total Equities</td> <td>± 6%</td> </tr> <tr> <td>Bonds</td> <td>± 10%</td> </tr> <tr> <td>Cash</td> <td>Max. 15%</td> </tr> </table> <p>Moderate asset mix shifts, typically 1 – 2% per occurrence</p> <p>Decisions affecting asset mix are made by equal vote among the four voting members of the Asset Mix Group</p> <p>¹ The Balanced Growth Pension Fund is differentiated by utilizing our Canadian Equity (Growth) portfolio and American Equity (Core) and International Equity (Core) and Fixed Income portfolios</p> <p>² The Balanced Growth Fund is differentiated by utilizing our Canadian Equity (Growth), Global Equity (Growth) and Fixed Income portfolios</p> <p>³ The Balanced (Core) Fund is differentiated by utilizing our Canadian Equity (Core), Global Equity (Core) and Fixed Income portfolios</p> <p>⁴ The Balanced Value Fund is differentiated by utilizing our Canadian Equity (Value), Global Equity (Value) and Fixed Income Funds</p> <p>⁵ This mandate is available within the Canadian Equity (Growth), (Value) or (Core) style. It excludes foreign equities</p> | | | | | <p>For fully discretionary accounts: Strategic Asset Mix Target:</p> <table border="0"> <tr> <td>Total Equities</td> <td>60%</td> <td>(Cdn. 30% // Foreign 30%)</td> </tr> <tr> <td>Bonds</td> <td>35%</td> <td></td> </tr> <tr> <td>Short-term</td> <td>5%</td> <td></td> </tr> </table> | Total Equities | 60% | (Cdn. 30% // Foreign 30%) | Bonds | 35% | | Short-term | 5% | | <p>For fully discretionary accounts: Strategic Asset Mix Target:</p> <table border="0"> <tr> <td>Cdn. Equities</td> <td>45%</td> </tr> <tr> <td>Bonds</td> <td>50%</td> </tr> <tr> <td>Short-term</td> <td>5%</td> </tr> </table> | Cdn. Equities | 45% | Bonds | 50% | Short-term | 5% | Total Equities | ± 6% | Bonds | ± 10% | Cash | Max. 15% |
| <p>For fully discretionary accounts: Strategic Asset Mix Target:</p> <table border="0"> <tr> <td>Total Equities</td> <td>60%</td> <td>(Cdn. 30% // Foreign 30%)</td> </tr> <tr> <td>Bonds</td> <td>35%</td> <td></td> </tr> <tr> <td>Short-term</td> <td>5%</td> <td></td> </tr> </table> | Total Equities | 60% | (Cdn. 30% // Foreign 30%) | Bonds | 35% | | Short-term | 5% | | <p>For fully discretionary accounts: Strategic Asset Mix Target:</p> <table border="0"> <tr> <td>Cdn. Equities</td> <td>45%</td> </tr> <tr> <td>Bonds</td> <td>50%</td> </tr> <tr> <td>Short-term</td> <td>5%</td> </tr> </table> | Cdn. Equities | 45% | Bonds | 50% | Short-term | 5% | | | | | | | | | | | | |
| Total Equities | 60% | (Cdn. 30% // Foreign 30%) | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Bonds | 35% | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Short-term | 5% | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Cdn. Equities | 45% | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Bonds | 50% | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Short-term | 5% | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total Equities | ± 6% | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Bonds | ± 10% | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Cash | Max. 15% | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Foreign Content | All components are managed internally by McLean Budden. The Balanced Growth Pension Fund utilized Gartmore for the EAFE Equity content until April 1, 2002. | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Research | Several relative valuation models, designed for each of the major markets/asset classes, are utilized as the primary determinant in decisions leading to a shift in asset mix. | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Characteristics | Moderate Volatility | Medium Volatility | Lower Volatility | Moderate Volatility | | | | | | | | | | | | | | | | | | | | | | | | |
| Benchmark | 30% BMO/TSX Comp. CAP 10% 30% MSCI World 35% DEX Universe 5% DEX 91-day T-Bill | 30% BMO/TSX Comp. CAP 10% 30% MSCI World 35% DEX Universe 5% DEX 91-day T-Bill | 30% BMO/TSX Comp. CAP 10% 30% MSCI World 35% DEX Universe 5% DEX 91-day T-Bill | 45% BMO/TSX Comp. CAP 10% 50% DEX Universe 5% DEX 91-day T-Bill | | | | | | | | | | | | | | | | | | | | | | | | |
| Performance Objectives | Benchmark +1.0% over rolling 4-year time frames | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Vehicle | Pooled Only Registered Pensions Only | Segregated and Pooled Eligible for taxable and non-taxable | Segregated and Pooled Eligible for taxable and non-taxable | Segregated and Pooled Pooled version is not RRSP eligible | Segregated and Pooled Eligible for taxable and non-taxable | | | | | | | | | | | | | | | | | | | | | | | |
| Minimum Size for Segregated | \$25 million | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Status | Open | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| | Canadian Equity Growth | Canadian Equity (Core) | Canadian Equity Value | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|-----------------------------|---|---|--|------------|----------|------------|-------|-------|--|----------|----------|----------|----------|----------|----------|------------------|--|--|--|--|--|--|----------|---------|------------|---------|------------|---------|------------|--------------------|---------|------------|---------|------------|---------|------------|------------------|---------|------------|---------|------------|---------|------------|--|--|--|
| Year Introduced | 1956 | 1994 (simulated results Q1 1994 - Q4 1997) | 1994 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Style | <p>“Bottom-up” stock selection</p> <p>Portfolio decisions driven by; Earnings growth Strong balance sheets Strong management</p> <p>Portfolio consists of 30 - 40 names with established price targets</p> <p>Individual security weights typically 1 – 6%</p> <p>Disciplined stock review triggered by $\pm 0.5\%$ shift in stock weight from target</p> <p>Single stock S&P/TSX Composite weight $\pm 5\%$</p> | <p>“Bottom-up” stock selection</p> <p>Portfolios are constructed through a process whereby the stocks in both the Canadian Equity Growth and Canadian Equity Value portfolios are equally weighted. The portfolio is then subjected to three levels of diversification rules/constraints</p> <p>Portfolio consists of 50 – 70 names</p> <p>Disciplined stock review triggered by $\pm 0.3\%$ shift in stock weight from target</p> <p>Single stock S&P/TSX Composite weight $\pm 3\%$</p> | <p>Stock selection based on industry and company fundamentals</p> <p>Portfolio decisions driven by; Relative value Financial strength Catalyst for value realization</p> <p>Portfolio consists of 35 – 45 names.</p> <p>Individual security weights typically 1 – 6%</p> <p>Single stock S&P/TSX Composite weight $\pm 5\%$</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | In all cases, decisions affecting the portfolios are made by a simple majority vote among the team members. This is an integral feature of McLean Budden’s team approach. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Risk Controls* | <table border="1"> <thead> <tr> <th></th> <th>Growth</th> <th>Growth</th> <th>Core</th> <th>Core</th> <th>Value</th> <th>Value</th> </tr> <tr> <th></th> <th>Relative</th> <th>Absolute</th> <th>Relative</th> <th>Absolute</th> <th>Relative</th> <th>Absolute</th> </tr> </thead> <tbody> <tr> <td>Economic Sector:</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Consumer</td> <td>75-125%</td> <td>$\pm 10\%$</td> <td>75-125%</td> <td>$\pm 10\%$</td> <td>75-125%</td> <td>$\pm 10\%$</td> </tr> <tr> <td>Interest Sensitive</td> <td>75-125%</td> <td>$\pm 10\%$</td> <td>75-125%</td> <td>$\pm 10\%$</td> <td>75-125%</td> <td>$\pm 10\%$</td> </tr> <tr> <td>Basic Industries</td> <td>75-125%</td> <td>$\pm 10\%$</td> <td>75-125%</td> <td>$\pm 10\%$</td> <td>75-125%</td> <td>$\pm 10\%$</td> </tr> </tbody> </table> | | Growth | Growth | Core | Core | Value | Value | | Relative | Absolute | Relative | Absolute | Relative | Absolute | Economic Sector: | | | | | | | Consumer | 75-125% | $\pm 10\%$ | 75-125% | $\pm 10\%$ | 75-125% | $\pm 10\%$ | Interest Sensitive | 75-125% | $\pm 10\%$ | 75-125% | $\pm 10\%$ | 75-125% | $\pm 10\%$ | Basic Industries | 75-125% | $\pm 10\%$ | 75-125% | $\pm 10\%$ | 75-125% | $\pm 10\%$ | | | |
| | Growth | Growth | Core | Core | Value | Value | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Relative | Absolute | Relative | Absolute | Relative | Absolute | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Economic Sector: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Consumer | 75-125% | $\pm 10\%$ | 75-125% | $\pm 10\%$ | 75-125% | $\pm 10\%$ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Interest Sensitive | 75-125% | $\pm 10\%$ | 75-125% | $\pm 10\%$ | 75-125% | $\pm 10\%$ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Basic Industries | 75-125% | $\pm 10\%$ | 75-125% | $\pm 10\%$ | 75-125% | $\pm 10\%$ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | * The relative and absolute risk control ranges are as a percentage of the S&P/TSX Composite Index. In addition, there are risk controls at the 10 industry sector levels based on the Global Industry Classification Standard (GICS): Growth and Value: greater of 50-150% or +/- 10% and Core: greater of 50-150% or +/- 5% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Research | <p>Heavy reliance on internal, fundamental research (80%)</p> <p>Management interviews, both on location and in our offices, are critical (approximately 120 p.a.)</p> <p>Initial screen: S&P/TSX Composite</p> <p>Extensive research: 120 stocks</p> | <p>Heavy reliance on internal, fundamental research (80%)</p> <p>Management interviews, both on location and in our offices, are critical (approximately 120 p.a.)</p> <p>Initial screen: S&P/TSX Composite</p> <p>Extensive research: 120 stocks</p> | <p>Heavy reliance on internal, fundamental research (80%)</p> <p>Management interviews, both on location and in our offices, are critical (approximately 120 p.a.)</p> <p>Initial screen: S&P/TSX Composite</p> <p>Extensive research: 120 stocks</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Characteristics | <p>High Mkt./Book</p> <p>Low Div. Yield</p> <p>Low Debt/Equity</p> <p>Beta: ≤ 1.2</p> <p>Heavy emphasis on large companies</p> <p>Avg. annual turnover: 35% to 55%</p> | <p>Mkt./Book \cong S&P/TSX Composite</p> <p>Div. Yield \cong S&P/TSX Composite</p> <p>Beta \cong S&P/TSX Composite</p> <p>ROE $>$ S&P/TSX Composite</p> <p>EPS (5yr.) $>$ S&P/TSX Composite</p> <p>Heavy emphasis on large companies</p> <p>Avg. annual turnover: 35% to 55%</p> | <p>Low Mkt./Book, Price/Cash Flow, P/E</p> <p>High Div. Yield</p> <p>Low Beta: ≤ 0.9</p> <p>Heavy emphasis on large companies</p> <p>Avg. annual turnover: 35% to 55%</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Performance Objectives | BMO/TSX Composite CAP 10% ¹ + 150 bps over rolling 4-year time frames. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Vehicle | Segregated and Pooled Eligible for taxable and non-taxable | Segregated and Pooled Eligible for taxable and non-taxable | Segregated and Pooled Eligible for taxable and non-taxable | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Minimum Size for Segregated | \$25 million | \$25 million | \$25 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Status | Closed except as part of Balanced mandates. | Open | Open | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

1. The Canadian Equity benchmark is calculated based on capping the maximum allowable single stock exposure at 10% of the Index.

