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SCOTIA INSTITUTIONAL ASSET MANAGEMENT US, Ltd.

FORM ADV PART 2A – DISCLOSURE BROCHURE

November 29, 2013

This brochure provides clients and prospective clients with information about the qualifications, business practices and advisory services of Scotia Institutional Asset Management US, Ltd. (“SIAM US”), a corporation formed under the laws of Ontario, Canada. The head office of SIAM US is located at the Dynamic Funds Tower, 1 Adelaide Street East, 29th Floor, Toronto, Ontario M5C 2V9. If you have any questions about the contents of this brochure, please contact us at toll free 1-800-268-8186 or by email at invest@dynamic.ca.

Additional information about SIAM US is also available on the United States Securities and Exchange Commission (“SEC”) website at www.adviserinfo.sec.gov

SIAM US is a registered investment adviser. You should be aware that registration with the SEC does not imply a certain level of skill or training.

Item 2: Material Changes

In this section, we discuss only the specific “material” changes since the last annual update of this disclosure brochure, which was last updated on January 29, 2013.

In accordance with SEC requirements, SIAM US must “deliver” and ensure that its clients receive a summary of material changes (if any) and subsequent disclosure brochures within 120 days of our fiscal year end.

The disclosure in this brochure has been amended to reflect the name change of GCIC US Ltd. to Scotia Institutional Asset Management US, Ltd. and other name changes of its affiliates, all wholly owned by The Bank of Nova Scotia.

Item 3: Table of Contents

Item 1: Cover Page.....	1
Item 2: Material Changes.....	2
Item 3: Table of Contents	3
Item 4: Advisory Business	4
Item 5: Fees and Compensation.....	5
Item 6: Performance Fees and Side-By-Side Management	7
Item 7: Types of Clients.....	8
Item 8: Methods of Analysis, Investment Strategies and Risk of Loss	8
Item 9: Disciplinary Information	42
Item 10: Other Financial Industry Activities and Affiliations	42
Item 11: Code of Ethics, Participation or Interest in <i>Client</i> Transactions and Personal Trading.....	43
Item 12: Brokerage Practices	44
Item 13: Review of Accounts	46
Item 14: Client Referral and Other Compensation	46
Item 15: Custody	46
Item 16: Investment Discretion.....	47
Item 17: Voting Client Securities	47
Item 18: Financial Information	49

In this document, we refer to Scotia Institutional Asset Management US, Ltd. as “we”, “us”, “our”, the “**Manager**” or “**SIAM US**”.

Item 4: Advisory Business

THE COMPANY

SIAM US is wholly owned subsidiary of GCIC Ltd. (“GCICL”) which is an indirect wholly owned subsidiary of HollisWealth Inc. (“**HollisWealth**”). HollisWealth is a financial services company which provides a broad range of financial products and services to individuals, institutions and corporations through a number of operating subsidiaries. HollisWealth is a wholly owned subsidiary of The Bank of Nova Scotia (“**Scotiabank**”).

SIAM US was established to offer HollisWealth’s investment capabilities to clients in the United States, complementing the parent company’s Canadian investment management and advisory business. SIAM US has been in business since 1995.

INVESTMENT SERVICES

SIAM US provides investment advisory and investment management services to high net worth individuals and institutional clients through a number of different types of accounts. SIAM US may also provide investment management services to personal holding corporations, estates and trusts. SIAM US offers a variety of investment strategies to open-end investment companies (“Mutual Funds”), hedge funds, tax-exempt employee benefit plans, other tax exempt plans, institutional accounts of corporate sponsored entities, as well as foundations and other charitable endowments.

SIAM US also serves as investment sub-adviser to registered investment companies registered under the Investment Company Act of 1940, including the Dynamic Funds portfolios of the Scotia Institutional Funds. The Scotia Institutional Funds are advised by Scotia Institutional Investments US, L.P., a majority owned subsidiary of HollisWealth and an affiliate of SIAM US.

SIAM US provides investment advisory services to private funds in master-feeder arrangements. Each of the Dynamic Alpha Performance, L.P., Dynamic Growth Opportunities, L.P., Dynamic Alpha Performance Offshore, Ltd. and Dynamic Growth Opportunities Offshore, Ltd. (collectively, the “Private Funds”) are considered feeder funds and can only be sold to qualified purchasers or other eligible investors, as described in such fund’s confidential private placement memorandum. These Private Funds do not invest or trade their assets directly. Instead, these Private Funds contribute substantially all of their assets to a master fund, a Cayman Islands exempted company incorporated with limited liability, which in turn invests and reinvests the cash it receives in securities and other financial instruments in accordance with the investment objective and strategies set forth from time to time by such Private Fund. SIAM US acts as investment manager to the master funds. Dynamic US GP, LLC is the general partner of the feeder funds which are U.S. partnerships described above and is also an affiliate of SIAM US.

SIAM US generally obtains discretionary investment authority for the assets under its management. Each client portfolio is tailored to meet the individual needs of each individual client, through the development and implementation of client specific investment guidelines. The guidelines may include, for example, restrictions on investing in certain securities, industries, security types, issuers or securities with certain credit ratings. The investment guidelines form a part of our management agreement with a client, and SIAM US manages the client’s account within these parameters.

Our investment strategies may include investments in common stocks, preferred stocks, investments-grade and non-investment grade corporate bonds (including private placements), U.S. Government and agency securities, convertible securities (including stocks and convertible corporate bonds), real estate investment trusts, commodity financial futures contracts and commodity financial forward contracts, currency interests, swap transactions, structured instruments, open and exchange traded investment companies, hedge funds and limited partnerships.

SIAM US may also provide, at a Client's request, portfolio research services in the form of model investment portfolios. Under such arrangement, all or a portion of the securities purchased and sold in the Client's account are implemented by the client (or a third party at the Client's direction) on the basis of the research furnished to the model recipient. SIAM US has no execution responsibilities with respect to the transactions executed by the model recipient. SIAM US does not provide continuous oversight to such Clients, but merely updates the model provided on a periodic basis. SIAM US does not exercise discretion, in any way, over such model accounts.

WRAP FEE PROGRAMS

SIAM US does not offer or participate in any wrap fee programs.

ASSETS UNDER MANAGEMENT

As of December 31, 2012, SIAM US had \$422,645,437 in assets under management. Approximately, \$414,219,765 of these assets represented discretionary assets and \$8,425,672 of these assets represented non-discretionary assets.

Item 5: Fees and Compensation

CLIENT ACCOUNTS

Our fee schedules for separate accounts are based on the value that we expect to manage over rolling five-year periods and will vary by investment strategy. The fees for separate accounts are payable quarterly in arrears and are calculated based on the value of the assets in the account at the end of each calendar quarter. SIAM US invoices clients and the invoices contain the amount of the fee, the value of the assets in the account on which the fee was based, and the specific manner in which the fee was calculated. Fees for partial periods are pro-rated based on the number of days during the calendar in which an account was open. Below is our standard fee schedule for institutional and high net worth individual accounts:

INSTITUTIONAL & HIGH NET WORTH ACCOUNTS		
Strategies	Management Fee Percentage	Minimum Account Size
<i>Canadian Equity</i>		
Canadian Value Equity	1.00% flat fee	\$50 million
Canadian Growth Equity	1.00% flat fee	\$50 million
Canadian Small Business	1.00% flat fee	\$10 million

Canadian Small Cap Growth Equity	1.00% flat fee	\$10 million
Commodity & Specialty		
Energy Income	0.85% flat fee	\$10 million
Global Natural Resources	1.00% flat fee	\$50 million
Gold & Precious Metals	1.00% flat fee	\$10 million
Global Infrastructure	1.00% flat fee	\$10 million
Strategic Gold	1.00% flat fee	\$10 million
Strategic Energy	1.00% flat fee	\$25 million
Global & International Equity		
Global All-Cap Growth Equity	1.00% flat fee	\$10 million
International Value Equity	1.00% flat fee	\$20 million
Far East Value Equity	1.00% flat fee	\$20 million
Global Value Equity	1.00% flat fee	\$10 million
Global Dividend Value Equity	1.00% flat fee	\$20 million
Global Growth Equity	1.00% flat fee	\$50 million
Global All-Cap Value Equity	0.80% of assets on the first \$5 million 0.75% on the next \$5 million 0.40% on the balance Plus an incentive fee of 20% of the net asset value exceeding 110% of the high water mark; or	\$5 million
	Flat fee of 1%	\$20 million
Income		
Equity Income	1.00% of assets on the first \$3 million 0.85% on the balance	\$10 million
Strategic Balanced Yield	0.85% flat fee	\$15 million
U.S. Equity		
US Value Equity	1.00% flat fee	\$20 million
US Growth Equity	1.00% flat fee	\$50 million

(a description of the investment strategies that are available in the accounts are set out in Item 8.)

SIAM US reserves the right to negotiate fees. Fees are negotiated on an individual client basis and are impacted by the nature of assets managed, the size of the account, and the investment objectives and guidelines applicable to each account. Family accounts of a client's same household may be aggregated for the purposes of determining an advisory fee. This consolidation practice allows the benefit of an increased total asset base resulting in a reduced advisory fee. Each separately managed account has management fees charged at per annum rates and they are payable in arrears on a quarterly basis. Investment funds such as closed-end funds, open-end funds and private funds have investment management fees typically charged on a monthly basis in arrears by us pursuant to a written advisory or sub-advisory agreement between SIAM US and each individual fund.

MUTUAL FUNDS

SIAM US may charge different fees for its services to Mutual Funds, subject to certain agreed upon limitations and/or waivers established between representatives of the Mutual Funds and SIAM US. A complete explanation of the expenses charged by the Scotia Institutional Funds and the management fees payable by these funds is contained in each fund's prospectus and statement of additional information on file with the United States Securities and Exchange Commission. Item 10 provides more information about SIAM US's involvement with the Scotia Institutional Funds.

PRIVATE FUNDS

SIAM US may charge different fees for its services to privately offered pools, subject to certain agreed upon limitations and/or waivers. A complete explanation of the expenses charged by the Private Funds and the management and performance fees payable by these funds is contained in such funds' offering documents. Item 10 provides more information about SIAM US's involvement with the Private Funds. These funds may also bear their own operating and other expenses including, but not limited to, in addition to those listed below: (i) custodial fees; (ii) legal expenses; (iii) external accounting; (iv) audit and tax preparation expenses; and (v) operating and other expenses. Additional information about such operating and other expenses, please see the offering memorandum for each such fund.

