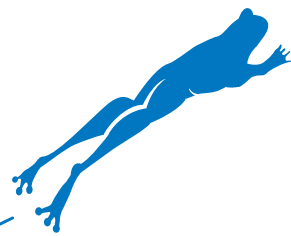


There are things in which you believe.

Socially Responsible Investing



A Look at McLean Budden

Since opening our doors in 1947, McLean Budden has grown to become one of Canada's most respected investment management companies. From offices in Toronto, Montréal, Vancouver and Chicago, we manage over \$32 billion on behalf of pension, foundation & endowment, private wealth and mutual fund clients.

We firmly believe in long-term, balanced investing. Through a robust team-based approach, extensive research and continuous client consultation, McLean Budden takes great care to ensure that every solution measures up to the unique requirements of each client – including ones that touch on deeply held beliefs.

With our help, you can look forward to investing that you can feel good about in more ways than one.

Socially Responsible Investing (SRI)

We take pride in matching each one of our clients with an investment strategy in which they feel secure. When an individual or institution wants their portfolio to reflect their own socially responsible values, McLean Budden aims to provide a strong financial return through socially responsible investments.

Socially responsible investing, also known as sustainable investing, socially conscious or ethical investing, is an investment strategy that seeks to maximize both financial return and social good. In general, socially responsible investors favor corporate practices that promote environmental stewardship, consumer protection, human rights and diversity.

In addition to its own research, McLean Budden also applies social and environmental research provided to us by Jantzi Research Inc. in Toronto and Sustainalytics, headquartered in Amsterdam.

McLean Budden offers pooled SRI funds, the MB Select Funds, as well as customized screening for segregated (individually managed) portfolios.

MB Select Funds

For clients interested in socially responsible investing, the MB Select Funds are screened versions of existing pooled funds. The screens exclude:

- > Companies that derive more than 10% of their gross annual revenue from the manufacture and sale of tobacco products, alcoholic beverages, armaments, pornography, or from the provision of gaming facilities.
- > Companies with significant operations and/or suppliers that do not adhere to local employment standards, and do not address the issue.
- > Companies whose negative impact on the environment is greater than the average of their peers.

McLean Budden offers four different screened funds to our clients:

- > MB Select Balanced Fund
- > MB Select Fixed Income Fund
- > MB Select Canadian Equity Fund
- > MB Select Global Equity Fund

MB Select Balanced Fund

The MB Select Balanced Fund is a screened version of the existing MB Balanced Fund. This Fund aims to provide investors with a superior real rate of return through both capital appreciation and income, by investing in a diversified portfolio of Canadian and global (U.S. and international) equities, fixed income and money market investments.

The Fund's fixed income component will primarily invest in high-quality debt. Returns in excess of income will be gained through active duration, yield curve and sector management.

McLean Budden adjusts the Fund's asset mix percentages periodically to take advantage of market opportunities, but stays within the following ranges: stocks 54 to 66%, fixed income 25 to 45% and money market 0 to 15%.

The MB Select Balanced Fund is suitable for clients with a moderate risk tolerance and a medium to longer-term investment time horizon. The Fund invests in a broad array of assets (stock, bonds and money market); therefore, it is less risky than an investment in a single asset class. However, the Fund will increase or decrease in value based on the market value of the assets it holds.

Asset Class	Benchmark	Benchmark Weight %	Normal Range of Fund %
Equities		60	54-66
Canadian	BMO/TSX Comp.CAP 10%	30	25-35
Global	MSCI World (Cdn\$)	30	25-35
Bonds	DEX Universe	35	25-45
Cash	91-Day T-Bills	5	0-15

MB Select Fixed Income Fund

The MB Select Fixed Income Fund is a screened version of the existing MB Fixed Income Fund. This Fund aims to provide investors with a strong real rate of return, primarily through interest income. Returns in excess of income will be gained through duration, yield and sector management.

The MB Select Fixed Income Fund invests primarily in a diversified portfolio of bonds issued or guaranteed by Canadian governments (federal and provincial) and corporations. It may also invest in U.S. dollar denominated bonds from Canadian issuers. Corporate and provincial sectors are normally emphasized over a market cycle due to their attractive yields.

The Fund's term to maturity (duration is actively managed within set ranges according to the interest rate outlook.

The Fund is suitable for clients with a low to moderate risk tolerance and a medium-term investment time horizon. Investing in bonds is less risky than investing in stocks. However, there is some risk, as the price of bonds is closely tied to changes in interest rates. The value of the bonds held in the Fund will rise when interest rates fall, while their value will decrease whenever interest rates rise.

MB Select Canadian Equity Fund

The MB Select Canadian Equity Fund is a screened version of the existing MB Canadian Equity Fund. This Fund aims to provide investors with a superior real rate of return, primarily through capital appreciation over the long term, by investing in a diversified portfolio of Canadian equities.

The MB Select Canadian Equity Fund is comprised of 50 to 70 securities, generally selected from the largest one hundred companies in the Canadian market, although smaller companies with prices that do not reflect McLean Budden's estimate of their full value or with outstanding growth potential are also included.

The Fund is suitable for clients with a moderate to above-average tolerance for risk and a longer-term investment time horizon. As stocks have traditionally risen in value more than other types of investments, they offer the greatest potential for long-term growth. However, investing in stocks is also riskier than other investments, as stock prices fluctuate more than other types of investments. Because this Fund invests in many industries, it is less risky than a fund that specializes in a specific industry.

MB Select Global Equity Fund

The MB Select Global Equity Fund is a screened version of the existing MB Global Equity Fund. This Fund aims to provide investors with a superior real rate of return, primarily through capital appreciation over the long term, by investing in a diversified portfolio of global equities.

The MB Select Global Equity Fund is comprised of 80 to 100 securities, with an emphasis on large companies that are leaders within their industry.

The Fund is suitable for clients with a moderate to above-average tolerance for risk and a longer-term investment time horizon. As stocks have traditionally risen in value more than other types of investments, they offer the

greatest potential for long-term growth. However, investing in stocks is also riskier than other investments, as stock prices fluctuate more than other types of investments.

The MB Select Global Equity Fund invests in stocks outside of Canada; therefore, it provides an opportunity to diversify across many markets and reduces risks that are associated with a single country fund. It does, however, have risk associated with foreign exchange rates and market conditions in other countries.

McLean Budden Investment Philosophy

A team approach to portfolio management is a McLean Budden hallmark. Individual teams meet on a weekly basis to implement any changes to the model portfolios.

As for our philosophy, there is one word that best sums it up: balance. The basic objective of our investment management is to exceed client objectives without incurring unnecessary risk in pursuit of this goal.

More specifically, our balance-based principles of investment are:

- > To add value in the management of each asset category
- > To add value and lessen volatility in asset mix management
- > To manage portfolios within the long-term risk/reward profile of each client

Look Forward™ – you see these two words beneath our logo. We believe in them. For we believe superior equity investing is, over time, the largest potential source of “added value” to a fund. Our equity management focuses on security selection to add most of the value. Companies with stable earnings growth, strong management teams and sound balance sheets are emphasized.

In other words, we look forward in our investing, so that our clients can look forward to the results.

Investment Managers Since 1947

www.mcleanbudden.com

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