| | Canadian Equity Plus | EAFE Equity | U.S. Equity | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|--|---|---|----------------------------|----------------------------|---------|------------|---------|------------|---------|------------|---------|------------|---------|------------|---------|------------|---|------------------|---------------------|---------------------|----------|---------|------------|--------------------|---------|------------|------------------|---------|------------|
| Year Introduced | 1998 | 1994 | 1956 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Style | <p>“Bottom-up” stock selection</p> <p>Core</p> <p>Portfolio consists of a blend of Canadian Equity (Core) and Global Equity (Core) securities</p> <p>Individual security weights typically 0.5 – 3.0%</p> <p>Disciplined stock reviews triggered by $\pm 0.3\%$ shift in stock weight from target</p> <p>Min/Max ranges for industry sectors and economic sectors at the Cdn. and Global Equity level plus regional ranges for the Global Equity component are imposed to constrain risk</p> | <p>“Bottom-up” stock selection</p> <p>Core</p> <p>Portfolio decisions driven by: Earnings growth Strong balance sheets Management quality</p> <p>Portfolio consists of 40 – 50 large-cap stocks with established price targets</p> <p>Individual security weights typically 1 – 4%</p> <p>Disciplined stock reviews triggered by $\pm 0.5\%$ shift in stock weight from target</p> <p>Min/Max industry and economic sector weights imposed to constrain risk</p> <p>Single stock MSCI EAFE weight $\pm 4\%$</p> | <p>“Bottom-up” stock selection</p> <p>Core</p> <p>Portfolio decisions driven by: Earnings growth Strong balance sheets Management quality</p> <p>Portfolio consists of 40 – 50 large-cap stocks with established price targets</p> <p>Individual security weights typically 1 – 4%</p> <p>Disciplined stock reviews triggered by $\pm 0.5\%$ shift in stock weight from target</p> <p>Min/Max industry and economic sector weights imposed to constrain risk</p> <p>Single stock S&P 500 weight $\pm 4\%$</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Risk Controls* | <table border="1"> <thead> <tr> <th>Canadian Component Relative</th> <th>Canadian Component Absolute</th> <th>Foreign Component Relative</th> <th>Foreign Component Absolute</th> </tr> </thead> <tbody> <tr> <td>75-125%</td> <td>$\pm 10\%$</td> <td>75-125%</td> <td>$\pm 10\%$</td> </tr> <tr> <td>75-125%</td> <td>$\pm 10\%$</td> <td>75-125%</td> <td>$\pm 10\%$</td> </tr> <tr> <td>75-125%</td> <td>$\pm 10\%$</td> <td>75-125%</td> <td>$\pm 10\%$</td> </tr> </tbody> </table> <p>* The relative and absolute risk control ranges are as a percentage of the S&P/TSX Composite and MSCI World Index. In addition, there are risk controls at the 10 industry sector levels based on the GICS: Canadian component: greater of 50-150% or $\pm 5\%$ and global component: greater of 50-150% or $\pm 10\%$.</p> | Canadian Component Relative | Canadian Component Absolute | Foreign Component Relative | Foreign Component Absolute | 75-125% | $\pm 10\%$ | 75-125% | $\pm 10\%$ | 75-125% | $\pm 10\%$ | 75-125% | $\pm 10\%$ | 75-125% | $\pm 10\%$ | 75-125% | $\pm 10\%$ | <table border="1"> <thead> <tr> <th>Economic Sector:</th> <th>Both Funds Relative</th> <th>Both Funds Absolute</th> </tr> </thead> <tbody> <tr> <td>Consumer</td> <td>75-125%</td> <td>$\pm 10\%$</td> </tr> <tr> <td>Interest Sensitive</td> <td>75-125%</td> <td>$\pm 10\%$</td> </tr> <tr> <td>Basic Industries</td> <td>75-125%</td> <td>$\pm 10\%$</td> </tr> </tbody> </table> <p>* The relative and absolute risk control ranges are as a percentage of the underlying Index for each Fund. There are also risk controls at the 10 industry sector levels based on the Global Industry Classification Standard (GICS): International and U.S. Funds: greater of 50-150% or $\pm 10\%$. In addition, there are regional risk controls for the EAFE mandate.</p> | Economic Sector: | Both Funds Relative | Both Funds Absolute | Consumer | 75-125% | $\pm 10\%$ | Interest Sensitive | 75-125% | $\pm 10\%$ | Basic Industries | 75-125% | $\pm 10\%$ |
| Canadian Component Relative | Canadian Component Absolute | Foreign Component Relative | Foreign Component Absolute | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 75-125% | $\pm 10\%$ | 75-125% | $\pm 10\%$ | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 75-125% | $\pm 10\%$ | 75-125% | $\pm 10\%$ | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 75-125% | $\pm 10\%$ | 75-125% | $\pm 10\%$ | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Economic Sector: | Both Funds Relative | Both Funds Absolute | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Consumer | 75-125% | $\pm 10\%$ | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Interest Sensitive | 75-125% | $\pm 10\%$ | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Basic Industries | 75-125% | $\pm 10\%$ | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Research | <p>Internal Research (80%)</p> <p>Management interviews</p> <p>Stock research on a global sector basis</p> <p>Disciplined program to determine potential company revenue, earnings and cash flow growth</p> <p>Price target driven</p> | <p>Internal Research (80%)</p> <p>Stock research on a global sector basis</p> <p>Disciplined program to determine potential company revenue, earnings and cash flow growth</p> <p>Price target driven</p> <p>Extensive research: 200 stocks</p> | <p>Internal Research (80%)</p> <p>Stock research on a global sector basis</p> <p>Disciplined program to determine potential company revenue, earnings and cash flow growth</p> <p>Price target driven</p> <p>Initial screen: S&P 500 Index</p> <p>Extensive research: 150 stocks</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Characteristics | <p>Heavy emphasis on large Canadian and international companies.</p> <p>EPS > market</p> <p>ROE > market</p> <p>Max. cash: 5%</p> <p>Avg. annual turnover: 35% to 55%</p> | <p>High Market/Book</p> <p>Low Div. Yield</p> <p>Low Debt/Equity</p> <p>Heavy emphasis on large non-North American companies</p> <p>Max. cash: 5%</p> <p>Avg. annual turnover: 35% to 55%</p> | <p>High Market/Book</p> <p>Low Div. Yield</p> <p>Low Debt/Equity</p> <p>Beta: ≤ 1.2</p> <p>Heavy emphasis on large U.S. companies</p> <p>Max cash: 5%</p> <p>Avg. annual turnover: 35% to 55%</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Performance Objectives (over rolling 4-year time frames) | 75% BMO/TSX Comp. CAP 10% / 25% MSCI World Index + 150 bps | MSCI EAFE Index + 150 bps | S&P 500 Index + 150 bps | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Vehicle | <p>Segregated and Pooled</p> <p>Eligible for taxable and non-taxable</p> | <p>Segregated and Pooled</p> <p>Pooled is not RRSP eligible</p> | <p>Segregated and Pooled</p> <p>Pooled only available for Reg. Pensions</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Minimum Size for Segregated | \$25 million | \$25 million | \$25 million | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Status | Open | Open | Open | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| | Global Equity Growth | Global Equity (Core) | Global Equity (Core)(C\$ hedged) | Global Equity Value |
|--|---|---|---|--|
| Year Introduced | 2002 | 1994 | 2009 | 2002 |
| Style | <p>“Bottom-up” stock selection Growth</p> <p>Portfolio decisions driven by: Earnings growth ROE Strong balance sheets Management quality Multi-national operations</p> <p>Portfolio consists of 60 – 80 names with established price targets Individual security weights typically 0.5 – 3.0%</p> <p>Disciplined stock reviews triggered by $\pm 0.5\%$ shift in stock weight from target</p> <p>Min/Max ranges for regional weights, industry sectors and economic sectors imposed to constrain risk</p> <p>Single stock MSCI World weight $\pm 4\%$</p> <p>Extensive research: 300 stocks 60 – 70% of portfolio must be in MSCI Growth stocks</p> | <p>“Bottom-up” stock selection Style neutral</p> <p>Portfolio decisions driven by: Sustainable earnings growth Strong balance sheets Management quality Multi-national operations</p> <p>Portfolio consists of 80 – 100 names with established price targets Individual security weights typically 0.5 – 3.0%</p> <p>Disciplined stock reviews triggered by $\pm 0.3\%$ shift in stock weight from target</p> <p>Min/Max ranges for regional weights, industry sectors and economic sectors imposed to constrain risk</p> <p>Single stock MSCI World weight $\pm 3\%$</p> <p>Extensive research: 300 stocks</p> | <p>“Bottom-up” stock selection Combination Growth/Value</p> <p>Portfolio decisions driven by: Sustainable earnings growth Strong balance sheets Management quality Multi-national operations</p> <p>Portfolio consists of 80 – 100 names with established price targets Individual security weights typically 0.5 – 3.0%</p> <p>Disciplined stock reviews triggered by $\pm 0.3\%$ shift in stock weight from target</p> <p>Min/Max ranges for regional weights, industry sectors and economic sectors imposed to constrain risk</p> <p>Single stock MSCI World weight $\pm 3\%$</p> <p>Extensive research: 300 stocks Currencies are fully hedged to the Canadian dollar</p> | <p>“Bottom-up” stock selection Value</p> <p>Portfolio decisions driven by: Relative valuation Financial strength Catalyst for value realization Strong balance sheets Management quality Multi-national operations</p> <p>Portfolio consists of 60 – 80 names with established price targets Individual security weights typically 0.5 – 3.0%</p> <p>Disciplined stock reviews triggered by $\pm 0.5\%$ shift in stock weight from target</p> <p>Min/Max ranges for regional weights, industry sectors and economic sectors imposed to constrain risk</p> <p>Single stock MSCI World weight $\pm 4\%$</p> <p>Extensive research: 300 stocks 60 – 70% of portfolio must be in MSCI Value stocks</p> |
| Risk Controls* | <p>Economic Sector: Consumer Interest Sensitive Basic Industries</p> | | <p>All Funds Relative 75-125% 75-125% 75-125%</p> | <p>All Funds Absolute $\pm 10\%$ $\pm 10\%$ $\pm 10\%$</p> |
| | <p>* The relative and absolute risk control ranges are as a percentage of the underlying Index for each Fund. There are also risk controls at the 10 industry sector levels based on the Global Industry Classification Standard (GICS): Global Growth and Global Value Funds: greater of 50-150% or $\pm 10\%$ and Global Core Funds: greater of 50-150% or $\pm 5\%$. In addition, there are regional risk controls.</p> | | | |
| Research | <p>Internal Research (80%) Stock research on a global sector basis Disciplined program to determine potential company revenue, earnings and cash flow growth Price target driven</p> | <p>Internal Research (80%) Stock research on a global sector basis Disciplined program to determine potential company revenue, earnings and cash flow growth Price target driven</p> | <p>Internal Research (80%) Stock research on a global sector basis Disciplined program to determine potential company revenue, earnings and cash flow growth Price target driven</p> | <p>Internal Research (80%) Stock research on a global sector basis Disciplined program to determine potential company revenue, earnings and cash flow growth Price target driven</p> |
| Characteristics | <p>Low Div. Yield High P/B High ROE Moderate P/E High P/CF Low Debt/Equity Heavy emphasis on large international companies Avg. annual turnover: 35% to 55%</p> | <p>Moderate Div. Yield Mkt. P/E Low Debt/Equity Heavy emphasis on large international companies Avg. annual turnover: 35% to 55%</p> | <p>Moderate Div. Yield Mkt. P/E Low Debt/Equity Heavy emphasis on large international companies Avg. annual turnover: 35% to 55%</p> | <p>High Div. Yield Low P/B Mkt. ROE Low P/E Low P/CF Low Debt/Equity Heavy emphasis on large international companies Avg. annual turnover: 35% to 55%</p> |
| Performance Objectives (over rolling 4-year time frames) | MSCI World Index + 150 bps | MSCI World Index + 150 bps | MSCI World Index + 100 bps | MSCI World Index + 150 bps |
| Vehicle | Segregated and Pooled Pooled is not RRSP eligible | Segregated and Pooled Pooled is not RRSP eligible | Segregated and Pooled Pooled is not RRSP eligible | Segregated and Pooled Pooled is not RRSP eligible |
| Minimum Size for Segregated | \$25 million | \$25 million | \$25 million | \$50 million |
| Status | Open | Open | Open | Open |