OTHER FEES OR EXPENSES

In addition to the fees described above, clients may bear other costs associated with investments or accounts including but not limited to: (i) custodial charges (including those custodial charges charged by an affiliate of SIAM US), brokerage fees, commissions, transaction fees and related costs (see Item 12 for more information on brokerage practices); (ii) interest expenses; (iii) taxes, duties and other governmental charges; (iv) transfer and registration fees or other similar expenses; and (v) costs associated with foreign exchange transactions. These fees are in addition to and separate from the fees charged and collected by SIAM US. Investment funds such as mutual funds, exchange traded funds and private funds (as described above) also charge internal management fees and/or performance fees, which are disclosed in the fund's offering documents and/or regulatory filings and clients should carefully review such documents prior to investing. To avoid the duplication of fees and the potential conflicts of interest, we do not charge separate accounts a direct advisory fee on assets invested in a fund that we (or our affiliates) manage.

With respect to the model investment portfolio services, SIAM US may receive a fee, as negotiated between the Client and SIAM US. Such fee is typically a percentage of the assets invested in the model investment portfolio and is paid quarterly, in arrears. The Client is invoiced or fee is automatically deducted by the account custodian.

ADDITIONAL COMPENSATION

SIAM US and its personnel do not accept compensation, including sales charges or service fees, from any person for the sale of securities or other investment products.

Clients have the option to purchase investment products recommended by us through brokers or agents who are not affiliated with SIAM US, where the expenses associated with such purchase may be higher or lower than the expenses charged by our affiliate.

Item 6: Performance Fees and Side-By-Side Management

SIAM US manages client accounts that pay performance-based fees. Client accounts that pay performance-based fees award fees to SIAM US based on the performance in those accounts. Performance fee arrangements provide a heightened incentive for portfolio managers to make investments that may present a greater potential for return but also a greater risk of loss and that may be more speculative than would exist if only asset-based fees were applied.

POTENTIAL CONFLICTS OF INTEREST

At times, SIAM US may manage client accounts that pay performance-based fees alongside client accounts that pay asset based fees (“side-by-side” management) and use the same investment strategy and invest in the same assets. The simultaneous management of client accounts that pay performance-based fees alongside client accounts that only pay an asset-based fee may create a conflict of interest as the portfolio manager may have an incentive to favor client accounts with the potential to receive greater fees. For instance, a portfolio manager may be faced with a conflict of interest when allocating scarce investment opportunities given the possibly greater fees from accounts that pay performance-based fees as opposed to accounts that do not pay performance-based fees.

To address these types of conflicts, SIAM US periodically reviews the performance and trading of client accounts that pay performance-based fees to seek to ensure that no account, or group of accounts, is receiving preference in the trading process. Additionally, SIAM US has developed allocation policies and procedures. Orders for all accounts seeking to make the same investments are aggregated and executions are allocated pro rata across all participating accounts (See Section 12 “Brokerage Practices” below). Furthermore, in instances where SIAM US is managing accounts that may performance fees alongside accounts that pay only asset-based fees SIAM US conducts regular and routine reviews to ensure that no account, or group of accounts, is receiving preference in the trading process.

Item 7: Types of Clients

SIAM US provides investment advisory and investment management services to high net worth individuals and institutional clients through a number of different types of accounts. SIAM US may also provide investment management services to personal holding corporations, estates and trusts. SIAM US offers a variety of investment strategies to Mutual Funds, hedge funds, tax-exempt employee benefit plans, other tax exempt plans, institutional accounts of corporate sponsored entities, as well as foundations and other charitable endowments.

The minimum account size for all separate accounts is outlined in Item 5; however, SIAM US may agree to manage separate accounts below our stated minimum account size due to various reasons including where there is a long standing relationship, anticipated client additions to assets under management or where more than one individual account is part of an overall larger

relationship. SIAM US in its sole discretion may accept and maintain accounts below the stated minimum. Item 5 provides a discussion of typical advisory fees for separate accounts.

Item 8: Methods of Analysis, Investment Strategies and Risk of Loss

As an investor, you benefit from the expertise of our full-time, professional investment managers and our portfolio sub-advisers who are dedicated to finding what they believe to be the best investments for your portfolio. In order to assist investors in making their investment decisions, the following is a general description of the different investment approaches or styles used by us to manage the portfolios and the specific risks associated with the portfolios. Investing in securities involves risk of loss that clients should be prepared to bear.

CANADIAN EQUITY

Canadian Value Fund Equity

This strategy seeks to achieve long-term capital growth by investing primarily in equity securities of Canadian businesses.

Investment Strategies

Investment analysis for this strategy follows a bottom-up approach, which emphasizes careful company specific analysis. Using a value investment approach, this strategy invests in companies that the manager believe to represent good value based on current stock price relative to the company's intrinsic value.

Methods of Analysis

Techniques such as fundamental analysis are used to assess growth and value potential.

This means evaluating the financial condition and management of each company, its industry and the overall economy. As part of this evaluation, we may:

- analyze financial data and other information sources;
- assess the quality of management; and
- conduct company interviews, where possible.

What are the Specific Risks Associated with this strategy?

The following are the specific risks associated with this strategy:

- Credit Risk
- Currency Risk
- Derivatives Risk
- Equity Risk
- Foreign Investment Risk

- Inflation Risk
- Interest Rate Risk
- Securities Lending Risk
- Short Selling Risk

These risks are explained in detail under "Risk Factors" later in this document.

Canadian Growth Equity

This strategy seeks to achieve long-term capital growth by investing primarily in equity securities of Canadian businesses.

Investment Strategies

As a Canadian equity strategy, this strategy represents an actively traded portfolio of equity securities chosen according to a growth investment approach. This approach seeks to identify companies demonstrating better than average current or prospective earnings growth relative to the overall market and relative to their peer group. When deciding to buy or sell an investment, the portfolio manager also considers whether it is a good value relative to its current price.

Methods of Analysis

We may use techniques such as fundamental analysis to assess growth potential. This means evaluating the financial condition and management of a company, its industry and the overall economy. As part of this evaluation, we may:

- analyze financial data and other information sources;
- assess the quality of management; and
- conduct company interviews, where possible.

What are the Specific Risks Associated with this strategy?

The following are the specific risks associated with this strategy:

- Commodity Risk
- Credit Risk
- Currency Risk
- Derivatives Risk
- Equity Risk
- Foreign Investment Risk
- Inflation Risk

- Interest Rate Risk
- Securities Lending Risk
- Short Selling Risk

These risks are explained in detail under "Risk Factors" later in this document.

Canadian Small Business

This strategy seeks long-term capital appreciation through investment primarily in equity securities of relatively small Canadian businesses.

Investment Strategies

This strategy invests primarily in securities of publicly traded, small Canadian businesses, including dividend or distribution paying businesses, including investment trusts. This strategy generally follows an investment approach emphasizing a suitably diversified portfolio of different businesses that meet the portfolio managers' required objectives. Investments may be eliminated when original attributes, including valuation parameters, are no longer attractive, in the opinion of the portfolio manager.

Methods of Analysis

We primarily use a bottom-up approach, seeking to identify equity securities issued by stable companies. We evaluate the financial condition and management of each company, its industry and the overall economy. As part of this evaluation, we may:

- analyze financial data and other information sources;
- assess the strength of a company's management; and
- conduct company interviews, where possible.

What are the Specific Risks Associated with this strategy?

The following are the specific risks associated with this strategy:

- Commodity Risk
- Credit Risk
- Currency Risk
- Derivatives Risk
- Equity Risk
- Foreign Investment Risk
- Inflation Risk
- Interest Rate Risk

- Investment Trust Risk
- Liquidity Risk
- Securities Lending Risk
- Short Selling Risk
- Small Capitalization Risk

These risks are explained in detail under "Risk Factors" later in this document.

Canadian Small Cap Growth Equity

This strategy seeks to achieve long-term capital growth by investing primarily in equity securities of small-sized Canadian corporations.

Investment Strategies

As a Canadian equity strategy, this strategy represents an actively traded portfolio of equity securities chosen according to a growth investment approach. This approach seeks to identify companies demonstrating the strongest earnings growth relative to the overall market and relative to their peer group.

Methods of Analysis

We will select investments by identifying securities that are deemed to offer potential for growth above the securities of comparable companies in the same industry. These investments typically represent companies whose total market capitalization does not exceed 1/10th of 1% of the total market capitalization of the S&P/TSX Composite Index TR.

We will assess the financial parameters of a company, its market share and role in its industry, as well as the economic state of its industry. Measures, such as earnings, price/earnings multiples and market share growth, may be used to evaluate investments.

We may conduct management interviews with companies to determine the corporate strategy and business plan, as well as to evaluate management capabilities.

What are the Specific Risks Associated with this strategy?

The following are the specific risks associated with this strategy:

- Commodity Risk
- Credit Risk
- Currency Risk
- Derivatives Risk
- Equity Risk
- Foreign Investment Risk

- Inflation Risk
- Interest Rate Risk
- Securities Lending Risk
- Short Selling Risk
- Small Capitalization Risk

These risks are explained in detail under "Risk Factors" later in this document.

COMMODITY & SPECIALTY

Energy Income

This strategy seeks to achieve high income and long-term capital growth through investment primarily in equity securities of income trusts and other Canadian companies involved in energy-based or alternative energy activities.

Investment Strategies

The strategy invests primarily in equity securities, including income trusts and other Canadian companies involved in broadly defined energy-based activities. Energy-based dividend-paying corporations and income trusts invest in the exploitation, production and/or sale of commodities such as fossil fuels, metals, minerals, wind and their by-products as well as midstream and energy utilities such as pipelines, power and water. The strategy may also invest in fixed income securities of companies involved in energy-based activities.

Methods of Analysis

The strategy generally follows a more concentrated investment approach while emphasizing a suitably diversified portfolio of different holdings that meet required objectives. The strategy seeks to outperform the S&P/TSX Capped Energy Index through active portfolio management which may include investing in entities not included in such index. Investments can be sold or reduced when attributes, including valuation parameters, are no longer attractive, in the opinion of the portfolio manager.

We may also choose to:

- invest up to 49% of the strategy's assets in foreign securities;
- use warrants and derivatives such as options, forward contracts, futures contracts and swaps to:
 - hedge against losses from changes in the prices of the strategy's investments and from exposure to foreign currencies; or
 - gain exposure to individual securities and markets instead of buying the securities directly; and/or
 - generate income;
- hold cash or cash equivalents for strategic reasons.

What are the Specific Risks Associated with this strategy?

The following are the specific risks associated with this strategy:

- Commodity Risk
- Concentration Risk
- Credit Risk
- Currency Risk
- Derivatives Risk
- Equity Risk
- Foreign Investment Risk
- Inflation Risk
- Interest Rate Risk
- Investment Trust Risk
- Liquidity Risk
- Sector Risk
- Securities Lending Risk
- Short Selling Risk

These risks are explained in detail under "Risk Factors" later in this document

Global Natural Resources

This strategy seeks to achieve long-term capital appreciation by investing primarily in equity securities of businesses around the world involved in resource-based activities.

