INVESTMENT MANAGEMENT

McLean Budden

McLean Budden Canadian Equity Fund

Fourth Quarter Mutual Fund Report

Objective

The Canadian Equity Fund targets capital appreciation through investments primarily in a diversified portfolio of Canadian equities. The composition of the Fund is based on an equal blend of decisions made by the McLean Budden Canadian Equity Growth and Value Teams. The Value Team selects stocks based on criteria such as relative valuation or the presence of a catalyst for value realisation. The Growth Team looks for opportunities exhibiting above-average earnings growth prospects. The overall portfolio is broadly diversified across industry sectors and is relatively style neutral.

Fund Details (Class D)

As of December 31, 2011

Management Fee:	1.25%[1]
Inception:	March 2004
Assets:	$18.4 million
NAVPS:	$12.93[2]
Distribution Frequency:	annually

[1] MFS McLean Budden assumes responsibility for the payment of all administrative expenses.
[2] Includes income distribution of $0.0103 and a capital gains distribution of $0.1553 per unit.

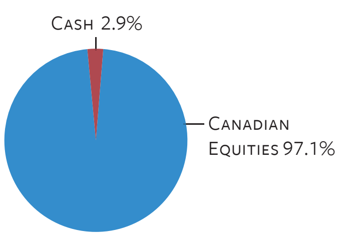
Performance (Class D)

As of December 31, 2011

QTR	1.84
1 YEAR	-16.12
3 YEAR	8.54
5 YEAR	-1.35
10 YEAR	NA
SINCE INCEPTION	3.99

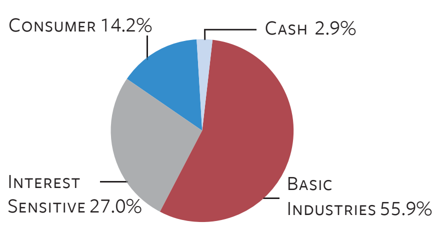
Asset Mix

As of December 31, 2011



Portfolio Composition

Sector breakdown as of December 31, 2011



Features of the Fund

- ·Long-term capital growth
- ·Automatic reinvestment or disbursement of net income and realized capital gains distributions

Top Twenty-Five Holdings

Top Twenty-Five Holdings	%
Toronto Dominion Bank	6.8
Royal Bank of Canada	6.6
Suncor Energy Inc.	6.1
Canadian Natural Resources Ltd.	5.6
Barrick Gold Corporation	4.5
Bank of Nova Scotia	4.1
Talisman Energy Inc.	3.9
Goldcorp Inc.	3.6
Teck Resources Ltd.	2.9
Magna International Inc.	2.9
Cash and Short-Term investments	2.9
Agrium Inc.	2.8
Cenovus Energy Inc.	2.7
Canadian National Railway Company	2.5
Potash Corporation of Saskatchewan Inc.	2.4
Encana Corporation	2.4
TransCanada Corporation	2.3
Bombardier Inc.	2.2
Cameco Corporation	2.0
Intact Financial Corporation	2.0
Shoppers Drug Mart Corporation	1.9
Open Text Corporation	1.8
Thomson Reuters Corporation	1.6
Power Corporation of Canada	1.6
Brookfield Asset Management Inc.	1.5

The information contained in the list may change due to the ongoing portfolio transactions of the mutual fund and a statement with more current information may be obtained by investors, if available.

Manager Comments

The portfolio's return lagged the S&P/TSX Composite Index during a modest bounce-back quarter for Canadian equities. Weak stock selection in the energy (Cameco, EnCana), information technology (Research In Motion) and consumer discretionary (Gildan Activewear) sectors hindered the portfolio's return. However, this was partially offset by solid performance from Canadian Natural Resources and Royal Bank as well as strong selections in materials (Teck Resources, Inmet Mining).

Gold stocks have underperformed the nominal and real price of bullion since 2003, and the team believes that these stocks have a strong potential to outperform both bullion and the Index during a challenging and uneven global recovery. The team initiated positions in two Canadian domiciled gold miners, Detour Gold and Yamana Gold, whose shares trade at attractive valuations and made additional purchases of both Goldcorp and Barrick Gold. Within financials, the team added to positions in Intact Financial, Bank of Nova Scotia, and TD Bank.

The team eliminated Research In Motion from the portfolio. Despite a large subscriber base, the company has lately been plagued by very few operational successes. RIM's most recent product launches have done little to mitigate negative sentiment regarding the company's growth prospects. A small position in Loblaw was also eliminated from the portfolio.

Investors were whipsawed during the fourth quarter between vacillating periods of "risk-on" and "risk-off" as Europe's sovereign debt crisis weighed on sentiment, but there are signs that the predominantly negative macro headlines are becoming reflected in current asset valuations. In such an environment, the team is seeking to diffuse risk by reducing the portfolio's exposure to large individual names. Companies with industry-leading positions and high-quality balance sheets continue to dominate the portfolio.

Volatility Profile

The Fund is suitable for individuals who have a longer time horizon and a tolerance for medium volatility. Conservative investors can invest a component of their total portfolio in this fund to provide portfolio diversification.