| | Bonds | Long-Term Bonds | Fixed Income Plus | International Fixed Income |
|--|---|---|---|---|
| Year Introduced | 1956 | 1997 | 1996 | 1997 |
| Style | Valuation driven Material duration shifts applied within constraints (\cong DEX Universe Index \pm 25%) in order to control risk Yield enhancement through overweight in Corporates and Provincials Sector shifts Yield curve strategies Optimization modeling for arbitrage trading Quality constraints | Valuation driven Material duration shifts applied within constraints (\cong DEX Long Term Index \pm 25%) in order to control risk Yield enhancement through overweight in Provincials Sector shifts Optimization modeling for arbitrage trading Quality constraints | Valuation driven Material duration shifts applied within constraints (Benchmark \pm 25%) in order to control risk Yield curve strategies Yield enhancement through overweight in “credit” products Diversified Corporate bonds Large company names Material currency positions | 100% foreign currencies Valuation driven Material duration shifts applied within constraints (\cong Citigroup Treasury/Gov’t Sponsored/Credit Index \pm 25%) in order to control risk Yield enhancement through Sovereigns and limited Corporates Material positions in major bond markets Sector Shifts Yield curve strategies Optimization modelling for arbitrage trading Quality constraints |
| Research | Internal 70% Management interviews Regular consultation with MB’s Cdn. Equity groups for corp. credit analysis Rating agency reports | Internal 70% Management interviews Regular consultation with MB’s Cdn. Equity groups for corp. credit analysis Rating agency reports | Internal 70% Management interviews Regular consultation with MB’s Equity groups for corp. credit analysis Rating agency reports | Internal 70% Management interviews Regular consultation with MB’s Equity groups for corp. credit analysis Rating agency reports |
| Characteristics | High quality portfolio Well-diversified (50-100 securities) Strategically manage corp. and prov. exposure Corporates rated BBB or higher Foreign-issuer “Maple” bonds eligible Max. 10% U.S.-Pay bonds Turnover: 75-200% p.a. | High quality portfolio Well-diversified (50-100 securities) Strategically manage corp. and prov. exposure Corporates rated BBB or higher Foreign-issuer “Maple” bonds eligible Max. 10% U.S.-Pay bonds Turnover: 75-200% p.a. | High quality portfolio Well-diversified (50-100 securities) Corporates rated BBB or higher Foreign-issuer “Maple” bonds eligible Turnover: 75-200% p.a. | 50 – 80 securities Up to 25% in G7 currencies other than U.S.\$ Higher quality corporates Turnover 75 – 200% |
| Performance Objectives (over rolling 4-year time frames) | DEX Universe Index + 50 bps | DEX Long Term Index + 50 bps | 30% Citigroup Treasury/Government Sponsored/Credit Index/70% DEX Universe Index + 50 bps | Citigroup Treasury/ Government Sponsored/Credit Index + 50 bps |
| Vehicle | Segregated and Pooled Eligible for taxable and non-taxable | Segregated and Pooled Eligible for taxable and non-taxable | Segregated and Pooled Eligible for taxable and non-taxable | Segregated Only Eligible for taxable and non-taxable |
| Minimum Size for Segregated | \$50 million | \$50 million | \$50 million | \$50 million |
| Status | Open | Open | Open | Open |

| | Short-Term Bonds | Immunized Bonds | Money Market |
|-----------------------------|--|---|---|
| Year Introduced | 1992 | 1991 | 1956 |
| Style | Valuation driven Material duration shifts applied within constraints (Benchmark \pm 1 year) in order to control risk Heavy use of Corporates and Provincials Sector shifts Quality constraints | Security value driven No duration exposure relative to liability schedule Concentration on security selection Yield enhancement through overweight in Corporates and Provincials Yield curve strategies Optimization modeling for arbitrage trading Quality constraints | Valuation driven Duration shifts applied within range of 15-180 days When term is short: Commercial Paper and B.A. weight is high When term is long: Commercial Paper and B.A. weight is low Range: Corp. 0 – 70% Govt. 30 – 100% Quality constraint = minimum rating R1 Low Diversify by issuer and term |
| Research | Internal 70% Management interviews Regular consultation with MB's Cdn. Equity groups for corp. credit analysis Rating agency reports | Internal 70% Management interviews Regular consultation with MB's Cdn. Equity groups for corp. credit analysis Rating agency reports | Internal 70% Only invest in R1 Low or higher, subject to internal "approved" list Rating agency reports |
| Characteristics | High quality portfolio Well-diversified (50-100 securities) Strategically manage Corporate and Provincial exposure Corporates rated BBB or higher Foreign-issuer "Maple" bonds eligible Max. 10% U.S.-Pay bonds Turnover: 75-200% p.a. | High quality portfolio Well-diversified (50-100 securities) Strategically manage Corporate and Provincial exposure Corporates rated BBB or higher Foreign-issuer "Maple" bonds eligible | 10 - 30 securities Shorter duration on commercial paper and B.A.'s Turnover 500 – 700% per annum Commercial paper and B.A.'s rated R1 Low or higher |
| Performance Objectives | DEX Short Term Index + 30 bps | Match liability cash flow, maintain over-funded position Customized benchmarks | DEX 91-day T-Bill Index + 20 bps over rolling 4-year time frames |
| Vehicle | Segregated and Pooled Eligible for taxable and non-taxable | Segregated Eligible for taxable and non-taxable | Segregated and Pooled Eligible for taxable and non-taxable |
| Minimum Size for Segregated | \$50 million | \$50 million | \$50 million |
| Status | Open | Open | Open |

| | Liability Driven Investing |
|----------------------------|--|
| Year Introduced | 2009 |
| Description | <p>Liability Driven Investing (LDI) is an approach to pension fund management that focuses on both the asset and liability side of the pension fund’s balance sheet. This differs from the traditional approach of pension management that mainly focuses on total return and/or asset allocation strategies.</p> <p>In an LDI framework, pension funds are focused on how the investments perform relative to the liabilities. In other words, it is okay for pension fund assets to decrease in value as long as the pension fund liabilities decrease by a larger amount. Similarly, if pension fund liabilities increase in value then the plan’s assets should increase by a larger amount.</p> <p>LDI is appropriate for organizations that are trying to reduce the volatility of cash contributions to the pension fund.</p> <p>McLean Budden has 20 clients with approximately \$1 billion in assets under management in a variety of LDI mandates.</p> |
| Our LDI Solutions Include: | <ul style="list-style-type: none"> • Risk analysis: Quantifying the amount of risk and type (i.e., duration risk, inflation risk, equity market risk, etc.) contained within the pension fund. • Minimum risk portfolio construction: Creation of a portfolio that has a risk profile similar to that of the pension fund’s liabilities. The minimum risk portfolio represents the least risky asset mix for an organization’s pension fund. • Asset mix road map: Development of an asset mix road map that outlines how asset mix may change over the long-term as the funded status of the pension fund changes over time. |
| Vehicle | Segregated and Pooled |
| Management Fee | Contact your McLean Budden Portfolio Manager for details. |

| | MB Select Balanced | MB Select Canadian Equity | MB Select Global Equity | MB Select Fixed Income | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|---|--|---|--|------|------------------|----------|----------|----------|---------|-------|--------------------|---------|-------|------------------|---------|-------|--|--|------|------|------------------|----------|----------|----------|---------|-------|--------------------|---------|-------|------------------|---------|-------|--|
| Year Introduced | 2000 | 2000 | 2000 | 2000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Style | <p>Core</p> <p>Strategic Asset Mix: Total Equities* 60% Bonds 35% Short-term 5%</p> <p>*Cdn. 30% // Foreign 30%</p> <p>Systematic rebalancing around strategic targets: Total Equities ± 6% Bonds ± 10% Cash Max. 15%</p> <p>Moderate asset mix shifts, typically 1 – 2% per occurrence</p> <p>Decisions affecting the portfolio's asset mix are made by equal vote among the four voting members of the Asset Mix Group</p> <p>The MB Select Balanced Fund is differentiated by utilizing our style-offset MB Select Canadian Equity Fund in addition to the use of our MB Select Global Equity Fund for foreign content and our MB Select Fixed Income Fund</p> | <p>“Bottom-up” stock selection</p> <p>Core</p> <p>Portfolios are constructed through a process whereby the stocks in both the Canadian Equity “Growth” and Canadian Equity “Value” portfolios are equally-weighted. The portfolio is then subjected to three levels of diversification rules/constraints.</p> <p>Risk Controls*</p> <table border="0"> <tr> <td></td> <td>Core</td> <td>Core</td> </tr> <tr> <td>Economic Sector:</td> <td>Relative</td> <td>Absolute</td> </tr> <tr> <td>Consumer</td> <td>75-125%</td> <td>± 10%</td> </tr> <tr> <td>Interest Sensitive</td> <td>75-125%</td> <td>± 10%</td> </tr> <tr> <td>Basic Industries</td> <td>75-125%</td> <td>± 10%</td> </tr> </table> <p>*The relative and absolute risk control ranges are as a percentage of the S&P/TSX Composite Index. In addition, there are risk controls at the 10 industry sector level based on the GICS: Core: greater of 50-150% or ± 5%.</p> <p>Portfolio consists of 50 – 70 names</p> <p>Single stock S&P/TSX Composite weight ± 3%</p> | | Core | Core | Economic Sector: | Relative | Absolute | Consumer | 75-125% | ± 10% | Interest Sensitive | 75-125% | ± 10% | Basic Industries | 75-125% | ± 10% | <p>“Bottom-up” stock selection</p> <p>Core</p> <p>Portfolio decisions driven by: Earnings growth Strong balance sheets Strong management Multi-national operations</p> <p>Risk Controls*</p> <table border="0"> <tr> <td></td> <td>Core</td> <td>Core</td> </tr> <tr> <td>Economic Sector:</td> <td>Relative</td> <td>Absolute</td> </tr> <tr> <td>Consumer</td> <td>75-125%</td> <td>± 10%</td> </tr> <tr> <td>Interest Sensitive</td> <td>75-125%</td> <td>± 10%</td> </tr> <tr> <td>Basic Industries</td> <td>75-125%</td> <td>± 10%</td> </tr> </table> <p>*The relative and absolute risk control ranges are as a percentage of the MSCI World Index. There are also risk controls at the 10 industry sector level based on the GICS: Global Core: greater of 50-150% or ± 5%. In addition, there are regional risk controls.</p> <p>Portfolio consists of 80 –100 names with established price targets</p> <p>Individual security weights typically 0.5 - 3.0%</p> <p>Disciplined stock reviews triggered by ± 0.3% shift in stock weight</p> <p>Min/max regional and sector weights imposed to constrain risk</p> <p>Single stock MSCI World weight ± 3%</p> | | Core | Core | Economic Sector: | Relative | Absolute | Consumer | 75-125% | ± 10% | Interest Sensitive | 75-125% | ± 10% | Basic Industries | 75-125% | ± 10% | <p>Valuation driven</p> <p>Material duration shifts applied within constraints(≡ DEX Universe Index ± 25%) in order to control risk</p> <p>Yield enhancement through overweight in Corporates and Provincials</p> <p>Sector shifts</p> <p>Yield curve strategies</p> <p>Optimization modeling for arbitrage trading</p> <p>Quality constraints</p> |
| | Core | Core | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Economic Sector: | Relative | Absolute | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Consumer | 75-125% | ± 10% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Interest Sensitive | 75-125% | ± 10% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Basic Industries | 75-125% | ± 10% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Core | Core | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Economic Sector: | Relative | Absolute | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Consumer | 75-125% | ± 10% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Interest Sensitive | 75-125% | ± 10% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Basic Industries | 75-125% | ± 10% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Screens | <p>“Select Funds” exclude companies with more than 10% of gross annual revenue from the sale of tobacco products, alcoholic beverages, provision of gaming facilities, pornography and the sale of armaments and/or whose negative impact on the environment is above the average of their peers. Companies must adhere to local employment standards.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Research | <p>Several relative valuation models, designed for each of the major markets/asset classes, are utilized as the primary determinant in decisions leading to a shift in asset mix</p> | <p>Internal Research (80%)</p> <p>Large, high quality companies generally well covered by the market</p> | <p>Internal Research (80%)</p> <p>Stock research on a global sector basis</p> <p>Disciplined program to determine potential company revenue, earnings and cash flow growth</p> <p>Price target driven</p> | <p>Internal Research 70%</p> <p>Management interviews</p> <p>Regular consultation with MB's Cdn. Equity groups for corp. credit analysis</p> <p>Rating agency reports</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Characteristics | <p>Specific to each component asset class</p> <p>Moderate volatility</p> | <p>Mkt/Book ≅ S&P/TSX Composite</p> <p>Div. Yield ≅ S&P/TSX Composite</p> <p>Beta ≅ S&P/TSX Composite</p> <p>ROE > S&P/TSX Composite</p> <p>EPS (5yr.) > S&P/TSX Composite</p> <p>Avg. annual turnover: 35% to 55%</p> | <p>Moderate Div. Yield</p> <p>Low Debt/Equity</p> <p>Predominantly large international companies</p> <p>Avg. annual turnover: 35% to 55%</p> <p>Mkt. P/E</p> | <p>High quality portfolio</p> <p>Well-diversified (50-100 securities)</p> <p>Strategically manage corp. and prov. exposure</p> <p>Corporates rated BBB or higher</p> <p>Foreign-issuer “Maple” bonds eligible</p> <p>Max. 10% U.S.-Pay bonds</p> <p>Turnover: 75-200% p.a.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Benchmark | <p>30% BMO/TSX Comp. CAP 10%</p> <p>30% MSCI World</p> <p>35% DEX Universe</p> <p>5% DEX 91-day T-Bill</p> | <p>BMO/TSX Comp. CAP 10%</p> | <p>MSCI World</p> | <p>DEX Universe</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Performance Objectives (over rolling 4-year time frames) | <p>Benchmark + 100 bps</p> | <p>Benchmark + 150 bps</p> | <p>Benchmark + 150 bps</p> | <p>Benchmark + 50 bps</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Vehicle | <p>Segregated and Pooled</p> <p>Pooled is not RRSP eligible</p> | <p>Segregated and Pooled</p> <p>Eligible for taxable and non-taxable</p> | <p>Segregated and Pooled</p> <p>Pooled is not RRSP eligible</p> | <p>Segregated and Pooled</p> <p>Eligible for taxable and non-taxable</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Minimum Size for Segregated | <p>\$25 million</p> | <p>\$25 million</p> | <p>\$25 million</p> | <p>\$50 million</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Status | <p>Open</p> | <p>Open</p> | <p>Open</p> | <p>Open</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| SRI Research | <p>In addition to its own research, McLean Budden also applies social and environmental research provided by Jantzi Research Inc., KLD Research & Analytics Inc. and SiRi Company Inc., the world's largest independent provider of Socially Responsible Investing (SRI) research.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| | LifePlan™ Income | LifePlan™ Growth & Income | LifePlan™ Growth |
|--|--|---|---|
| Year Introduced | 2002 | 2002 | 2002 |
| Style | Strategic Asset Mix: Total Equities 35% Bonds 60% Short-term 5% | Strategic Asset Mix: Total Equities 55% Bonds 40% Short-term 5% | Strategic Asset Mix: Total Equities 75% Bonds 20% Short-term 5% |
| | Systematic rebalancing around strategic targets Moderate asset mix shifts, typically 1 - 2% per occurrence Decisions affecting tactical asset mix are made by equal vote among the four voting members of the Asset Mix Group All LifePlan™ Funds utilize our Canadian Equity (Core), Global Equity (Core), Fixed Income and Money Market Funds | | |
| Foreign Content | All components are internally managed by McLean Budden | | |
| Research | Several relative valuation models, designed for each of the major markets/asset classes, are utilized as the primary determinant in decisions leading to a shift in asset mix | | |
| Characteristics | Low volatility | Medium volatility | Medium-high volatility |
| Benchmark | 17.5% BMO/TSX Comp. CAP 10% 17.5% MSCI World 60% DEX Universe 5% DEX 91-day T-Bill | 27.5% BMO/TSX Comp. CAP 10% 27.5% MSCI World 40% DEX Universe 5% DEX 91-day T-Bill | 37.5% BMO/TSX Comp. CAP 10% 37.5% MSCI World 20% DEX Universe 5% DEX 91-day T-Bill |
| Performance Objectives (over rolling 4-year time frames) | Benchmark + 0.75% p.a. | Benchmark + 1.0% p.a. | Benchmark + 1.0% p.a. |
| Vehicle | Pooled Only Not RRSP eligible | | |
| Status | Open | | |