Investment Strategies

The strategy invests primarily in equity securities of businesses which explore for or exploit base or ferrous metals, precious commodities (such as gold, silver, platinum, palladium and gems), oil, natural gas and other hydrocarbon products, lumber and lumber-related products, and other industrial materials. The strategy also invests in income trusts relating to resource-based activities. The strategy does not intend to invest in agricultural and livestock commodities. The strategy may invest in other types of securities to achieve its investment objective. Based on the portfolio manager's view of global resource supply and demand, the resource sector weightings within the portfolio may vary and, from time to time, a substantial portion of the strategy's assets may be in one resource sector.

Methods of Analysis

The portfolio manager for this strategy adheres to a focused investment philosophy, which emphasizes business perspective investing and is characterized by a suitably diversified portfolio of businesses generally held for the long-term in order to achieve tax efficiency.

Businesses are purchased when they trade at discounts to the portfolio manager's assessment of intrinsic value. The focused investment strategy typically results in concentrated portfolios with relatively low levels of portfolio turnover.

Selected businesses generally exhibit some of the following attributes:

- a track record of business success
- a capable management team with a demonstrated commitment to shareholder interests
- an ability to generate cash flow
- strong financial characteristics

While selected businesses tend to be held for the long-term, they may be sold upon a material change in the attributes of the business or, if in the opinion of the portfolio manager, there are valuation concerns.

The portfolio manager may also choose to:

- use warrants and derivatives such as options, forward contracts, futures contracts and swaps to:
 - hedge against losses from changes in the prices of the strategy's investments and from exposure to foreign currencies; or
 - gain exposure to individual securities and markets instead of buying the securities directly; and/or
 - generate income;
- hold cash or fixed-income securities for strategic reasons.

What are the Specific Risks Associated with this strategy?

The following are the specific risks associated with this strategy:

- Commodity Risk
- Concentration Risk
- Credit Risk
- Currency Risk
- Derivatives Risk

- Equity Risk
- Foreign Investment Risk
- Inflation Risk
- Interest Rate Risk
- Investment Trust Risk
- Sector Risk
- Securities Lending Risk
- Short Selling Risk

These risks are explained in detail under "Risk Factors" later in this document

Gold & Precious Metals

This strategy seeks to achieve long-term capital appreciation by investing primarily, directly or indirectly, in precious metals on a global basis.

Investment Strategies

The strategy invests primarily in equity securities on a global basis in businesses engaged in precious metals activities. The strategy may also invest in gold, silver, platinum, palladium in the form of bullion, coins and storage receipts as a way to maintain liquidity. As a result of this specialized investment mandate, the strategy may be subject to pronounced cycles and widely varying conditions in the stock markets. Based on the portfolio manager's view of global supply and demand factors, the precious metals weightings within the portfolio may vary and, from time to time, a substantial portion of the strategy's assets may be invested in any one country and/or category of precious metals.

Methods of Analysis

Techniques such as fundamental analysis are used to assess growth and value potential.

This means evaluating the financial condition and management of each company, its industry and the overall economy. As part of this evaluation, the portfolio manager may:

- analyze financial data and other information sources;
- assess the strength of a company's management; and
- conduct company interviews, where possible.

The portfolio manager may also choose to:

- use warrants and derivatives such as options, forward contracts, futures contracts and swaps to:

- hedge against losses from changes in the prices of the strategy's investments and from exposure to foreign currencies; or
- gain exposure to individual securities and markets instead of buying the securities directly; and/or
- generate income;
- hold cash or fixed-income securities for strategic reasons.

What are the Specific Risks Associated with this strategy?

The following are the specific risks associated with this strategy:

- Commodity Risk
- Concentration Risk
- Credit Risk
- Currency Risk
- Derivatives Risk
- Equity Risk
- Foreign Investment Risk
- Inflation Risk
- Interest Rate Risk
- Liquidity Risk
- Sector Risk
- Securities Lending Risk
- Short Selling Risk
- Small Capitalization Risk

These risks are explained in detail under "Risk Factors" later in this document

Global Infrastructure

This strategy seeks to provide long-term capital growth primarily through investment in a diversified portfolio of infrastructure and related companies from around the globe.

Investment Strategies

To achieve its investment objective, the strategy intends to invest primarily in securities of infrastructure and related companies. Infrastructure assets are broadly defined as the basic

facilities, services, and installations needed for the functioning of a community or society and may include but are not limited to the following areas: transportation (toll roads, airports, seaports and rail), energy (gas and electricity transmission, distribution and generation), water (pipelines and treatment plants), telecommunications (broadcast, satellite and cable) and social (hospitals, schools and prisons).

Methods of Analysis

Techniques such as fundamental analysis may be used to assess growth and value potential. This means evaluating the financial condition and management of each company, its industry and the overall economy. As part of this evaluation, the portfolio manager may:

- analyze financial data and other information sources;
- assess the quality of management; and
- conduct company interviews, where possible.

The portfolio manager may also choose to:

- use warrants and derivatives such as options, forward contracts, futures contracts and swaps to:
 - hedge against losses from changes in the prices of the strategy's investments and from exposure to foreign currencies; or
 - gain exposure to individual securities and markets instead of buying the securities directly; and/or
 - generate income;
- hold cash or fixed-income securities for strategic reasons.

What are the Specific Risks Associated with this strategy?

The following are the specific risks associated with this strategy:

- Commodity Risk
- Credit Risk
- Currency Risk
- Derivatives Risk
- Equity Risk
- Foreign Investment Risk
- Interest Rate Risk
- Inflation Risk

- Investment Trust Risk
- Liquidity Risk
- Securities Lending Risk
- Sector Risk
- Short Selling Risk
- Small Capitalization Risk

These risks are explained in detail under "Risk Factors" later in this document

Strategic Gold

This strategy seeks to achieve long-term capital appreciation by investing primarily, directly or indirectly, in gold and/or equity securities of issuers engaged in the exploration, development or production of gold.

Investment Strategies

The strategy will take a flexible approach to investing in the portfolio. Allocations between asset classes will depend on economic and market conditions, allowing the portfolio manager to focus on the most attractive asset classes, which may include, but are not limited to:

- gold or permitted gold certificates (as such term is defined in securities legislation); or
- securities of issuers engaged in the exploration, development or production of gold.

Methods of Analysis

Techniques such as fundamental analysis are used to assess growth and value potential. This means evaluating the financial condition and management of each company, its industry and the overall economy. As part of this evaluation, the portfolio manager may:

- analyze financial data and other information sources;
- assess the strength of a company's management; and
- conduct management interviews with companies, where possible, to determine the corporate strategy and business plan, as well as to evaluate management capabilities.

The portfolio manager may also choose to:

- invest a portion of the portfolio directly or indirectly in precious metals, other than gold;
- use warrants and derivatives such as options, forward contracts, futures contracts and swaps to:
 - hedge against losses from changes in the price of the strategy's investments and from exposure to foreign currencies; or

- gain exposure to individual securities and markets instead of buying the securities directly; or
- hold cash or cash equivalents for strategic reasons.

What are the Specific Risks Associated with this strategy?

The following are the specific risks associated with this strategy:

- Class Risk
- Commodity Risk
- Concentration Risk
- Currency Risk
- Derivatives Risk
- Equity Risk
- Foreign Investment Risk
- Liquidity Risk
- Sector Risk
- Securities Lending Risk
- Short Selling Risk
- Small Capitalization Risk

These risks are explained in detail under "Risk Factors" later in this document

Strategic Energy

This strategy seeks to provide long-term capital appreciation by investing primarily in resources, which may include oil and gas and physical commodities such as gold, silver, platinum and palladium, and equity securities of businesses involved in resource-based activities.

Investment Strategies

This strategy will follow a flexible approach to investing in the portfolio with no restrictions on market capitalization, industry sector or geographic mix. Allocations between asset classes and sectors will depend on the portfolio manager's economic and market outlook, allowing the strategy to focus on the most attractive investments, which may include, but are not limited to:

- equity securities of issuers engaged in the exploration, development or production of gold and precious metals, base metals, and/or ferrous metals;
- gold or permitted gold certificates;

- equity securities of companies involved in the exploration, development, production, processing, transportation and distribution of energy;
- equity securities of energy related companies, including oil and gas issuers;
- sweet crude oil and natural gas futures contracts, up to 80% for hedging purposes and up to 10% for non-hedging purposes; and
- equity securities of companies involved in agriculture, forestry, bulk materials and alternative energy.

The portfolio manager can invest directly in gold and can invest in energy through standardized futures contracts as a means of reducing volatility and when relative valuations are deemed more attractive than equities. The portfolio adviser may also:

- invest a portion of the portfolio directly or indirectly in precious metals other than gold, including investing directly in silver, platinum and palladium as described below;
- use warrants and derivatives such as options, forward contracts, futures contracts and swaps to:
 - hedge against losses from changes in the prices of the Fund's investments and from exposure to foreign currencies; or
 - gain exposure to individual securities and markets instead of buying the securities directly; and/or
 - generate income;
- invest in fixed income securities of businesses involved in resource-based activities;
- hold cash or other fixed-income securities for strategic reasons.

Methods of Analysis

Techniques such as fundamental analysis may be used to assess growth and value potential. This means evaluating the financial condition and management of each company, its industry and the overall economy. As part of this evaluation, the portfolio manager may:

- analyze financial data and other information sources;
- assess the quality of management; and
- conduct company interviews, where possible

What are the Specific Risks Associated with this strategy?

The following are the specific risks associated with this strategy:

- Commodity Risk
- Concentration Risk

- Credit Risk
- Currency Risk
- Derivatives Risk
- Equity Risk
- Foreign Investment Risk
- Inflation Risk
- Interest Rate Risk
- Investment Trust Risk
- Sector Risk
- Securities Lending Risk
- Short Selling Risk
- Small Capitalization Risk
- Uninsured Losses Risk

These risks are explained in detail under "Risk Factors" later in this document.

GLOBAL & INTERNATIONAL EQUITY

Global All Cap Value Equity

This strategy seeks to provide long-term capital growth through investment in a broadly diversified portfolio consisting primarily of equity securities of businesses based outside of Canada.

Investment Strategies

The strategy may invest the majority of its assets in equity securities of small capitalization companies.

The strategy may invest in all types of securities. The strategy will invest primarily in equity securities, including common shares and preferred shares and, to a lesser extent, in other kinds of securities, including: convertible bonds, payment-in-kind bonds, warrants, discounted debt instruments, restructured debt securities, loan assignments, loan participations and high yield, lower rated debt securities, as well as the securities of companies in reorganization and government securities of emerging market countries or other countries.

Methods of Analysis

Investment analysis for this strategy follows a bottom-up approach, which emphasizes careful company specific analysis. Using a value investment approach, this strategy invests in companies that represent good value based on current stock price relative to the company's intrinsic value.

Techniques such as fundamental analysis may be used to assess growth and value potential. This means evaluating the financial condition and management of each company, its industry and the overall economy. As part of this evaluation, the portfolio manager may:

- analyze financial data and other information sources;
- assess the quality of management; and
- conduct company interviews, where possible.

The portfolio manager may also continue to choose to:

- use warrants and derivatives such as options, forward contracts, futures contracts and swaps to:
 - hedge against losses from changes in the prices of the strategy's investments and from exposure to foreign currencies; or
 - gain exposure to individual securities and markets instead of buying the securities directly; and/or
 - generate income;
- hold cash or fixed-income securities for strategic reasons.

What are the Specific Risks Associated with this strategy?

The following are the specific risks associated with this strategy:

- Commodity Risk
- Credit Risk
- Currency Risk
- Derivatives Risk
- Equity Risk
- Foreign Investment Risk
- Inflation Risk
- Interest Rate Risk
- Liquidity Risk
- Securities Lending Risk
- Small Capitalization Risk
- Short Selling Risk

These risks are explained in detail under "Risk Factors" later in this document.

International Value Equity

This strategy seeks to provide long-term capital growth through investment in a broadly diversified portfolio consisting primarily of equity securities of businesses based outside of Canada and the United States.

Investment Strategies

The strategy invests in a broadly diversified portfolio consisting primarily of equity securities of businesses located in Europe, Australasia and the Far East, and may include equity securities of companies located in South America, Africa and the Middle East. Based on the portfolio manager's view of the global capital markets, the strategy may invest from time to time in a limited number of countries and areas of the world.

Methods of Analysis

Investment analysis for this strategy follows a bottom-up approach which emphasizes careful company specific analysis. Using a value investment approach, this strategy invests in companies that represent good value based on current stock price relative to the company's intrinsic value.

Techniques such as fundamental analysis may be used to assess growth and value potential. This means evaluating the financial condition and management of each company, its industry and the overall economy. As part of this evaluation, the portfolio manager may:

- analyze financial data and other information sources;
- assess the quality of management; and
- conduct company interviews, where possible.

The portfolio manager may also choose to use warrants and derivatives such as options, forward contracts, futures contracts and swaps to:

- hedge against losses from changes in the prices of the strategy's investments and from exposure to foreign currencies; or
- gain exposure to individual securities and markets instead of buying the securities directly; and/or
- generate income.

What are the Specific Risks Associated with this strategy?

The following are the specific risks associated with this strategy:

- Commodity Risk
- Credit Risk
- Currency Risk

- Derivatives Risk
- Equity Risk
- Foreign Investment Risk
- Inflation Risk
- Interest Rate Risk
- Securities Lending Risk
- Short Selling Risk

These risks are explained in detail under "Risk Factors" later in this document.

Far East Value Equity

This strategy seeks to achieve long-term capital growth primarily through investments in equity securities of businesses in the Far East.

Investment Strategies

The strategy invests in equity securities of businesses located in, or with operations primarily based in, the Far East which includes Australia, the People's Republic of China, Hong Kong, India, Indonesia, Japan, Malaysia, New Zealand, Pakistan, the Philippines, Singapore, Sri Lanka, South Korea, Taiwan, Thailand and Vietnam. Based on our view of the Far East capital markets, the strategy may from time to time hold substantial investments in one or only a few of these countries.

Methods of Analysis

Investment analysis for this strategy follows a bottom-up approach, which emphasizes careful company specific analysis. Using a value investment approach, this strategy invests in companies that represent good value based on current stock price relative to the company's intrinsic value.

Techniques such as fundamental analysis are used to assess growth and value potential. This means evaluating the financial condition and management of each company, its industry and the overall economy. As part of this evaluation, the portfolio manager may:

- analyze financial data and other information sources;
- assess the quality of management; and
- conduct company interviews, where possible.

The portfolio manager may also choose to:

- use warrants and derivatives such as options, forward contracts, futures contracts and swaps to:
 - hedge against losses from changes in the prices of the strategy's investments and from exposure to foreign currencies; or

- gain exposure to individual securities and markets instead of buying the securities directly; and/or
- generate income;
- hold cash or fixed-income securities for strategic reasons.

What are the Specific Risks Associated with this strategy?

The following are the specific risks associated with this strategy:

- Commodity Risk
- Credit Risk
- Currency Risk
- Derivatives Risk
- Equity Risk
- Foreign Investment Risk
- Inflation Risk
- Interest Rate Risk
- Liquidity Risk
- Securities Lending Risk
- Short Selling Risk

These risks are explained in detail under "Risk Factors" later in this document.

Global Value Equity

This strategy seeks to provide long-term capital growth through investment in a broadly diversified portfolio consisting primarily of equity securities of businesses based outside of Canada.

Investment Strategies

The strategy invests in a broadly diversified portfolio consisting primarily of equity securities of businesses situated outside of Canada. Based on the portfolio manager's view of the global capital markets, the strategy may invest from time to time in a limited number of countries and areas of the world.

Methods of Analysis

Investment analysis for this strategy follows a bottom-up approach, which emphasizes careful company specific analysis. Using a value investment approach, this strategy invests in companies that represent good value based on current stock price relative to the company's intrinsic value.

Techniques such as fundamental analysis may be used to assess growth and value potential. This means evaluating the financial condition and management of each company, its industry and the overall economy. As part of this evaluation, the portfolio manager may:

- analyze financial data and other information sources;
- assess the quality of management; and
- conduct company interviews, where possible.

The portfolio manager may also choose to:

- use warrants and derivatives such as options, forward contracts, futures contracts and swaps to:
 - hedge against losses from changes in the prices of the strategy's investments and from exposure to foreign currencies; or
 - gain exposure to individual securities and markets instead of buying the securities directly; and/or
 - generate income;
- hold cash or fixed-income securities for strategic reasons.

What are the Specific Risks Associated with this strategy?

The following are the specific risks associated with this strategy:

- Commodity Risk
- Credit Risk
- Currency Risk
- Derivatives Risk
- Equity Risk
- Foreign Investment Risk
- Inflation Risk
- Interest Rate Risk
- Liquidity Risk
- Securities Lending Risk
- Short Selling Risk

These risks are explained in detail under "Risk Factors" later in this document.

Global Dividend Value Equity

This strategy seeks to provide long-term capital growth through investment in a broadly diversified portfolio consisting primarily of equity securities of businesses located around the world.

Investment Strategies

To achieve its mandate, the strategy will invest primarily in equity securities of businesses located around the world that have current or anticipated dividend policies which the portfolio manager believes are an indicator of long-term growth potential.

The strategy generally uses a "value investment approach". Investment analysis for the strategy follows a bottom-up approach, which emphasizes careful company specific analysis. Using a value investment approach, the strategy invests in companies that represent good value based on current stock price relative to the company's intrinsic value.

Methods of Analysis

Techniques such as fundamental analysis may be used to assess growth and value potential. This means evaluating the financial condition and management of each company, its industry and the overall economy. As part of this evaluation, the portfolio manager may:

- analyze financial data and other information sources;
- assess the quality of management; and
- conduct company interviews, where possible.

The portfolio manager may also choose to:

- use warrants and derivatives such as options, forward contracts, futures contracts and swaps to:
 - hedge against losses from changes in the prices of the strategy's investments and from exposure to foreign currencies; or
 - gain exposure to individual securities and markets instead of buying the securities directly; and/or
 - generate income;
- hold cash or fixed-income securities for strategic reasons.

What are the Specific Risks Associated with this strategy?

The following are the specific risks associated with this strategy:

- Commodity Risk
- Credit Risk
- Currency Risk

- Derivatives Risk
- Equity Risk
- Foreign Investment Risk
- Inflation Risk
- Interest Rate Risk
- Investment Trust Risk
- Securities Lending Risk
- Short Selling Risk

These risks are explained in detail under "Risk Factors" later in this document.

Global Growth Equity

This strategy seeks to provide long-term capital growth through investment in a broadly diversified portfolio consisting primarily of equity securities of businesses based outside of Canada.

Investment Strategies

The strategy represents an actively traded and concentrated portfolio of equity securities chosen according to a growth investment approach. This approach seeks to identify companies demonstrating better than average current or prospective earnings growth relative to the overall market and relative to their peer group.

The strategy invests in a broadly diversified portfolio consisting primarily of equity securities of businesses situated outside of Canada. Based on the portfolio manager's view of the global capital markets, the strategy may invest from time to time in a limited number of countries and areas of the world.

Methods of Analysis

The portfolio manager may use techniques such as fundamental analysis to assess growth potential. This means evaluating the financial condition and management of a company, its industry and the overall economy.

The portfolio manager may also choose to:

- use warrants and derivatives such as options, forward contracts, futures contracts and swaps to:
 - hedge against losses from changes in the prices of the strategy's investments and from exposure to foreign currencies; or
 - gain exposure to individual securities and markets instead of buying the securities directly; and/or

- generate income;
- hold cash or fixed-income securities for strategic reasons.

What are the Specific Risks Associated with this strategy?

The following are the specific risks associated with this strategy:

- Concentration Risk
- Credit Risk
- Currency Risk
- Derivatives Risk
- Equity Risk
- Foreign Investment Risk
- Inflation Risk
- Interest Rate Risk
- Securities Lending Risk
- Short Selling Risk

These risks are explained in detail under "Risk Factors" later in this document.

Global All Cap Growth Equity

This strategy seeks long-term capital appreciation by investing in a broadly diversified portfolio consisting primarily of equity securities of businesses located around the world.

Investment Strategies

This strategy represents an actively traded portfolio of equity securities chosen according to growth investment approach. The growth investment approach seeks to identify companies demonstrating the strongest earnings growth relative to the overall market and relative to their peer group.

Methods of Analysis

The portfolio manager:

- May invest a majority of the strategy's assets in equity securities of small and mid capitalization companies
- Will select investments by identifying securities that are deemed to offer potential for growth above the securities of comparable companies in the same industry.

- Will assess the financial parameters of a company, its market share and role in its industry, as well as the economic state of its industry. Measures, such as earnings, price/earnings multiples and market share growth, may be used to evaluate investments.
- May conduct management interviews with companies to determine the corporate strategy and business plan, as well as to evaluate management capabilities.

The portfolio manager may also choose to:

- use warrants and derivatives such as options, forward contracts, futures contracts and swaps to:
 - hedge against losses from changes in the prices of the strategy's investments and from exposure to foreign currencies; or
 - gain exposure to individual securities and markets instead of buying the securities directly; and/or
 - generate income;

What are the Specific Risks Associated with this strategy?

The following are the specific risks associated with this strategy:

- Commodity Risk
- Credit Risk
- Currency Risk
- Derivatives Risk
- Equity Risk
- Foreign Investment Risk
- Inflation Risk
- Interest Rate Risk
- Securities Lending Risk
- Short Selling Risk
- Small Capitalization Risk

These risks are explained in detail under "Risk Factors" later in this document.

INCOME

Equity Income

This strategy seeks to achieve high income and long-term growth of capital by investing primarily in equity securities that pay a dividend or distribution.