| | MB LifePlan™ Target Retirement Date Funds | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|--|-----------|------------|-----------|----------|---------------------------|-----|-----|-----|------------------------------|-----|-----|-----|------------------------------|-----|-----|----|------------------------------|-----|-----|----|------------------------------|-----|-----|----|------------------------------|-----|-----|----|------------------------------|-----|-----|----|------------------------------|-----|-----|----|------------------------------|-----|----|----|------------------------------|-----|----|----|
| Year Introduced | 2005 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Description | <p>The MB LifePlan™ Target Retirement Date Funds are a series of ten pooled funds designed to simplify the fund selection and asset mix decisions facing individual investors.</p> <p>Each investor can determine the year in which they are most likely to retire and then invest in one of the nine funds that most closely matches that retirement date. The “target-dates” that form the basis for each Fund are 2010, 2015, 2020, 2025, 2030, 2035, 2040, 2045 and 2050.</p> <p>On a quarterly basis, the Funds will systematically sell a small portion of equity and purchase bonds and/or cash with the proceeds. In effect, each Fund gets progressively less ‘risky’ as the retirement date approaches. When the selected retirement date is reached, the investor’s assets transition to the MB Retirement Fund which has the most conservative asset mix of the eight Funds.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Style | <p>The Funds are invested, to varying degrees, in our Canadian Equity (Core), Global Equity (Core), Fixed Income and Money Market pooled funds.</p> <p>Each Fund’s equity content is split equally between Canadian and global equities.</p> <p>The benchmark asset mix for each Fund, except the MB Retirement Fund, changes on a quarterly basis and progressively increases the focus on capital preservation as the investor approaches retirement.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Current Benchmark: June 2009</p> <table border="1"> <caption>Asset Mix Data from Graph</caption> <thead> <tr> <th>Fund Name</th> <th>Equity (%)</th> <th>Bonds (%)</th> <th>Cash (%)</th> </tr> </thead> <tbody> <tr> <td>MB LifePlan™ Retiree Fund</td> <td>35%</td> <td>55%</td> <td>10%</td> </tr> <tr> <td>MB LifePlan™ Retirement 2010</td> <td>48%</td> <td>53%</td> <td>10%</td> </tr> <tr> <td>MB LifePlan™ Retirement 2015</td> <td>60%</td> <td>39%</td> <td>8%</td> </tr> <tr> <td>MB LifePlan™ Retirement 2020</td> <td>66%</td> <td>34%</td> <td>6%</td> </tr> <tr> <td>MB LifePlan™ Retirement 2025</td> <td>72%</td> <td>29%</td> <td>5%</td> </tr> <tr> <td>MB LifePlan™ Retirement 2030</td> <td>78%</td> <td>24%</td> <td>4%</td> </tr> <tr> <td>MB LifePlan™ Retirement 2035</td> <td>84%</td> <td>19%</td> <td>3%</td> </tr> <tr> <td>MB LifePlan™ Retirement 2040</td> <td>90%</td> <td>14%</td> <td>2%</td> </tr> <tr> <td>MB LifePlan™ Retirement 2045</td> <td>96%</td> <td>9%</td> <td>1%</td> </tr> <tr> <td>MB LifePlan™ Retirement 2050</td> <td>99%</td> <td>1%</td> <td>0%</td> </tr> </tbody> </table> | | Fund Name | Equity (%) | Bonds (%) | Cash (%) | MB LifePlan™ Retiree Fund | 35% | 55% | 10% | MB LifePlan™ Retirement 2010 | 48% | 53% | 10% | MB LifePlan™ Retirement 2015 | 60% | 39% | 8% | MB LifePlan™ Retirement 2020 | 66% | 34% | 6% | MB LifePlan™ Retirement 2025 | 72% | 29% | 5% | MB LifePlan™ Retirement 2030 | 78% | 24% | 4% | MB LifePlan™ Retirement 2035 | 84% | 19% | 3% | MB LifePlan™ Retirement 2040 | 90% | 14% | 2% | MB LifePlan™ Retirement 2045 | 96% | 9% | 1% | MB LifePlan™ Retirement 2050 | 99% | 1% | 0% |
| Fund Name | Equity (%) | Bonds (%) | Cash (%) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| MB LifePlan™ Retiree Fund | 35% | 55% | 10% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| MB LifePlan™ Retirement 2010 | 48% | 53% | 10% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| MB LifePlan™ Retirement 2015 | 60% | 39% | 8% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| MB LifePlan™ Retirement 2020 | 66% | 34% | 6% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| MB LifePlan™ Retirement 2025 | 72% | 29% | 5% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| MB LifePlan™ Retirement 2030 | 78% | 24% | 4% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| MB LifePlan™ Retirement 2035 | 84% | 19% | 3% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| MB LifePlan™ Retirement 2040 | 90% | 14% | 2% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| MB LifePlan™ Retirement 2045 | 96% | 9% | 1% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| MB LifePlan™ Retirement 2050 | 99% | 1% | 0% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Vehicle | Available through select insurance company recordkeepers for Defined Contribution Plans, Group RRSPs and Savings Plans (see table on page 18 to determine those offering this product line) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Status | Open | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

PRIVATE CLIENTS

McLean Budden manages over \$3 billion for private clients. Portfolio managers and administrative staff are located in our offices in Montreal, Toronto and Vancouver to ensure a high level of servicing through regular meetings with clients. Individual reporting, group luncheons with portfolio managers and market reviews are conducted by a well-qualified team of investment professionals responsible specifically for each account.

Private client assets are managed using our mutual funds, pooled funds and segregated portfolios. The needs of clients with portfolios of less than \$2 million are met with our mutual and pooled funds. For clients with portfolios of over \$2 million, segregated management is also available. Our teams of portfolio managers provide a customized asset mix and internally-managed portfolios at cost-effective rates to offer consistent and competitive performance matched to each client's own risk tolerance and needs.

MB SEGREGATED MANAGEMENT

Private clients with a minimum of \$2 million can request segregated management for their assets. Portfolios are constructed using the diversified list of Canadian and foreign equities plus fixed income issues researched by the firm. Each client's asset mix is based on an investment policy statement prepared at the account's inception. Investment decisions are not tax driven, however, careful consideration is given to tax implications. The fee schedule* for segregated management is as follows:

1.00% per annum on the first \$2,000,000
 0.50% per annum on the next \$8,000,000
 0.35% per annum on the next \$15,000,000
 0.25% per annum on the balance over \$25,000,000

* Fees do not include custodial charges

MB POOLED FUNDS

Private clients with a minimum of \$1,000,000 can invest in McLean Budden pooled funds. In consultation with a portfolio manager, clients can invest in our balanced funds or create a unique asset mix from a combination of other funds. Each client's asset mix is based on an investment policy statement prepared at the account's inception. The fee schedule* for balanced pooled fund management is as follows:

1.00% per annum on the first \$2,000,000
 0.45% per annum on the next \$8,000,000
 0.35% per annum on the next \$15,000,000
 0.25% per annum on the balance over \$25,000,000

*Fees include custodial charges

The following Pooled Funds are available for private clients:

MB Canadian Equity Growth Fund
MB Canadian Equity Value Fund
MB Canadian Equity (Core) Fund
MB Global Equity Growth Fund
MB Global Equity Value Fund
MB Global Equity (Core) Fund
MB Global Equity (Core) (C\$ Hedged)
MB Fixed Income Fund
MB Fixed Income Plus Fund
MB Long Term Fixed Income Fund

MB Short Term Fixed Income Fund
MB Balanced Growth Fund
MB Balanced Value Fund
MB Balanced (Core) Fund
MB Private Balanced Fund
MB Select Canadian Equity Fund
MB Select Global Equity Fund
MB Select Fixed Income Fund
MB Select Balanced Fund

U.S. and international equity exposure is also available via our mutual funds.

McLEAN BUDDEN MUTUAL FUNDS

McLean Budden offers eleven mutual funds that are based on the same models as our pooled funds. We manage \$2.845 billion of third-party mutual fund assets and our own “brand name” funds totaling over \$1.327 billion. Compared to similar funds available in the marketplace, our funds offer considerably lower management fees while still delivering consistent results. The following McLean Budden Mutual Funds are available:

McLean Budden Balanced Growth Fund (Management Fee 0.95%)*

This Fund is for investors looking for a balanced portfolio of stocks (domestic and foreign), bonds and cash. Stocks are chosen for their growth potential, bonds are chosen to achieve a high level of income while preserving capital. The Fund’s neutral asset mix policy is 60% stocks, 35% bonds and 5% cash, however, it is actively managed around the neutral position.