Investment Strategies

The strategy invests primarily in a wide range of equity securities such as dividend or distribution paying equity securities and real estate investment trusts on a global basis, as well as in other types of equity and/or debt securities including limited partnerships, master limited partnerships and high yield, corporate, convertible and government bonds and money market instruments. The strategy generally follows an investment approach emphasizing a suitably diversified portfolio of different businesses that meet required objectives. Investments may be eliminated when original attributes, including valuation parameters, are no longer attractive, in the opinion of the portfolio manager.

Methods of Analysis

The portfolio manager may also choose to:

- invest up to 49% of the strategy's assets in foreign securities;
- use warrants and derivatives such as options, forward contracts, futures contracts and swaps to:
 - hedge against losses from changes in the prices of the strategy's investments and from exposure to foreign currencies; or
 - gain exposure to individual securities and markets instead of buying the securities directly; and/or
 - generate income;
- hold cash or cash equivalents for strategic reasons.

What are the Specific Risks Associated with this strategy?

The following are the specific risks associated with this strategy:

- Commodity Risk
- Credit Risk
- Currency Risk
- Derivatives Risk
- Equity Risk
- Foreign Investment Risk

- Inflation Risk
- Interest Rate Risk
- Investment Trust Risk
- Liquidity Risk
- Sector Risk
- Securities Lending Risk
- Short Selling Risk

These risks are explained in detail under "Risk Factors" later in this document.

Strategic Balanced Yield

This strategy seeks to achieve high income and long-term capital growth by investing in a diversified portfolio of fixed income and income-oriented equity securities.

Investment Strategies

The strategy will take a flexible approach to investing primarily in debt and income-oriented equity securities with no restrictions on market capitalization, industry sector or geographic mix. The allocations will depend on economic and market conditions, allowing the portfolio manager to focus on the most attractive asset classes which may include, but are not limited to:

Fixed Income:

- Investment grade corporate bonds (generally rated BBB low, Baa3 or BBB- and above by a recognized North American bond-rating agency);
- Convertible bonds;
- High yield debt rated below BBB- and unrated debt; and
- Government bonds.

Equities:

- Dividend paying common shares;
- Preferred shares and convertible preferred shares;
- Investment trusts and other high yielding equity securities; and
- Real Estate Investment Trusts (REITs) on a global basis.

The portfolio manager may also:

- Produce additional income through covered call writing and other derivative strategies;

- Invest in Mortgage Backed Securities;
- Invest in closed end funds trading at a discount to their net asset values;
- Use derivatives to hedge against interest rate risk, credit risk and currency fluctuations; and
- Invest in private placements in equity and/or debt securities of public or private companies.

The portfolio manager will:

- Analyze the financial and managerial prospects for a particular company and its relevant sector;
- Assess the condition of credit markets, the yield curve, as well as the outlook on monetary conditions; and
- Conduct management interviews with companies to determine the corporate strategy and business plan, as well as to evaluate management capabilities.

What are the Specific Risks Associated with this strategy?

The following are the specific risks associated with this strategy:

- Commodity Risk
- Credit Risk
- Currency Risk
- Derivatives Risk
- Equity Risk
- Foreign Investment Risk
- Inflation Risk
- Interest Rate Risk
- Investment Trust Risk
- Liquidity Risk
- Sector Risk
- Securities Lending Risk
- Short Selling Risk
- Small Capitalization Risk

These risks are explained in detail under "Risk Factors" later in this document.

U.S. EQUITY

U.S. Value Equity

This strategy seeks to achieve long-term capital growth by investing primarily in equity securities of United States based businesses.

Investment Strategies

This strategy will invest primarily in United States based companies. From time-to-time, and to a lesser extent, this strategy may also invest in companies in other countries in the Americas.

Methods of Analysis

Investment analysis for this strategy follows a bottom-up approach, which emphasizes careful company specific analysis. Using a value investment approach, this strategy invests in companies that represent what the portfolio manager believes is good value based on current stock price relative to the company's intrinsic value.

Techniques such as fundamental analysis are used to assess growth and value potential. This means evaluating the financial condition and management of each company, its industry and the overall economy. As part of this evaluation, the portfolio manager may:

- analyze financial data and other information sources;
- assess the quality of management; and
- conduct company interviews, where possible.

The portfolio manager may also choose to:

- use warrants and derivatives such as options, forward contracts, futures contracts and swaps to:
 - hedge against losses from changes in the prices of the strategy's investments and from exposure to foreign currencies; or
 - gain exposure to individual securities and markets instead of buying the securities directly; and/or
 - generate income;
- hold cash or fixed-income securities for strategic reasons.

What are the Specific Risks Associated with this strategy?

The following are the specific risks associated with this strategy:

- Commodity Risk
- Credit Risk

- Currency Risk
- Derivatives Risk
- Equity Risk
- Inflation Risk
- Interest Rate Risk
- Securities Lending Risk
- Short Selling Risk

These risks are explained in detail under "Risk Factors" later in this document.

U.S. Growth Equity

This strategy seeks to achieve long-term capital growth by investing primarily in equity securities of United States based businesses.

Investment Strategies

This strategy represents an actively traded and concentrated portfolio of equity securities chosen according to a growth investment approach. This approach seeks to identify companies demonstrating the strongest earnings growth relative to the overall market and relative to their peer group.

Methods of Analysis

The portfolio manager may use techniques such as fundamental analysis to assess growth potential. This means evaluating the financial condition and management of a company, its industry and the overall economy.

The portfolio manager may also choose to:

- use warrants and derivatives such as options, forward contracts, futures contracts and swaps to:
 - hedge against losses from changes in the prices of the strategy's investments and from exposure to foreign currencies; or
 - gain exposure to individual securities and markets instead of buying the securities directly; and/or
 - generate income;
- hold cash or fixed-income securities for strategic reasons.

What are the Specific Risks Associated with this strategy?

The following are the specific risks associated with this strategy:

- Concentration Risk

- Credit Risk
- Currency Risk
- Derivatives Risk
- Equity Risk
- Inflation Risk
- Interest Rate Risk
- Securities Lending Risk
- Short Selling Risk

These risks are explained in detail under "Risk Factors" later in this document.

RISK FACTORS

Commodity Risk - Some strategies invest directly or indirectly in gold, silver, platinum or palladium or in companies engaged in the energy or natural resource industries, such as gold, silver, platinum, palladium, oil and gas, or other commodity focused industries. These investments, and therefore the value of the strategy's investment in these commodities or companies, will be affected by changes in the price of commodities which include, among others, gold, silver, palladium and platinum and which can fluctuate significantly in short time periods. Commodity prices can change as a result of a number of factors, including supply and demand, speculation, government and regulatory activities, international monetary and political factors, central bank activity and changes in interest rates and currency values. Direct purchases of bullion by a strategy may generate higher transaction and custody costs than other types of investments which may impact performance of the strategy.

Concentration Risk - If the holdings of a strategy in one issuer exceed 10% of the strategy's assets, it is possible that the strategy may experience reduced liquidity and diversification. Additionally, if the strategy holds significant investments in a few companies, changes in the value of the securities of those companies may increase the volatility of the net asset value of the strategy.

Credit Risk - To the extent that a strategy invests in fixed-income securities, debt securities (including mortgages) or mortgage-backed securities, it will be sensitive to credit risk. When a person, company, government or other entity issues a fixed-income security or a debt security, the issuer promises to pay interest and repay a specified amount on the maturity date, and the credit risk is that the issuer of the security will not live up to that promise. Generally, this risk is lowest among issuers who have received good credit ratings from recognized credit rating agencies, but the risk level may increase in the event of a downgrade in the issuer's credit rating or a change in the creditworthiness, or perceived creditworthiness, of the issuer. The most risky fixed-income or debt securities, which are those with a low credit rating or no credit rating at all, usually offer higher interest rates to compensate for the increased credit risk. In the case of mortgages or mortgage-backed securities, the credit risk is that the mortgagor will default on its obligations under a mortgage. A similar credit risk related to default also applies to debt securities other than mortgages. Please see "Foreign Investment Risk" in the case of investments in foreign government debt.

Currency Risk - When a strategy purchases an investment priced in a foreign currency and the exchange rate between the Canadian dollar and the foreign currency changes unfavourably, it could reduce the value of the strategy's investment. Alternatively, exchange rate changes may also increase the value of an investment. A strategy may hedge currency exposure of their foreign portfolio positions to the extent deemed appropriate. Hedging against a decrease in the value of a currency does not, however, eliminate fluctuations in the prices of portfolio securities or prevent losses should the prices of the portfolio securities decline. It may also limit the opportunity for gain as a result of an increase in value of the hedged currency. Furthermore, it may not be possible for a strategy to hedge against generally anticipated devaluation as the strategy may not be able to contract to sell the currency at a price above the anticipated devaluation level.

Derivatives Risk - The use of derivatives is usually designed to reduce risk and/or enhance returns, but its use is not without its own risk. Here are some of the most common ones:

- There is no guarantee that a strategy will be able to complete a derivative contract when it needs to. This could prevent the strategy from making a profit or limiting a loss.
- Where the derivatives contract is a commodity futures contract with an underlying interest in sweet crude oil or natural gas, a strategy that is permitted to trade in commodity futures contracts will always endeavour to settle the contract with cash or an offsetting contract. However, there is no guarantee the strategy will be able to do so. This would result in the strategy having to make or take delivery of the underlying commodity.
- A securities exchange could impose limits on trading of derivatives, thereby making it difficult to complete a contract. When using derivatives, the strategy relies on the ability of the counterparty to the transaction to perform its obligations. In the event that a counterparty fails to complete its obligations, the strategy may bear the risk of loss of the amount expected to be received under options, forward contracts or other transactions in the event of the default or bankruptcy of a counterparty.
- The other party to the derivative contract may be unable to honour the terms of the contract.
- The price of a derivative may not reflect the true value of the underlying security or index.
- The price of derivatives based on a stock index could be distorted if some or all of the stocks that make up the index temporarily stop trading.
- Derivatives traded on foreign markets may be harder to close than those traded in Canada.
- In some circumstances, investment dealers and futures brokers may hold some of a strategy's assets on deposit as collateral in a derivative contract. That increases risk because another party is responsible for the safekeeping of the assets.
- A hedging strategy involving the use of derivatives may not always work and could restrict a strategy's ability to increase in value.

Energy Sector Risk - Investments in the energy industry have specific risks, such as the risk that the technology employed in an energy project will not be effective or efficient or the risk that equipment failure, fuel interruptions, loss of sale and supply contracts or fuel contracts, acts of God or other catastrophes. Other risks associated with investments in this industry include

regulatory, environmental, supply-and-demand, uncertainty of energy source availability, conservation efforts or governmental events. Within the energy sector, the investment in oil and natural gas may be subject to higher risks as a result of problems in drilling and completing of wells, the presence of unanticipated pressures or irregularities in formations, accidents or other losses. Investments in oil and gas businesses are highly speculative and often rely on estimates of oil and gas reserves. The prices of oil and natural gas are inherently uncertain. The worldwide supply of oil and natural gas may be impacted by political instability or armed conflicts in producing nations, the price of foreign imports, availability of alternative fuels and changes in existing governmental regulation, taxation and price controls. Prices for oil and natural gas have fluctuated greatly during the past, and markets for oil, natural gas and natural gas liquids continue to be volatile. The impact of terrorist attacks or regional hostilities (particularly in the Middle East) may have a significant impact on the energy industry. The impact of such attacks or hostilities on investments recommended by SIAM US is not known at this time. Uncertainty surrounding military strikes or a sustained military campaign may affect the operations of the companies in unpredictable ways, which may include significant costs or losses.