McLean Budden Balanced Value Fund (Management Fee 0.95%)*

This Fund is for investors looking for a balanced portfolio of stocks (domestic and foreign), bonds and cash. Stocks viewed as being undervalued relative to their industry, or the overall market, are chosen for the Fund. Bonds are chosen to achieve a high level of income while preserving capital. The Fund’s neutral asset mix policy is 60% stocks, 35% bonds and 5% cash, however, it is actively managed around the neutral position.

McLean Budden Canadian Equity Growth Fund (Management Fee 1.25%)*

This Fund is for investors looking for long-term capital growth in a portfolio invested primarily in Canadian equities. The Fund emphasizes large capitalization Canadian and foreign companies with superior earnings growth characteristics. The Fund also invests up to 30% of its assets in a blend of our McLean Budden American Equity Fund, McLean Budden International Equity Fund and McLean Budden Global Equity Fund.

McLean Budden Canadian Equity Value Fund (Management Fee 1.25%)*

This Fund is for investors looking for long-term capital growth in a portfolio invested primarily in Canadian equities. The Fund emphasizes large and medium capitalization Canadian and foreign companies that are undervalued relative to their industries or overall market. The management team searches for low priced stocks that are good investment opportunities with catalysts to help realize their inherent value. The Fund also invests up to 30% of its assets in a blend of our McLean Budden American Equity Fund, McLean Budden International Equity Fund and McLean Budden Global Equity Fund.

McLean Budden Canadian Equity Fund (Management Fee 1.25%)*

This Fund is for investors looking for long-term capital appreciation by investing in a diversified portfolio, comprised entirely of Canadian equities, based on an equal blend of decisions made by the underlying McLean Budden Growth and Value teams. Securities are selected for either their superior value or above average growth prospects. The result is a portfolio with an emphasis on large capitalization companies that remains relatively style neutral and broadly diversified across industry sectors.

McLean Budden High Income Equity Fund (Management Fee 1.25%)*

This Fund is for investors looking for an attractive yield combined with long-term capital appreciation by investing in a diversified portfolio of primarily Canadian high yielding equities and income trusts. Security selection will emphasize companies with consistent payouts coupled with the ability to grow over the longer term.

McLean Budden American Equity Fund (Management Fee 1.25%)*

This Fund is for investors looking for long-term capital appreciation focused on large capitalization U.S.-based companies. It contains the stocks of forty to fifty companies selected from the Standard & Poor’s 500 Index. The managers seek U.S. companies with the following characteristics; strong earnings growth, proven management, financial strength, excellent business potential, and attractive valuation.

McLean Budden International Equity Fund (Management Fee 1.25%)*

This Fund is for investors looking for long-term capital appreciation by investing in the stocks of large capitalization companies based outside of North America through local shares and American Depository Receipts (ADRs) which trade in New York. These blue chip companies possess strong long-term growth potential and solid balance sheets. The country risk is carefully balanced and exposure to emerging markets is strictly limited. The benchmark for the Fund is the Morgan Stanley EAFE Index (\$Cdn).

McLean Budden Global Equity Fund (Management Fee 1.25%)*

This Fund is for investors looking for long-term capital appreciation. It invests in large capitalization U.S. based companies as well as those outside of North America. When choosing companies to invest in, the portfolio managers select stocks which possess strong earnings growth potential, proven management, financial strength, excellent business potential, and attractive valuation.

McLean Budden Fixed Income Fund (Management Fee 0.65%)*

This is a Fund for conservative investors looking for strong investment returns primarily through interest income, with reasonable stability of capital. The Fund invests primarily in Canadian bonds and short-term instruments. Eligible investments include bonds, debentures, mortgage-backed and asset-backed securities, treasury bills, commercial paper, guaranteed investment certificates and mid-term notes.

McLean Budden Money Market Fund (Management Fee 0.55%)*

This is a Fund for investors focused on a level of current interest income consistent with the preservation of capital and liquidity through investment in money market obligations. The Fund invests in high quality government and corporate short-term paper. The average term to maturity of these investments will not exceed 90 days.

* The Management Fee is based on an annual period.

CONCENTRATED MODELS

McLean Budden offers eleven concentrated models which may be used independently, or in combination, to create a customized asset mix. These models are developed by the Concentrated Equity Model Team and the Fixed Income Team to replicate, as closely as practicable, the characteristics of the corresponding pooled fund models, but with a reduced number of securities.

Canadian Equity Growth

Number of securities: 25 - 30

Typical individual security weight: 2 - 6%

Canadian Equity Core

Number of securities: 30 - 35

Typical individual security weight: 2 - 6%

Canadian Equity Value

Number of securities: 25 - 30

Typical individual security weight: 2 - 6%

U.S. Equity

Number of securities: 25 - 30

Typical individual security weight: 2 - 6%

International Equity

Number of securities: 25 - 30

Typical individual security weight: 2 - 6%

Global Equity Growth

Number of securities: 35 - 45

Typical individual security weight: 1 - 4%

Global Equity Core

Number of securities: 50 - 60

Typical individual security weight: 1 - 4%

Global Equity Value

Number of securities: 35 - 45

Typical individual security weight: 1 - 4%

Global Equity Core SRI*

Number of securities: 50 - 60

Typical individual security weight: 1 - 4%

World Equity

Number of securities: 50 - 60

Typical individual security weight: 1 - 4%

Fixed Income

Number of securities: 10 - 20

Typical individual security weight: 3 - 10% (excluding government issuers)

* See page 12 for the MB Select Funds' social screens.

Our clients frequently ask if they can access our Funds through their recordkeepers for Defined Contribution, Group RRSP and other Savings Plans. Our response was to establish relationships with the leading third-party recordkeepers in Canada. The following table illustrates the range of McLean Budden investment products that can be accessed through these distribution channels.

| | Equitable Life* | Great-West Life/ London Life/ Canada Life | Fidelity | Desjardins | Industrial Alliance | Manulife Financial | SSQ Life | Standard Life | Sun Life Financial | The Co-operators |
|--|-----------------|---|----------------|----------------|---------------------|--------------------|----------------|----------------|--------------------|------------------|
| MB Balanced Growth Pension | | | | | | | | ■ | | |
| MB Balanced Growth | ■ | ■ | ■ ¹ | ■ | ■ | ■ | ■ | ■ | ■ | |
| MB Balanced (Core) | | ■ | ■ | | | ■ | | ■ | ■ | ■ |
| MB Balanced Value | ■ | ■ | | | | ■ ³ | | ■ | ■ | |
| MB Canadian Equity Growth | ■ | ■ | ■ ² | ■ | ■ | ■ | ■ | ■ | ■ | |
| MB Canadian Equity Value | ■ | ■ | ■ ¹ | | | ■ ³ | | ■ | ■ | |
| MB Canadian Equity (Core) | ■ | ■ | ■ | ■ | ■ | ■ | | ■ | ■ | ■ |
| MB Canadian Equity Plus | ■ | ■ | | | | | | ■ | | |
| McLean Budden American Equity | ■ ¹ | ■ ¹ | ■ ¹ | ■ ¹ | ■ ¹ | ■ ^{1,3} | ■ ¹ | ■ ¹ | ■ ¹ | |
| MB International Equity | | ■ | ■ ¹ | | ■ ¹ | ■ ³ | | | ■ | |
| MB Global Equity | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ |
| MB Fixed Income | ■ | ■ | ■ ² | ■ | ■ | ■ | ■ | ■ | ■ | ■ |
| MB Fixed Income Plus | | | | | | | | | | |
| MB Long Term Fixed Income | | | | | | ■ | | ■ | | |
| MB Money Market | ■ | ■ | | | | ■ ³ | ■ | | ■ | |
| MB Select Balanced | | | | | | ■ | | | ■ | |
| MB Select Canadian Equity | | | | | ■ | | | | ■ | |
| MB Select Global Equity | | | | | | | | | ■ | |
| MB Select Fixed Income | | | | | | | | | | |
| MB LifePlan™ Target Risk Funds ⁴ | | ■ | | | | ■ ³ | | | ■ | |
| MB LifePlan™ Target Retirement Date Funds ⁴ | | | | | | | | ■ | ■ | ■ |

* Equitable also offers its Asset Allocation Fund which is comprised of the MB Canadian Equity, MB Global Equity, MB Fixed Income and MB Money Market Funds.

¹ These investment options utilize the McLean Budden Mutual Fund.

² These investment options utilize both the McLean Budden Mutual Fund and MB Pooled Fund.

³ Manulife Financial has certain restrictions on these Funds and should be contacted for further details.

⁴ These Funds are comprised of the MB Canadian Equity (Core), MB Global Equity (Core), MB Fixed Income and MB Money Market Pooled Funds.

McLean Budden participates in numerous managed assets programs (separately managed accounts) offered by financial institutions. The following table illustrates which McLean Budden mandates are available in each of the programs in which we participate. Additional information may be obtained from the sponsoring institution and its representatives.

| | BMO Nesbitt Burns | RBC DS | CIBC | HSBC | Scotia | Desjardins | TD PIC | TD Asset Management | National Bank Financial | Wellington West Capital | Richardson Partners Financial | CPA Securities | Morgan Stanley USA | Edward Jones |
|------------------------------|----------------------------------|-------------------|----------------|--------------------|-------------------|-------------------|-----------|--|-------------------------------|-------------------------------|-------------------------------------|-----------------------------|----------------------------------|-----------------|
| | Advance/ Architect Program | Access Program | ICS Program | Diamond Program | Summit Program | Darwin Program | | TD Premier Managed Portfolios Program | Ambassador Program | Waterfront Program | Pioneer Program | CPA Gold Leaf Program | Access/ Vision/PPA Program | MAP Program |
| Balanced Growth | ■ | ■ | | ■ | | | | | ■ | ■ | ■ | ■ | | ■ |
| Domestic Balanced Growth | | ■ | | ■ | | ■ | | | | | ■ | | | |
| NA Balanced Growth | | | | | | | | ■ | | | | | | |
| Balanced Core | | | | | | ■ | | ■ | | | | | | |
| Balanced Value | | | | | ■ | | | | | | | | | |
| Domestic Balanced Value | | | | | | ■ | | | | | | | | |
| Canadian Equity Growth | ■/■ | ■ | ■ | ■ | | ■ | ■ | ■ | ■ | ■ | ■ | ■ | | ■ |
| Canadian Equity Value | | | | | | ■ | | | | | | | | |
| Canadian Equity Core | | | | | | | | | | | | | ■ | |
| U.S. Equity Growth | | | | | | | ■ | | | | | | | |
| U.S. Equity (Core) | ■/■ | | | | | ■ | | ■ | ■ | | ■ | ■ | | ■ |
| U.S. Balanced (Core) | ■ | | | | | | | | | | | | | |
| North American Equity (Core) | | | ■ | | | ■ | | | | | | | | |
| North American Equity Growth | ■/■ | | | ■ | | | | ■ | | | | | | |
| International Equity (Core) | | | | | | | | ■ | | | | | ■ | ■ |
| Global Equity | ■/■ | | | ■ | | | | | | | | | ■ | |
| Global Equity Growth | | | | | | | ■ | | | | | | | |
| Global Balanced | ■ | | | ■ | | | | | | | | | | |
| Total Equity Growth | ■/■ | ■ | | ■ | | | | | ■ | ■ | ■ | ■ | | ■ |
| Total Equity (Core) | | | | | | | | ■ | | | | | | |
| Fixed Income | | | ■ | ■ | | ■ | | | ■ | | | | | |
| SRI Canadian Equity | | | | | | | | ■ | | | | | | |
| SRI Global Equity | | | | | | | | ■ | | | | | | |

The tables below provide long-term performance data using composites, calculated and constructed according to CFA Institute standards and the U.S./Canadian version of the Global Investment Performance Standards (GIPS). All returns are stated in Canadian dollars.

In the past, the Executive Summary included detailed performance matrixes for each composite. Given that the number of matrixes has increased to over twenty we have decided to make this information available on our website: www.mcleanbudden.com by selecting the “Executive Summary” option.