Equity Risk - Companies issue common shares and other types of equity securities to help finance their operations. Equity securities are investments which give the holder part ownership in a company and the value of an equity security changes with the fortunes of the company that issued it. As the company earns profits and retains some or all of them, its equity value should grow, increasing the net asset value of each common share and making them more attractive to investors. Conversely, a series of losses would reduce retained earnings and therefore reduce the equity worth of the shares. In addition, the company may distribute part of its profit to shareholders in the form of dividends, however dividends are not obligatory. Although common shares are the most familiar type of equity security, equity securities also include preferred shares, securities convertible into common shares, such as warrants, and units of real estate, royalty, income and other types of investment trusts. Certain equity securities also have investment trusts risk. See "Investment Trust Risk" below.

Foreign Investment Risk - Investments in foreign companies, securities and governments are influenced by economic and market conditions in the countries in which the government or companies operate. Foreign investments may be considered more risky than investments in the United States as there is often less available information about foreign issuers or governments. Some other countries also have lower standards for accounting, auditing and financial reporting than those of the United States or Canada. In some countries that may be politically unstable, there may also be a risk of nationalization, expropriation or currency controls. It can also be difficult to trade foreign securities solely through foreign securities markets as they can be less liquid and, due to lower trading volumes, more volatile than securities of comparable issuers traded in North America or securities of governments in North America. These and other risks can contribute to larger and more frequent price changes among foreign investments.

Inflation Risk - Inflation is an investment risk which has not been considered for many years. However, it is possible that the value of fixed-income investments and currencies could depreciate as the level of inflation rises in the country of origin. Inflation rates are generally measured by government and are reported as the Consumer Price Index ("CPI"). During times of higher and rising rates of the CPI, investors are better protected by being invested in hard asset investments such as real estate, commodities and precious metals or mutual funds that invest in companies in these industries.

Interest Rate Risk - Strategies that invest in fixed-income securities, such as money market instruments and bonds as well as equity securities, will be sensitive to changes in interest rates. Generally, the value of these types of investments tends to fall as interest rates rise and increase as interest rates decline. Those fixed-income securities with longer terms to maturity tend to be

more sensitive to interest rate changes. Like all fixed-income securities, commercial paper prices are also susceptible to fluctuations in interest rates. If interest rates rise, commercial paper prices will decline.

Investment Trust Risk - The strategy may invest in real estate, royalty, income and other investment trusts which are investment vehicles in the form of trusts rather than corporations. To the extent that claims, whether in contract, in tort or as a result of tax or statutory liability, against an investment trust are not satisfied by the trust, investors in the investment trust, including a Fund that may have invested in such investment trust, could be held liable for such obligations. Investment trusts generally seek to make this risk remote in the case of contracts by including provisions in their agreements that the obligations of the investment trust will not be binding on investors personally. However, investment trusts could still have exposure to damage claims such as personal injury and environmental claims.

Certain jurisdictions have enacted legislation to protect investors in investment trusts from the possibility of such liability. Investors in most Canadian investment trusts have been placed on the same footing as shareholders of Canadian corporations which receive the protection of statutorily mandated limited liability in several provincial jurisdictions. Alberta became the first province to enact limited liability legislation for unitholders of publicly traded investment trusts with the passing into law of the Income Trusts Liability Act, 2004 which came into force on July 1, 2004. Ontario followed with similar legislation, the Trust Beneficiaries' Liability Act, 2004, which came into force on December 16, 2004. Manitoba enacted The Investment Trust Unitholders' Protection Act which came into force on June 16, 2005. British Columbia enacted the Income Trust Liability Act which came into force on March 30, 2006. Quebec has offered similar protection to unitholders of investment trusts since 1994. However, the extent to which a strategy remains at risk for the obligations of investment trusts ultimately depends on the local laws of the jurisdictions where the strategy invests in investment trusts.

Publicly traded income trusts and partnerships will be required to pay tax on distributions to their securityholders, thereby reducing the amount available for distributions to such securityholders, including to any of the strategy that hold such securities. No assurance may be given that further review of the tax treatment of investment trusts and other flow-through entities will not be undertaken or that Canadian federal or provincial income tax law respecting investment trusts and other flow-through entities will not be changed in a manner that adversely affects the Funds and their securityholders.

Liquidity Risk - Investors often describe the speed and ease with which an asset can be sold and converted into cash as its liquidity. Most of the securities owned by a strategy can usually be sold promptly at a fair price and therefore can be described as relatively liquid. But a strategy may also invest in securities that are illiquid, which means they cannot be sold quickly or easily or for the value used in calculating the net asset value. Some securities are illiquid because of legal restrictions, the lack of an organized trading market, the nature of the investment itself, or for other reasons. Sometimes, there may simply be a shortage of buyers. A strategy that has trouble selling a security can lose value or incur extra costs. In addition, illiquid securities may be more difficult to value accurately and may experience larger price changes. This can cause greater fluctuations in a strategy's value.

Sector Risk - Some strategies may concentrate their investments in a certain sector or industry of the marketplace. While this allows these strategies to better focus on a particular sector's potential, investment in these strategies may also be riskier than strategies with broader diversification. Sector specific strategies tend to experience greater fluctuations in price because securities in the same industry tend to be affected by the same factors. These strategies must

continue to follow their investment objectives by investing in their particular sector, even during periods when such sector is performing poorly.

Securities Lending Risk - Some strategies may enter into securities lending transactions consistent with their investment objectives and as permitted by applicable securities and tax legislation. Securities lending transactions involve certain risks. If the other party to these agreements goes bankrupt, or is for any reason unable to fulfil its obligations under the agreement, such strategies may experience difficulties or delays in receiving payment. To address these risks, any securities lending transactions entered into by a strategy will comply with applicable securities legislation including the requirement that each agreement be, at a minimum, fully collateralized by investment grade securities with a value of at least 102% of the market value of the securities. The strategy will enter into securities lending transactions only with parties that we believe, through conducting credit evaluation, have adequate resources and financial ability to meet their obligations under such agreements. In addition, the strategy will not expose more than 10% of the total value of their assets with any one entity under these agreements. In the case of securities lending transactions, the aggregate market value of all securities lent and sold by a strategy will not exceed more than 50% of the total value of the assets of that strategy, not including collateral or cash held.

In the event that the strategy undertakes securities lending transactions, the strategy will rely on the ability of the counterparty to the transaction to perform its obligations. In the event that a counterparty fails to complete its obligations, the strategy may bear the risk of loss of the amount expected to be received under securities lending agreements in the event of the default or bankruptcy of a counterparty.

Short Selling Risk - Certain strategies may engage in a limited amount of short selling. A "short sale" is where a strategy borrows securities from a lender which are then sold in the open market (or "sold short"). At a later date, the same number of securities are repurchased by the strategy and returned to the lender. In the interim, the proceeds from the first sale are deposited with the lender and the strategy pays interest to the lender. If the value of the securities declines between the time that the strategy borrows the securities and the time it repurchases and returns the securities, the strategy makes a profit for the difference (less any interest the strategy is required to pay to the lender). Short selling involves certain risks. There is no assurance that securities will decline in value during the period of the short sale sufficient to offset the interest paid by the strategy and make a profit for the strategy, and securities sold short may instead appreciate in value. The strategy also may experience difficulties repurchasing and returning the borrowed securities if a liquid market for the securities does not exist. The lender from whom the strategy has borrowed securities may go bankrupt and the strategy may lose the collateral it has deposited with the lender. Each strategy that engages in short selling will adhere to controls and limits that are intended to offset these risks by short selling only securities of larger issuers for which a liquid market is expected to be maintained and by limiting the amount of exposure for short sales. The strategy also will deposit collateral only with lenders that meet certain criteria for creditworthiness and only up to certain limits.

Small Capitalization Risk - Strategies that invest in companies with small capitalization are sensitive to small capitalization risk. Capitalization is a measure of the value of a company represented by the current price of a company's stock, multiplied by the number of shares of the company that are outstanding. Companies with small capitalization may not have a well-developed market for their securities. As a result, these securities may be difficult to trade, making their prices more volatile than those of large companies.

Other Material Risks

Market Risk - This risk exists in all of our accounts and means that the risk of the price of securities in a market, a sector or an industry will fluctuate and that such movements might reduce an investment's value.

Private Fund Risk - Investments in the private funds may be illiquid and there can be no assurance that such investments can be liquidated or transferred in a timely manner.

Item 9: Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of the firm or the integrity of the firm's management in this item. SIAM US has no such legal or disciplinary events to report.

Item 10: Other Financial Industry Activities and Affiliations

As noted in Item 4, SIAM US is wholly owned subsidiary of GCIC Ltd. which is a wholly owned subsidiary of HollisWealth. HollisWealth is a financial services company which provides a broad range of financial products and services to individuals, institutions and corporations through a number of operating subsidiaries. HollisWealth is a wholly owned subsidiary of Scotiabank which, in addition to its ownership stake in HollisWealth, holds other investments for its own account, which investments may change from time to time. As a result, Scotiabank and its affiliates are related entities of SIAM US. Companies in which Scotiabank has an investment from time to time may also be considered to be related persons of SIAM US within the meaning of applicable securities legislation. A list of parties which may be considered to be related persons and/or connected persons of SIAM US is attached in Schedule "A".

SIAM US may establish business relationships with certain parties which similarly have Scotiabank and/or HollisWealth as a principal shareholder, including entities that are regulated under the securities legislation of other countries ("**Related Registrants**"). As Scotiabank is a related person of SIAM US, certain affiliates of Scotiabank with which SIAM US may establish certain business relationships may be considered to be Related Registrants. A list of certain Related Registrants registered under securities legislation is attached in Schedule "B". Directors and officers of SIAM US may from time to time act as officers and/or directors of Related Registrants, including the Related Registrants listed in Schedule "B". The following is a list of certain instances in which SIAM US may have other business relationships with a Related Registrant:

Trading with Affiliates

From time to time, SIAM US may transact through an affiliate or Related Registrant on a principal and agent basis, provided that the execution, prices and terms offered by the affiliate or Related Registrant are no less favourable than those offered by other brokers or dealers.