Balanced Growth Composite

| Rolling 5-Year Periods Ending December 31 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | June 2009 |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|----------------------|
| Composite | 15.7 | 14.2 | 10.2 | 5.5 | 6.8 | 5.8 | 5.7 | 7.9 | 9.9 | 2.9 | 4.3 |
| Benchmark* | 14.3 | 12.7 | 8.5 | 4.4 | 5.2 | 4.4 | 5.0 | 8.0 | 10.0 | 3.4 | 4.0 |

Balanced Growth Pension Composite

| Rolling 5-Year Periods Ending December 31 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | June 2009 |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|----------------------|
| Composite | 15.4 | 13.8 | 10.1 | 5.4 | 6.7 | 6.0 | 6.0 | 8.0 | 10.2 | 3.3 | 4.3 |
| Benchmark* | 14.3 | 12.7 | 8.5 | 4.4 | 5.2 | 4.4 | 5.0 | 8.0 | 10.0 | 3.4 | 4.0 |

Balanced (Core) Composite **

| Rolling 5-Year Periods Ending December 31 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | June 2009 |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|----------------------|
| Composite | 15.2 | 13.9 | 10.8 | 6.5 | 7.6 | 7.0 | 6.5 | 8.2 | 9.4 | 3.4 | 4.1 |
| Benchmark* | 14.3 | 12.7 | 8.5 | 4.4 | 5.2 | 4.4 | 5.0 | 8.0 | 10.0 | 3.4 | 4.0 |

Balanced Value Composite***

| Rolling 5-Year Periods Ending December 31 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | June 2009 |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|----------------------|
| Composite | 14.6 | 13.3 | 10.8 | 7.0 | 7.6 | 7.5 | 7.1 | 8.4 | 8.6 | 3.6 | 3.7 |
| Benchmark* | 14.3 | 12.7 | 8.5 | 4.4 | 5.2 | 4.4 | 5.0 | 8.0 | 10.0 | 3.4 | 4.0 |

Fixed Income Composite

| Rolling 5-Year Periods Ending December 31 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | June 2009 |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|----------------------|
| Composite | 10.3 | 8.4 | 7.7 | 7.1 | 6.5 | 8.5 | 7.4 | 6.5 | 5.4 | 5.6 | 6.1 |
| DEX Universe Bond Index | 9.9 | 7.9 | 7.1 | 6.9 | 6.4 | 8.2 | 7.4 | 6.6 | 5.6 | 5.5 | 5.9 |

* The Benchmark for Balanced Funds has been modified over time and is currently 30% BMO/TSX Composite CAP 10% / 30% MSCI World / 35% DEX Universe / 5% DEX 91-day T-Bill.

** Effective April 1, 1999 this composite has been calculated and constructed according to CFA Institute standards. Prior to that date, the track record was simulated by replacing the Canadian Equity Growth component of our Balanced Growth strategy with Canadian Equity (Core).

*** Effective January 1, 1998 this composite has been calculated and constructed according to CFA Institute standards. Prior to that date, the track record was simulated by replacing the Canadian Equity Growth component of our Balanced Growth strategy with Canadian Equity Value.

Canadian Equity Growth Composite

| Rolling 5-Year Periods Ending December 31 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | June 2009 |
|--|------|------|------|------|------|------|------|------|------|------|--------------|
| Composite | 19.1 | 19.6 | 12.0 | 5.0 | 11.3 | 8.6 | 9.2 | 13.3 | 19.5 | 2.7 | 6.6 |
| BMO/TSX Composite CAP 10% | 16.6 | 17.6 | 9.9 | 4.0 | 9.4 | 6.7 | 7.6 | 13.1 | 18.3 | 4.2 | 6.6 |

Canadian Equity Value Composite

| Rolling 5-Year Periods Ending December 31 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | June 2009 |
|--|------|------|------|------|------|------|------|------|------|------|--------------|
| Composite | 16.9 | 19.9 | 16.6 | 12.1 | 16.3 | 14.7 | 13.0 | 13.6 | 14.6 | 3.9 | 5.7 |
| BMO/TSX Composite CAP 10% | 16.6 | 17.6 | 9.9 | 4.0 | 9.4 | 6.7 | 7.6 | 13.1 | 18.3 | 4.2 | 6.6 |

Canadian Equity (Core) Composite*

| Rolling 5-Year Periods Ending December 31 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | June 2009 |
|--|------|------|------|------|------|------|------|------|------|------|--------------|
| Composite | 18.4 | 20.1 | 14.3 | 8.6 | 13.4 | 11.2 | 10.8 | 13.5 | 17.0 | 3.4 | 6.3 |
| BMO/TSX Composite CAP 10% | 16.6 | 17.6 | 9.9 | 4.0 | 9.4 | 6.7 | 7.6 | 13.1 | 18.3 | 4.2 | 6.6 |

Global Equity (Core) Composite

| Rolling 5-Year Periods Ending December 31 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | June 2009 |
|--|------|------|------|------|------|------|------|------|------|------|--------------|
| Composite | 24.3 | 19.4 | 14.2 | 4.8 | 2.1 | -1.6 | -0.8 | 4.2 | 6.4 | -1.0 | -2.0 |
| MSCI World Index | 21.0 | 14.7 | 9.0 | 0.2 | -3.7 | -5.5 | -2.4 | 3.8 | 7.0 | -1.1 | -2.3 |

U.S. Equity Composite

| Rolling 5-Year Periods Ending December 31 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | June 2009 |
|--|------|------|------|------|------|------|------|------|------|------|--------------|
| Composite | 26.7 | 22.6 | 18.2 | 6.8 | 3.4 | 1.6 | 0.0 | 2.0 | 4.7 | -2.1 | -3.6 |
| S&P 500 Index | 29.3 | 20.7 | 14.1 | 1.4 | -3.9 | -5.8 | -4.4 | -0.2 | 2.7 | -3.2 | -5.0 |

International Equity Composite

| Rolling 5-Year Periods Ending December 31 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | June 2009 |
|--|------|------|------|------|------|------|------|------|------|--------------|
| Composite | 16.9 | 10.5 | 2.4 | 0.8 | -4.7 | -1.8 | 6.4 | 8.2 | 0.1 | -0.5 |
| MSCI EAFE Index | 9.5 | 4.3 | -0.7 | -3.1 | -4.3 | -0.2 | 8.4 | 11.2 | 1.0 | -0.1 |

* Effective January 1, 1998 this composite has been calculated and constructed according to CFA Institute standards. Prior to that date, the track record was simulated based of an equal blend of the performance of our Canadian Equity Growth and Canadian Equity Value composites.

Balanced

| | | Growth | Core/Value |
|-------|--------------|---------------|-------------------|
| First | \$25 million | 0.37% | 0.35% |
| Next | \$25 million | 0.27% | 0.25% |
| Above | \$50 million | 0.22% | 0.20% |

Minimum fee \$92,500 or \$87,500 based on \$25 million mandates.

Bond

| | | |
|-------|---------------|--------|
| First | \$50 million | 0.18% |
| Next | \$50 million | 0.15% |
| Next | \$200 million | 0.125% |
| Above | \$300 million | 0.10% |

Minimum fee \$90,000 based on \$50 million mandates.

Canadian Equity “Growth” / Total Equity “Growth”

| | | |
|-------|--------------|-------|
| First | \$25 million | 0.45% |
| Next | \$25 million | 0.35% |
| Above | \$50 million | 0.30% |

Minimum fee \$112,500 based on \$25 million mandates.

(This mandate is closed on a specialty basis)

Short-Term Bond

| | | |
|-------|--------------|--------|
| First | \$50 million | 0.15% |
| Above | \$50 million | 0.125% |

Minimum fee \$75,000 based on \$50 million mandates.

Canadian Equity “Core” / “Value” / Global Equity / Global Equity “Core” (C\$ Hedged) / EAFE / U.S. / Total Equity “Core” / “Value”

| | | |
|-------|--------------|-------|
| First | \$25 million | 0.40% |
| Next | \$25 million | 0.30% |
| Above | \$50 million | 0.25% |

Minimum fee \$100,000 based on \$25 million mandates.

Money Market

| | | |
|-------|--------------|-------|
| First | \$50 million | 0.10% |
| Above | \$50 million | 0.05% |

Minimum fee \$50,000 based on \$50 million mandates.

| Assets (millions) | Balanced Growth | Balanced Core/Value | Cdn. Equity “Growth”* | Cdn. Equity “Core”/“Value”/ Global Equity/ Global Equity “Core” (C\$ Hedged)/ U.S./EAFE | Bonds | Short-Term Bonds | Money Market |
|--------------------------|------------------------|----------------------------|------------------------------|--|--------------|-------------------------|---------------------|
| \$25 | \$92,500 | \$87,500 | \$112,500 | \$100,000 | \$90,000 | \$75,000 | \$50,000 |
| 50 | 160,000 | 150,000 | 200,000 | 175,000 | 90,000 | 75,000 | 50,000 |
| 60 | 182,000 | 170,000 | 230,000 | 200,000 | 105,000 | 87,500 | 55,000 |
| 70 | 204,000 | 190,000 | 260,000 | 225,000 | 120,000 | 100,000 | 60,000 |
| 80 | 226,000 | 210,000 | 290,000 | 250,000 | 135,000 | 112,500 | 65,000 |
| 90 | 248,000 | 230,000 | 320,000 | 275,000 | 150,000 | 125,000 | 70,000 |
| 100 | 270,000 | 250,000 | 350,000 | 300,000 | 165,000 | 137,500 | 75,000 |
| 150 | 380,000 | 350,000 | 500,000 | 425,000 | 227,500 | 200,000 | 100,000 |
| 200 | 490,000 | 450,000 | 650,000 | 550,000 | 290,000 | 262,500 | 125,000 |
| 300 | 710,000 | 650,000 | 950,000 | 800,000 | 415,000 | 387,500 | 175,000 |
| 400 | 930,000 | 850,000 | 1,250,000 | 1,050,000 | 515,000 | 512,500 | 225,000 |
| 500 | 1,150,000 | 1,050,000 | 1,550,000 | 1,300,000 | 615,000 | 637,500 | 275,000 |
| 600 | 1,370,000 | 1,250,000 | 1,850,000 | 1,550,000 | 715,000 | 762,500 | 325,000 |
| 700 | 1,590,000 | 1,450,000 | 2,150,000 | 1,800,000 | 815,000 | 887,500 | 375,000 |
| 800 | 1,810,000 | 1,650,000 | 2,450,000 | 2,050,000 | 915,000 | 1,012,500 | 425,000 |
| 900 | 2,030,000 | 1,850,000 | 2,750,000 | 2,300,000 | 1,015,000 | 1,137,500 | 475,000 |
| 1,000 | 2,250,000 | 2,050,000 | 3,050,000 | 2,550,000 | 1,115,000 | 1,262,500 | 525,000 |

* Closed to new specialty mandates.

| Balanced | | Growth | Core/Value/Select | Bond / Long Bond / Select | | |
|-----------------|--------------|---------------|--------------------------|----------------------------------|---------------|--------|
| First | \$2 million | 0.77% | 0.75% | First | \$2 million | 0.55% |
| Next | \$3 million | 0.47% | 0.45% | Next | \$23 million | 0.15% |
| Next | \$5 million | 0.32% | 0.30% | Next | \$75 million | 0.135% |
| Next | \$15 million | 0.27% | 0.25% | Above | \$100 million | 0.125% |
| Above | \$25 million | 0.22% | 0.20% | | | |

Minimum fee \$5,500.

Minimum fee \$7,700 or \$7,500.

| Canadian Equity “Growth” / Total Equity “Growth” | | | Short Term Bond | | |
|---|--------------|-------|------------------------|--------------|--------|
| First | \$2 million | 0.85% | First | \$2 million | 0.40% |
| Next | \$3 million | 0.55% | Next | \$23 million | 0.14% |
| Next | \$5 million | 0.40% | Above | \$25 million | 0.125% |
| Next | \$15 million | 0.35% | | | |
| Above | \$25 million | 0.30% | | | |

Minimum fee \$4,000.

Minimum fee \$8,500.

(This mandate is closed on a specialty basis)

| Canadian Equity “Core”/ “Value”/ Select / Global Equity / Global Equity “Core” (C\$ Hedged)* / EAFE / U.S. / Select | | | Money Market | | |
|--|--------------|-------|---------------------|--------------|-------|
| First | \$2 million | 0.80% | First | \$2 million | 0.25% |
| Next | \$3 million | 0.50% | Next | \$33 million | 0.10% |
| Next | \$5 million | 0.35% | Above | \$35 million | 0.05% |
| Next | \$15 million | 0.30% | | | |
| Above | \$25 million | 0.25% | | | |

Minimum fee \$5,000.