Investments in Affiliates

SIAM US may, on behalf of clients invest, from time to time, in securities of an affiliate or Related Registrant or an issuer to which an affiliate or Related Registrant acts as manager, trustee, portfolio manager and/or distributor. In addition to any other requirements prescribed by law or by the policies of SIAM US, the decision to make such an investment will be uninfluenced by such affiliate or Related Registrant and will be consistent with the investment objectives of the relevant client.

Purchases of Offerings Underwritten by Affiliates

From time to time, SIAM US may purchase, on behalf of clients, securities underwritten by an affiliate or Related Registrant. In addition to any other requirements prescribed by law or by the policies of SIAM US, the decision to purchase such securities will be uninfluenced by the affiliate or Related Registrant and will be consistent with the investment objectives of the relevant client.

Sub-Advisory Contracts with Affiliates

SIAM US may, from time to time, appoint an affiliate or a Related Registrant as a sub-advisor to manage the assets of certain clients. All such sub-advisory contracts with affiliates or Related Registrants will be substantially on terms that are no less favourable than would apply if the other party were not an affiliate or Related Registrant.

Custodial Services from Affiliates

Certain clients may choose to custody their accounts with one or more affiliates (such as Scotia Capital Inc. or The Bank of Nova Scotia Trust Company) to provide custodial services, such as trade settlement, asset safe-keeping and/or recordkeeping. In the event an affiliate is used to provide custody, the affiliate may charge the client a fee for these services or the fee may be provided at a discount or without additional charge. If a client custodies assets with an affiliate, the client will execute an agreement with the affiliate for such custodial services.

Polices and Procedures to Minimize Conflict of Interest

To the extent that SIAM US determines it to be in the interests of its clients to engage the services of, invest in financial products offered by or otherwise transact with a Related Registrant (the “transactions”), it may be subject to a conflict of interest, given its relationship with the Related Registrant. SIAM US has established policies and procedures for identifying and minimizing potential conflicts of interest resulting from business relationships with its Related Registrants. SIAM US ensures that where it selects a Related Registrant with respect to the transactions such decision is based on the determination that such registrant is an appropriate selection having regard to the circumstances. In addition it will conduct the transaction on terms no less favourable to its clients than would apply if the other party were not a Related Registrant.

Item 11: Code of Ethics, Participation or Interest in *Client* Transactions and Personal Trading

CODE OF ETHICS AND PERSONAL TRADING

SIAM US has a corporate wide Code of Ethics and Standards of Professional Conduct (“**Code**”) that establishes policies and procedures reasonably designed to identify, detect, and prevent insider trading, personal trading abuses, and other types of self dealing or conflicts of interest that can arise in the investment management of client accounts. The Code requires that all employees avoid actual or potential conflicts of interest and to comply with applicable state and federal securities laws. All employees, directors and officers are subject to the Code. Each employee of SIAM US receives a copy of the firm's Code on an annual basis. New employees receive a copy of the Code during their orientation. Compliance with the Code is a condition of employment. Employees are required to certify in writing annually that they have read and will comply with the Code. Employees are explicitly made aware of the firm's policy regarding failure to comply with the Code which includes a range of sanctions including the possibility of dismissal.

The Code is formally administered. Dedicated compliance staff is empowered with the responsibility of enforcing the Code. Access persons are required to have duplicate statements of all covered accounts sent directly to SIAM US's Legal and Compliance Department. All access persons are required to pre-clear their trades, and are subject to a black out period, the length of which is dependent upon the function the access person performs. Each trade request is reviewed and either approved or rejected based on the existence of any conflicts with the investment management activities of client accounts. The approval process is centralized using an automated pre-screening tool. Upon receipt of account statements, a compliance review is conducted to ensure that all trades were pre-cleared. Additional reporting requirements are in place to comply with the reporting obligations outlined in Investment Advisers Act Section 204A-1. Personal trades in certain security types (e.g., Private Placements, Initial Public Offerings (IPOs)) are not permitted except for special situations, which must be presented to and approved by the Monitoring Committee. The Monitoring Committee is comprised of senior Compliance and Investment Counsel Staff. The Code also contains standards for gift giving and receiving as well as rules to follow when serving as outside directors of public companies, charities and any other types of potential future clients.

SIAM US's Code contains a section on Insider Trading rules and its prohibitions on trading and tipping based on undisclosed material information. The Compliance department regularly monitors both personal trading and client portfolio trades to detect any patterns of trading on non-public information.

SIAM US clients or prospective clients may request a copy of the firm's Code of Ethics by contacting the firm's Chief Compliance Officer, Ms. Edna Chu, at 416-866-2019.

Item 12: Brokerage Practices

SIAM US has established policies and procedures for selecting and retaining, on behalf of its clients, dealers to effect securities transactions for the accounts. When selecting a dealer, on behalf of the accounts, to effect a securities transaction SIAM US seeks to achieve the most favourable terms possible, and to that end SIAM US follows a process that involves compliance with its policies and procedures, including consideration of numerous factors such as the requirements of the transaction, the ability of the dealer to efficiently effect the transaction and the total cost to the funds of effecting the transaction. SIAM US also considers whether research and/or order execution goods and services will be received as part of a given transaction, subject always to the priority of seeking best execution. SIAM US follows the same process in determining whether to effect securities transactions through Scotia Capital Inc. (which includes ScotiaMcLeod and ScotiaMcLeod Direct Investing), a dealer and an affiliate of SIAM US, as it would use in relation to any other dealer. Prior to the direction of any trade to an affiliate, clients are informed of the possibility that an affiliate be used from brokerage in the investment management agreement between SIAM US and the client. Currently, SIAM US does not have any client directed brokerage arrangements.

To address potential conflict of interest matters concerning SIAM US's brokerage practices including effecting transactions through affiliated broker-dealers, SIAM US has established policies and procedures. The policies and procedures is premised on the view that brokerage is an asset of SIAM US's clients for which brokerage commissions are generated.

From time to time SIAM US may enter into brokerage arrangements whereby a portion of the commissions paid by the accounts are used to obtain research and/or order execution goods and services that directly benefit the clients. These arrangements include both transactions with dealers who will provide proprietary research and/or order execution goods and services and transactions with dealers where a portion of the brokerage commissions will be used to pay for

third party research and/or order execution goods and services. Over time, all services received through the use of soft dollars benefit clients for which generated the soft dollars. SIAM US generally does not execute soft dollar transactions at a commission rate which is higher than normally paid for similar non-soft dollar transactions. By using client brokerage commissions to obtain research or other products or services, we receive a benefit because we do not have to produce or pay for the research, products or services. As a result, we may have an incentive to select or recommend a broker-dealer based on our interest in receiving the research or products or services, rather than based on the clients' interest in receiving the most favorable execution.

Over the last year research and/or order execution goods and services obtained through such brokerage arrangements, included research reports, access to databases, trade-matching, clearance and settlement and order management systems (OMS). These services assist SIAM US with investment and trading decisions and with effecting securities transactions on behalf of its clients. SIAM US conducts a fact-based analysis, including an examination of alternative sources of goods and services and their relative costs, in order to make a good faith determination as to the benefits of the research and/or order execution services received compared to the relative costs of obtaining such benefits.

SIAM US may receive goods and services that include research and/or order execution goods and services as well as other forms of goods and services, in which case the goods and services are considered to be "mixed-use" goods and services. In the event that SIAM US receives mixed-use goods and services, SIAM US will only direct a portion of brokerage commissions that are paid by the clients to those goods and services that constitute research and/or order execution goods and services and which are used by SIAM US in connection with its investment and trading decisions and with effecting securities transactions on behalf of clients.

Fiduciary responsibility is intrinsic to SIAM US's activities. Portfolio Managers have a fiduciary responsibility to manage all portfolios in a fair and equitable manner with respect to the fair allocation of investment opportunities. To address this potential conflict of interest, SIAM US has established a fairness policy (the "**Fairness Policy**"). The basic purpose of the Fairness Policy is to ensure fair treatment of all portfolios under SIAM US' management with respect to the allocation of investment opportunities. The Fairness Policy is premised on the view the allocating on a pro rata basis among participating portfolios based upon target weightings determined at order entry will promote fair and reasonable treatment of all portfolios.

To support SIAM US's brokerage practices, SIAM US has established a Trade Management Oversight Committee ("**TMOC**"). The mandate of the TMOC is to implement best practices in the area of trade management. The TMOC is responsible for evaluating SIAM US's trade management policies and procedures and making recommendations to improve trading practices. The TMOC reviews such things as commission rates, trading errors, best execution, inter-fund trading, soft dollars and the use of affiliated broker-dealers. The TMOC is comprised of representatives from investment counsel, trading and compliance. The TMOC meets on a semi-annual basis or more frequently as required to meet its mandate.

PARTICIPATION IN CLIENT TRANSACTIONS

SIAM US is required to establish, maintain and apply policies and procedures that provide reasonable assurance that SIAM US and each individual acting on its behalf will ensure fairness in the allocation of investment opportunities among clients and that a copy of the policies established shall be furnished to each client.

SIAM US has in place a fairness policy (the "**Policy**") which sets out the procedures for the fair treatment of all clients of SIAM US with respect to the allocation of investment opportunities.

Trade allocation must be determined on a basis that is fair, reasonable and equitable to all clients, based on the Policy and client investment objectives, in order to avoid the appearance of favouritism or discrimination among clients in favour of a preferred client or group of clients. Each portfolio manager is responsible for selecting investments on behalf of the accounts he or she manages and for ensuring that such investment is suitable for each account having carefully considered the client's stated investment objectives. The Policy also sets out detailed procedures to be followed by portfolio managers and traders with respect to trade order entry, execution, and allocation.

The executed portion of any trade transacted through a specific broker on the same trading day, which combines two or more accounts (regardless of the portfolio manager involved), will be allocated on a pro rata basis. Each account involved will receive a percentage of the executed portion of the order based upon such account's percentage participation in the entire order. This procedure applies to all accounts participating in the trade falling under the same trading details. The price at which a security was purchased or sold, and the transaction costs incurred upon the trade, will be determined by calculating the average price of all executions taken as well as the expenses incurred pursuant to the particular order.

There may be circumstances where the automatic pro rata apportionment will be inappropriate. Should such a circumstance arise, an allocation will be determined by SIAM US on a fair and reasonable basis. In making the determination, SIAM US shall consider amongst other things: the potential investment needs of the participating client accounts; the appropriateness of the investment to a portfolio's style, investment objectives and risks; whether the investment fits more closely to the client account's industry or investment specialization or region of investment and the significance of the order in relation to the size of the account; and existing levels of portfolio ownership in the intended investment and in similar types of companies.

SIAM US has established supervisory procedures for the ongoing monitoring of the Policy. SIAM US will review the Policy on an annual basis or more frequently as required to ensure its continuous effectiveness.

SIAM US may use the services of one or more affiliates to communicate the model changes to Clients invested in the model investment portfolios. However, since SIAM US is not responsible for the ultimate decisions with respect to the trading in the accounts of Clients who receive model portfolio services, Clients should check with their broker or custodian as to the timing of any trading which occurs in an account. The models are provided to the Clients (or their designee(s)) at such times as SIAM US and the Client have agreed to in the model agreement executed by the Client and SIAM US.