Minimum fee \$8,000.

*10 basis points will be charged to this Fund to cover additional management and administrative costs

| Assets (millions) | Balanced Growth | Balanced Core/Value/ Select | Cdn. Equity “Growth”* | Cdn. Equity “Core”/ “Value”/Global Equity/ Global Equity “Core” (C\$ Hedged)/ U.S./EAFE | Bond/ Long Bond | Short Bond | Money Market |
|--------------------------|------------------------|------------------------------------|------------------------------|--|------------------------|-------------------|---------------------|
| \$1 | \$7,700 | \$7,500 | \$8,500 | \$8,000 | \$5,500 | \$4,000 | \$5,000 |
| 2 | 15,400 | 15,000 | 17,000 | 16,000 | 11,000 | 8,000 | 5,000 |
| 3 | 20,100 | 19,500 | 22,500 | 21,000 | 12,500 | 9,400 | 6,000 |
| 4 | 24,800 | 24,000 | 28,000 | 26,000 | 14,000 | 10,800 | 7,000 |
| 5 | 29,500 | 28,500 | 33,500 | 31,000 | 15,500 | 12,200 | 8,000 |
| 10 | 45,500 | 43,500 | 53,500 | 48,500 | 23,000 | 19,200 | 13,000 |
| 15 | 59,000 | 56,000 | 71,000 | 63,500 | 30,500 | 26,200 | 18,000 |
| 20 | 72,500 | 68,500 | 88,500 | 78,500 | 38,000 | 33,200 | 23,000 |
| 25 | 86,000 | 81,000 | 106,000 | 93,500 | 45,500 | 40,200 | 28,000 |
| 30 | 97,000 | 91,000 | 121,000 | 106,000 | 52,250 | 46,450 | 33,000 |
| 40 | 119,000 | 111,000 | 151,000 | 131,000 | 65,750 | 58,950 | 40,500 |
| 50 | 141,000 | 131,000 | 181,000 | 156,000 | 79,250 | 71,450 | 45,500 |
| 60 | 163,000 | 151,000 | 210,000 | 181,000 | 92,750 | 83,950 | 50,500 |
| 80 | 207,000 | 191,000 | 271,000 | 231,000 | 119,750 | 108,950 | 60,500 |
| 100 | 251,000 | 231,000 | 331,000 | 281,000 | 146,750 | 133,950 | 70,500 |
| 150 | 361,000 | 331,000 | 481,000 | 406,000 | 209,250 | 196,450 | 95,500 |
| 200 | 471,000 | 431,000 | 631,000 | 531,000 | 271,750 | 258,950 | 120,500 |

* Closed to new specialty mandates.

McLean Budden Control Mechanisms**Compliance**

McLean Budden's Senior Vice President, Finance and Administration, is responsible for ensuring that the firm maintains good corporate standing in all jurisdictions in which the Company operates and reports directly to the firm's President & CEO. The Vice President, Compliance performs compliance checks of various aspects of the firm's operations to detect non-compliance on McLean Budden accounts. The Vice President, Legal is responsible for all of McLean Budden's internal legal matters, which include contractual and regulatory issues. All members of the Compliance Team are advised by independent, external legal counsel.

Audits are conducted annually by external auditors and any weaknesses found in internal controls are reported in writing to management. All pooled and mutual fund trusts are audited annually by Deloitte. Corporate audits are conducted annually by BDO Dunwoody.

All employees are required to sign and comply with a detailed Code of Business Conduct (the "Code") on an annual basis. The President & CEO is responsible for ensuring employees comply with the Code.

The CFA Institute's guidelines (Code of Ethics and Standards of Professional Conduct) apply to all investment professionals at McLean Budden.

Summary of McLean Budden's Code of Business Conduct

Employees must comply with all laws and regulations and Company rules, policies and procedures applicable to their activities for and on behalf of the Company. The Company will not condone any violation of the law or any unethical business dealing by any employee.

Employees must not use their positions, or knowledge gained through their employment with the Company, for private or personal advantage or in such a manner that a conflict or an appearance of conflict arises between the Company's interests and their personal interests.

The Personal Trading policy prohibits all McLean Budden employees, common law relationships and family members living in employees' homes (hereinafter referred to as "Employees") from purchasing restricted securities. For purpose of the Code, the following are Restricted Securities: common and preferred shares, derivatives of a common or preferred share, convertible bonds and corporate bonds, income trusts, REIT's and their equivalents, private placements or new issues of listed or over-the-counter securities (for clarity this includes private placements or new issues of listed or over-the-counter securities, that are common and preferred shares, bonds, income trust and REITs). Failure to abide by the Company's personal trading policies could seriously harm its reputation in the marketplace and, consequently, any breach of the Code will be dealt with severely and could lead to an employee's dismissal. Personal investment decisions must not be based on material non-public information acquired by reason of an employee's connection with the Company (a detailed listing of policies is included in the Code). These decisions must not contravene the Conflict of Interest provisions of the Code, any applicable laws, or any policies or procedures established by the Company.

Control and Monitoring Mechanisms

Investment decisions: Investment decisions are made by teams of senior portfolio managers that specialize in a particular asset class. These decisions are communicated in writing to all portfolio managers. Barring any conflicts with client guidelines, orders are executed uniformly for all institutional clients. Private client managers have more discretion in their management decisions due to the more varied objectives of their clients.

Trading securities: Equity trades are conducted through brokers approved by the brokerage group, which allocates commissions on the basis of execution capability, research, commission structure and service. Money market trades for institutional accounts are based on an internal cash management system, which is reconciled daily to each client's custodial account. Trades are conducted through a limited number of brokers who provide the best combination of supply, yield and service. Fixed income trades are executed based on tickets, which result from the investment decisions of the fixed income team. Similar to the money market procedures, specific brokers are selected for their superior service and trade execution.

Investment guidelines compliance monitoring: Twice a month various investment professionals, including portfolio managers, the Vice President Compliance and the President & CEO review the benchmark report prepared for all institutional clients. Variances from client benchmarks are compared to policy and any necessary adjustments are made. The Vice President, Compliance reviews daily reports comparing individual security holdings with those of the portfolio's benchmark models. Significant variances are discussed immediately with the portfolio manager and necessary adjustments are made.

Account administration and recording: The portfolio department is responsible for administration and recording of client portfolios in the portfolio system. The system is maintained on a contract basis at an offsite location managed by a third party record-keeper, SS&C Technologies (SS&C). SS&C provides portfolio record-keeping, electronic trade settlement (SS&CNet2), performance measurement and portfolio management programs.

Custodian statement reconciliation: Cash reconciliations, which analyze differences between cash balances reported by the custodian, are carried out at least monthly for all clients. Security reconciliations are prepared monthly for institutional clients and at least quarterly for private clients. McLean Budden maintains a log of all security reconciliations and investigates outstanding discrepancies.

Input of market price of securities: Market prices are supplied to McLean Budden by Securities Valuation Company (SVC). Security reconciliations highlight differences between SVC and custodian prices. Differences outside acceptable tolerance levels are investigated. McLean Budden has not experienced any recurring, material problems with SVC pricing.

Information systems operations and development: SS&C is a major provider to Canadian investment participants and undertakes systems improvement and development based on its assessment of the needs of its client base as well as in response to specific client requests.

Trade allocation: An integral part of McLean Budden's policies affecting portfolio managers and trading personnel is their fiduciary duty to clients and more specifically their responsibility to ensure fairness in the allocation of investment opportunities among client accounts. McLean Budden has policies to ensure fairness in the allocation of investment opportunities among its clients. Fairness means priority of execution of orders as well as the allocation of the price obtained in block trades. In short, McLean Budden treats all unconstrained accounts equally and allocates a prorata share of filled trades at the same average price to all clients participating in the particular trade.

Best execution: McLean Budden has an obligation to execute all client transactions to the best of our ability, taking into consideration all the circumstances surrounding each transaction. In seeking to deliver best execution, McLean Budden considers the following factors, price, speed of execution, certainty of execution and total transaction costs. The process of ensuring best execution is not determined on a trade-by-trade basis, but rather as an outcome of the overall process. A third party provides software that compliance staff use to prepare quarterly best execution reports. These reports are distributed to various investment professionals including the President & CEO and internal equity traders.

Management Control

Trades are initiated by portfolio managers in accounts for which they have investment responsibilities. All trades are authorized by the primary portfolio manager. If they are unable to act due to vacation, business trip or illness the assigned back-up manager, who is familiar with the account, will place orders. Trading and portfolio management are separate functions at McLean Budden. While portfolio managers are responsible for initiating trades, our professional traders carry out the actual execution of trades after receipt of written or electronic orders from our portfolio managers.

Trades are placed with approved brokers and are accurately communicated to the counter-party and custodian in a timely fashion. Portfolio managers communicate orders electronically or use signed tickets, which are in turn entered by McLean Budden's portfolio department into the trading system. Traders complete electronic blotters by inputting details including price, broker name and commission rate.

The system updates the client's portfolio and forwards settlement instructions electronically via SS&CNet2 on trade date to the appropriate custodian. Details of all instructions forwarded the previous day through the SS&CNet2 system are provided daily to each portfolio manager for written approval.

Access to electronic trade communication services (SS&CNet2) is authorized and controlled by management. Access to SS&CNet2 by McLean Budden staff is controlled by the use of passwords, which are changed quarterly. Electronic settlement systems are now the norm in the investment advisory business.

McLean Budden Policies

Trades recorded in the client's account(s) are checked for accuracy and compliance with client guidelines. Aside from the staff member who initially inputs trade details, each trade is reviewed by a second McLean Budden employee who initials the input for accuracy. The manager responsible for the account conducts a review at least monthly that is directed at the substance of each trade rather than the exactitude of each price and commission.

All previous day's trades are reported by our traders to all senior staff and portfolio managers. The transparency of this process places all portfolio managers' trades from the previous day up for scrutiny. For example, a trade in a name not widely held in pension models, or the price of a trade would be topics for discussion. If there were a contravention of this separation, disciplinary action appropriate to the breach would be taken.

Trades are reviewed by the Vice President, Compliance every month-end as well as random days throughout the year for unusual trading activities (i.e. low volume trades, end of day trades, special trading instructions etc.) and to detect non-compliance with McLean Budden's internal trading policies and possible violations of exchange trading rules.

Soft Dollar Arrangements

McLean Budden no longer carries out any soft dollar trades nor 'earns' soft dollars.

Client specific requests for directed commissions or the generation of soft dollars for client expenses may be accepted, but always on a best efforts basis up to a maximum of 10%. Clients will be required to state such requests in writing and acknowledge that these trades will be conducted on a best efforts basis and only **after** all outstanding McLean Budden orders for the same equity have been completed.

McLean Budden Limited**Client Investment and Relationship Policy****Investment Process**

Employees of McLean Budden Limited shall:

- Exercise diligence in taking investment actions and in making recommendations to clients.
- Have a reasonable and adequate basis for such actions and recommendations.
- Deal honestly and in good faith with clients.
- Use reasonable care and judgment to achieve independence in taking investment action and in making recommendations to clients.
- Give priority to transactions for the benefit of clients over transactions for their own benefit.

When executing transactions on behalf of clients, employees of McLean Budden Limited shall:

- Use reasonable care and judgment to assure that all clients are treated with equal priority over time.
- Allocate prices and commissions fairly to all clients involved when trades are executed in blocks. This is to be accomplished by attributing the average net pricing to all the client orders making up the transactions.
- Allocate execution quantities fairly to all clients involved when block trades are partially filled. This is to be accomplished by allocating the executed trades across all client orders on a pro-rata basis. This pro-rata approach shall also be used to allocate initial public offerings and “hot issues” among client accounts.

Interactions with Clients and Prospective Clients

Employees of McLean Budden Limited shall:

- Use reasonable care in determining duties to clients, and comply with such duties as to those persons to whom the duties are owed.
- Make a reasonable inquiry into a prospective client’s financial situation and investment needs and objectives prior to managing money for the client.
- Disclose to clients and prospective clients the basic investment strategy and general investment principles followed by McLean Budden Limited. Keep all clients up to date concerning any changes in the investment strategy or principles.
- Specifically, with regard to separate (non-co-mingled) accounts, employees and Principals of McLean Budden Limited shall understand the specific investment objectives of the account, and evaluate the suitability of investments prior to taking any investment action or making any investment recommendation to the client.
- Report to clients on a periodic basis the performance of their account with McLean Budden Limited. Provide insight concerning the effect of current market conditions on the investment performance.
- Deal fairly and objectively with clients when taking investment action. Specifically, with respect to the allocation of investment opportunities, McLean Budden Limited will seek to allocate fairly considering the interests of all McLean Budden Limited clients.
- Preserve the confidentiality of non-public information communicated by clients concerning matters within the scope of the relationship unless:
 - The client specifically authorizes the release of the information.
 - The information concerns illegal activity on the part of the client.
 - A regulatory body as part of a regulatory oversight process legally requests the information and there is a legal obligation for McLean Budden Limited to provide the information.
- Not make any statements, orally or in writing that intentionally misrepresent:
 - The services that they or McLean Budden Limited are performing.
 - Their individual qualifications or the qualifications of McLean Budden Limited generally.
 - Their academic or professional credentials.
- Not make any statement, orally or in writing, that implies any assurances or guarantees concerning the future performance of any client’s accounts.
- Disclose to clients and prospective clients all matters that reasonably could be expected to materially impair a McLean Budden Limited employee’s ability to make unbiased and objective investment decisions.

Proxy Voting Guidelines

McLean Budden views good corporate governance as an important contributor to overall corporate performance and long-term investment returns.

This document is intended as a general guide for how we vote proxies on behalf of our clients and not a rigid policy position. In all matters we will review and vote proxies on a case-by-case basis. Based on our reviews we may deem it appropriate to vote differently than what is set out in these guidelines.

Corporate governance is dynamic. Best practices in corporate governance will continue to evolve. We may change our guidelines from time to time in response to changes in governance practices. The most recent copy of our guidelines can be found on our website, www.mcleanbudden.com.

Board of Directors

The board of directors' primary role is to protect the interests of all shareholders. Key functions of the board are to approve the direction of corporate strategy, ensure succession of management and evaluate performance of the corporation as well as senior management. The board is accountable to shareholders, and must operate independently from management.

Independence of the Board of Directors**Guideline**

The majority of board members should be independent from the corporation, management or a majority shareholder. An independent member should not be a former employee of the company or a representative of a key supplier to or a key client of the company.

Voting Policy

We will generally support boards that have a majority of board members classified as independent.

Director Attendance**Guideline**

Board membership requires a significant amount of time in order for responsibilities to be executed, and attendance at board and committee meetings is noted.

Voting Policy

Generally we look for attendance records to be in the 75% participation range.

Term Limits for Directors**Guideline**

We are more concerned with the performance of directors and not with the term limits.

Voting Policy

Generally we do not support term limits.

Separation of Chair and CEO**Guideline**

In most cases it is advisable for separation between the CEO and the Chair to enhance separation of management interests and shareholders.

Voting Policy

In most cases we would support a recommendation to separate the Chair from the CEO. Lead directors are considered acceptable, and in this situation an independent corporate governance committee must also be in place.

Committees of the Board

Guideline

The audit, compensation, governance and nominating committees are the most significant committees of the board.

Voting Policy

We will support the establishment of these committees, however independent director membership on these committees is the primary concern. Two-thirds independent membership is satisfactory, provided that the chair of the committee is independent.

Audit Process

Guideline

The members of an audit committee should be independent directors, and the auditor must also be independent. The auditor should report directly to the audit committee, and not to management.

Voting Policy

We will generally support the choice of auditors recommended by the audit committee. In the event that the auditor supplies other services for a fee other than the audit, each situation will be reviewed on a case-by-case basis.

Cumulative Voting

Guideline

Our experience has been that cumulative voting is generally proposed by large shareholders who may wish to exert undue influence on the board.

Voting Policy

We generally oppose cumulative voting, however, it may be considered if the board has been unresponsive to shareholders.

Staggered Boards

Guideline

We prefer an annual election of directors in order that shareholders have more power to replace directors deemed to not be acting in the shareholders' interest.

Voting Policy

We will not support introduction of staggered terms. However, should a staggered board already exist, we will not vote against the board. Staggered boards are more commonplace outside Canada. Generally we support proposals to eliminate staggered boards.

Director Compensation

Guideline

Directors should be compensated fairly for the time and expertise they devote on behalf of shareholders. Directors should personally own shares in the corporation, and preferably receive remuneration in the form of shares.

Voting Policy

We support recommendations where a portion of the remuneration is to be in the form of common stock. We do not support options for directors, and do not support retirement bonuses or benefits for directors.

Size of Board of Directors

Guideline

Generally boards should be comprised of a minimum of seven to a maximum of fifteen. However, the complexity of the company has an impact on required board size.

Voting Policy

The independence of the board is a greater concern than the number of members. However, should a change in board size be proposed as potentially an anti-takeover measure we would vote against.

Management Compensation

Compensation plans for executives should be designed to attract and retain the right people with the right skill set to manage the company successfully long-term. These plans should be competitive within the company's respective industry without being excessive and should attempt to align the long-term interests of shareholders with the interests of management and directors.

Stock Option and Incentive Compensation Plans

Guideline

These plans should be designed to reward good performance of executives. They should also encourage management to own stock so as to align their financial interests with those of the shareholders. It is important that these plans are disclosed to the shareholders in detail for their approval.

Voting Policy

We will not support plans with options priced below current market value or the lowering of the exercise price on any previously granted options. We will not support a plan amendment that is not capped at a maximum of 10% dilution. Additionally we review the amount of options distributed annually with 20% of the total available being considered reasonable. We will support plan proposals where the options vest over a specified period of time or vest upon the achievement of measurable results. We are generally opposed to large (25% or more) option grants to any one individual, but each case is reviewed. We believe that shareholders should have a say in all aspects of option plans and therefore will not support omnibus stock option plans or plans where the board is given discretion to set the terms. It is recommended that the aggregate dilution from all stock-based compensation plans not exceed 10% of fully diluted shares.

Compensation Plans

Guideline

It is our view that executive compensation plans should be designed to reward good results without being excessive.

Voting Policy

We will support those compensation plans that we consider to be fair. Generally we will not support proposals such that the aggregate dilution from all stock-based compensation plans exceeds 10% of fully diluted shares.

Golden Parachutes

Guideline

We believe that "golden parachutes" are a good way to attract, retain and encourage objectivity of qualified executives by providing financial security in the case of a change in the structure or control of a company. That said, golden parachutes can be excessive.

Voting Policy

We will review golden parachutes on a case-by case basis and will support those that we view as reasonable and that are also clearly disclosed to shareholders.

Corporate Loans

Guideline

Corporate loans, or the guaranteeing of loans, to enable employees to purchase company stock or options should be avoided. These types of loans can be risky if the company's stock declines or the employee is terminated.

Voting Policy

We will not support corporate loans or the guaranteeing of loans, to enable employees to purchase company stock or options. We may make an exception for employees of financial institutions.

Shareholders

Shareholders should take an active role in exercising their rights to positively influence and protect the affairs of a corporation in which they invest. This can be done by directly communicating with the management and directors of a company and/or by exercising proxy voting rights.

Confidential Voting by Shareholders

Guideline

Like any other electoral system, the voting at annual and special meetings should be confidential and free from any potential coercion and/or impropriety.

Voting Policy

We will support any proposals to introduce or maintain confidential voting.

Takeover Protection - Shareholder Rights Plans

Guideline

Some companies adopt shareholder rights plans that incorporate anti-takeover measures, which may include:

- Poison pills
- Crown jewel defense
- Payment of greenmail
- Going private transactions
- Leveraged buyouts
- Lock-up arrangements
- Fair price amendments
- Re-incorporation

Rights plans should be designed to ensure that all shareholders are treated equally in the event there is a change in control of a company. These plans should also provide the board with sufficient time to ensure that the appropriate course of action is chosen to ensure shareholder interests have been protected. However, many shareholder rights plans can be used to prevent bids that might in fact be in the shareholders' best interests. Depending on their contents, these plans may also adversely influence current share prices and long-term shareholder value.

Voting Policy

We will review each situation on a case-by-case basis. We will generally support proposals that protect the rights and share value of shareholders. We prefer plans to take effect when control of 20% or more of voting shares is acquired. We support plans that require shareholder approval at least every three years.

Dual Class Shares

Guideline

It is not unusual for certain classes of shares to have more than one vote per share. This is referred to as a dual class share structure and can result in a minority of shareholders having the ability to make decisions that may not be in the best interests of the majority of shareholders.

Voting Policy

We will vote against the creation of share classes that have unequal or multiple-voting rights.

Supermajority Approval**Guideline**

A two-thirds majority (67 percent) vote requirement is fairly common and any requirement above that level can, from a practical point of view, be difficult to obtain. A very high requirement can be unwieldy and therefore not in the best interest of the majority of shareholders.

Voting Policy

We will generally not support proposals for voting requirements that are greater than two-thirds. That said, we will review supermajority proposals on a case-by-case basis.

Linked Proposals**Guideline**

Linked Proposals combine separate issues into one for the purposes of a proxy vote. Linked Proposals are often used to obtain passage of certain proposals that might not be approved if separately presented.

Voting Policy

We are against the submission of Linked Proposals and will look at each component of a Linked Proposal separately.

Unlimited Share Issues/Increase in Authorized Shares**Guideline**

Corporations may increase their authorized number of shares in order to implement a stock split, to support an acquisition or restructuring plan, to use in a stock option plan or to implement an anti-takeover plan. Shareholders should approve of the specific business need for the increase in the number of shares and should understand that the issuance of new shares can have a significant effect on the value of existing shares.

Voting Policy

We will generally oppose proposals to increase the number of authorized shares to “unlimited”, but will consider any proposals to increase the number of authorized shares on a case-by-case basis.

Shareholder Proposals**Guideline**

Shareholders should have the opportunity to raise their concerns or issues to company management, the board and other shareholders. As long as these proposals deal with appropriate issues and are not for the purposes of airing personal grievances or to obtain publicity, they should be included on the proxy ballot for consideration.

Voting Policy

Shareholder proposals will be reviewed on a case-by-case basis.

Disclosure of Voting Results**Guideline**

Proxy voting results at annual and special meetings should be timely and include at a minimum the votes for, against and withheld.

Voting Policy

We will support proposals to disclose the results of proxy voting on a timely basis.

Blank-cheque Preferred Shares**Guideline**

The authorization of blank-cheque preferred shares gives the board of directors complete discretion to fix voting, dividend, conversion and other rights and privileges. Once these shares have been authorized, the shareholders have no authority to determine how or when they will be allocated. There may be valid business reasons for the issuance of these shares but the potential for abuse outweighs the benefits.

Voting Policy

We will generally oppose the authorization of blank-cheque preferred shares.

Other Business**Guideline**

We feel that allowing boards to include “other business” as a proposal on a proxy ballot gives them far too much leeway to obtain shareholder approval for proposals that the shareholders have not had an opportunity to review and consider.

Voting Policy

We will generally not support “other business” proposals.

Shareblocking

Some countries outside North America require that shares of companies which are voted cannot be traded for a period of time surrounding the meeting date. Should we wish to maintain our ability to trade the stock, we would often not vote, particularly if the issues were not contentious. For some cases, where the issue is contentious, we may register our vote, but only if we were willing to give up trading capabilities for the specified period.

INSTITUTIONS • PRIVATE CLIENTS • MUTUAL FUNDS • PENSIONS • FOUNDATIONS



TORONTO
145 King Street West
Suite 2525
Toronto, ON M5H 1J8
Tel.: 416-862-9800
Fax.: 416-862-0167

MONTRÉAL
1250 René-Lévesque Blvd. West
Suite 3010
Montréal, QC H3B 4W8
Tel.: 514-933-0033
Fax.: 514-933-8163

VANCOUVER
595 Burrard Street
Suite 3043, P.O. Box 49105
Vancouver, BC V7X 1G4
Tel.: 604-623-3430
Fax.: 604-623-3436

CHICAGO
4026 N. Bell Avenue
Chicago, IL
60618 USA
Tel.: 773-866-9210
Fax.: 773-866-9211