If you have any questions, please contact the Legal and Compliance Department, Scotia Institutional Asset Management US, Ltd., Dynamic Funds Tower, 1 Adelaide Street East, Suite 2900, Toronto, Ontario, M5C 2V9.

Item 13: Review of Accounts

Client accounts are monitored by our compliance department daily for consistency with client objectives and restrictions. Portfolio managers perform a periodic review of each client account.

Additional reviews may occur when market conditions change, there are material events that would impact the assets in an account, or with significant additions or withdrawals to or from an account.

SIAM US issues periodic written reports to its investment advisory clients. These written reports generally contain a list of assets, investment results, and statistical data related to the client's account.

Item 14: Client Referral and Other Compensation

Other than the compensation described in Items 5 and 6, SIAM US does not receive an economic benefit from anyone other than its clients. SIAM US does not participate in client referral programs. You may also find information about relationships with affiliates in Item 10.

Item 15: Custody

SIAM US does not act as custodian with respect to client assets or accounts. Client assets are held with banks or registered broker-dealers that are "qualified custodians" as defined by US securities laws. Such qualified custodians may be affiliated or unaffiliated with SIAM US. Clients will receive reports from affiliated custodians. Affiliated custodians may charge clients a separate fee for services. Those custodians selected by clients which are not affiliated with SIAM US may provide reports and/or charge fees, however, the terms of any such relationship should be set out in a custodial account agreement between the unaffiliated custodian and the client.

SIAM US urges clients to carefully review these reports and compare the statements that they receive from their custodian to the reports that are provided by SIAM US. The information in the reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. Comparing statements will allow clients to determine whether account transactions, including deductions to pay advisory fees, are proper.

Item 16: Investment Discretion

SIAM US has discretionary authority to manage securities accounts on behalf of clients who have entered into an investment management agreement with SIAM US. The authority is set forth in the agreement executed by the client and contains a limited power of attorney which sets out any limitations on our authority. SIAM US observes investment limitations and restrictions that are outlined in each account's investment management agreement. Such limitations may include limitations on the type of investment or the amount of exposure to any one particular security or security type.

Item 17: Voting Client Securities

Below is an outline of the general guidelines used by SIAM US for voting proxies received from companies held in accounts managed by SIAM US.

Subject to compliance with the provisions of applicable securities and corporate legislation, rules, regulations and policies, SIAM US, in its capacity as investment adviser, acting on behalf of each client, may assume the obligation to vote proxies relating to the issuers held in each client account. In certain circumstances, SIAM US may delegate this function to the client's portfolio manager as part of such adviser's discretionary authority to manage the client's assets. In all cases, SIAM US, or the portfolio manager, voting proxies on behalf of the client must do so in a manner consistent with the best interests of the individual client.

The proxy voting guidelines described below form an important part of SIAM US's fiduciary duty to maximize the long-term value of the accounts. While the SIAM US's proxy voting

guidelines are stated below, the portfolio managers will take into consideration all relevant facts and circumstances, and retain the right to vote proxies as deemed appropriate.

Our fundamental policy is that SIAM US will vote with management of an issuer on routine business matters, otherwise the client account will not own or maintain a position in the security of that issuer. Examples of routine business applicable to an issuer are voting on the size, nomination and election of the board of directors as well as the appointment of auditors. All other matters that are special or non-routine are assessed on a case-by-case basis with a focus on the potential impact of the vote on the value of the particular investment of held in the client account.

Special or non-routine matters are brought to the attention of the portfolio manager(s) of the client account, and, after assessment, the portfolio manager(s) will direct that such matters be voted in a way that he or she believes will better protect or enhance the value of the investment for the client. Without limiting the generality of the foregoing, examples of non-routine business that require assessment on a case-by-case basis before voting the proxies of the issuer are: stock-based compensation plans, executive severance compensation arrangements, shareholders rights plans, corporate restructuring plans, going private transactions in connection with leveraged buyouts, lock-up arrangements, crown jewel defenses, supermajority approval proposals, stakeholder or shareholder proposals etc. The portfolio managers have responsibility for exercising all proxy votes and in doing so, for acting in the best interest of the client and its securityholders. SIAM US's fundamental policy to vote proxies on behalf of a client in a manner consistent with the best interests of the client and its securityholders will always guide any proxy voting decision.

If SIAM US, on behalf of a client account, votes against management of an issuer on any particular proposal, whether routine or non-routine, and the client continues to own the security of such issuer, documentation of that vote is required along with an explanation to be kept on file. In situations where a portfolio manager decides to vote securities held in his or her client account differently from another portfolio manager(s) who holds the same security on behalf of another client account, rationale for the differing vote is documented and kept on file. Factors such as a client's investment objectives and strategies may lead to different judgments and conclusions by different portfolio managers about the expected impact of proxy proposals. On occasion, a portfolio manager may abstain from voting a proxy or a specific proxy item when he or she concludes that the potential benefit of voting the proxy of that issuer is outweighed by the cost. Such instances require that a detailed explanation be kept on file. All such documentation will be submitted to the portfolio administrator for filing and record keeping. SIAM US will not vote proxies received for issuers of securities that are no longer held in a client account. SIAM US, on behalf of a client, will not vote any of the securities a client holds in any of its affiliates or associates.

Where SIAM US provides sub advisory investment management services to a registered investment company, SIAM US will work with the fund's manager to identify the proxy reports the fund's board requires, as well as the frequency of those reports. SIAM US will also work with the fund manager to assist in facilitating all required regulatory reporting surrounding proxy voting.

As noted in Item 1, SIAM US is an indirect wholly owned subsidiary of Scotiabank. Some of the accounts managed by SIAM US may hold securities of Scotiabank or other related entities.

There is the potential for a conflict of interest between the interests of the accounts managed by SIAM US and the interests of SIAM US or its employees in connection with the exercise of the client's voting rights attached to the Scotiabank shares. There is also the potential for a conflict of interest in connection with the exercise of the client's voting rights attached to the shares of

another issuer, where the outcome of the vote may directly impact the price of Scotiabank shares. To the extent that a portfolio manager has any conflict of interest with respect to a company or a matter presented in a proxy proposal, that portfolio manager is required to report to the Legal and Compliance department any such conflicts of interest.

In addition, any new conflict of interest situations must also be referred to the Legal & Compliance department. In order to balance the interests of the clients in exercising proxies with the desire to avoid the perception of a conflict of interest, SIAM US has instituted procedures to help ensure that a client's proxy is voted: in accordance with the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the client; and free from any influence by Scotiabank and without taking into account any consideration relevant to Scotiabank or any of its associates or affiliates. SIAM US will maintain records relating to a client's proxy voting activity. These will include a record of all proxies received; a record of votes cast; a copy of the reasons for voting against management; a copy of reasons for a portfolio manager voting differently from another portfolio manager; and a copy of any documents prepared by SIAM US that were material to making a decision on how to vote, or that memorialized the basis for a decision.

A copy of our proxy voting policies and procedures and/or information regarding the votes cast by SIAM US with regard to client securities is available upon request at Dynamic Funds Tower, 1 Adelaide Street East, Suite 2900, Toronto, Ontario M5C 2V9, Attention: Proxy Voting Requests.

Item 18: Financial Information

In certain circumstances, registered investment advisers are required to provide you with financial information or disclosures about their financial condition in this item. SIAM US has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has never been the subject of a bankruptcy proceeding. Accordingly, no financial information is being provided.

SCHEDULE "A"
RELATED AND CONNECTED PARTIES

Related Parties

The Bank of Nova Scotia, Banco del Caribe (Venezuela), CI Financial Corp., CI Master Limited Partnership, each of the following mutual fund families which are classes of shares of CI Corporate Class Limited: CI funds, Harbour funds, Signature funds, Synergy funds, Select funds Cambridge funds, each of the following mutual funds which are classes of shares of CI Corporate Class Limited: Short Term Income Corporate Class, Canadian Fixed Income Corporate Class, Global Fixed Income Corporate Class, Real Estate Investment Corporate Class, Canadian Equity Small Cap Corporate Class, Canadian Equity Value Corporate Class, Canadian Equity Growth Corporate Class, US Equity Value Corporate Class, US Equity Growth Corporate Class, International Equity Value Corporate Class, International Equity Growth Corporate Class, Emerging Markets Equity Corporate Class, Enhanced Income Corporate Class, US Equity Small Cap Corporate Class, Canadian Equity Alpha Corporate Class, US Equity Value Currency Hedged Corporate Class, US Equity Alpha Corporate Class, International Equity Value Currency Hedged Corporate Class, International Equity Alpha Corporate Class, Crediscotia Financiera S.A. (formerly Banco del Trabajo, S.A.), Globel Direct Inc., Maduro & Curiel's Bank N.V., Profuturo AFP S.A., Scotia DBG Investments Limited, Scotia Group Jamaica Limited, Scotiabank Capital Trust, Scotiabank Europe plc, Scotiabank Inverlat, S.A., Scotiabank Peru S.A.A., Scotiabank Subordinated Notes Trust, Scotiabank Chile, S.A. (formerly Scotiabank Sud Americano, S.A. (Chile), Scotiabank Tier 1 Trust, Scotiabank Trinidad and Tobago Limited, Scotiabank (Turks and Caicos) Ltd., The Bank of Nova Scotia Berhad, The Bank of Nova Scotia Jamaica Limited, and Scotia Mutual Funds. Internationally, The Bank of Nova Scotia may have a direct or indirect controlling interest and may direct voting in the following investment fund manager and mutual fund entities:

- In Costa Rica, Scotia Sociedad Fondos de Inversión S.A and the mutual fund family known as "Fondo de Inversión Scotia"
- In Jamaica, Scotia DBG Fund Managers Inc., and the mutual fund family known as "Scotia DBG Funds" and the Scotia Caribbean Income Fund
- In Chile, Scotia Administradora General de Fondos Chile S.A and the mutual fund families known as "Fondo Mutuo Scotia" and "Fondo Mutuo Bandesarrollo"
- In Peru, Scotia Fondos Sociedad Administradora de Fondos S.A and the mutual fund family known as "Scotia Fondo"
- In Mexico, Scotia Fondos S.A de C.V., and the mutual fund family known as "Scotia Sociedad de Inversión S.A." and the FINDEI, S.A. de C.V., Sociedad de Inversión en Instrumentos de Deuda
- In the Cayman Islands, the mutual fund family known as "Scotiabank Mutual Funds" and Cayman Islands Five Continents Portfolio Fund Limited. Some of the mutual funds in this family of funds are managed by Scotia Asset Management L.P., an affiliate of Scotia Capital Inc.

Connected Parties

Funds managed by Scotia Asset Management LP, Pinnacle Funds and Pinnacle Portfolios, ScotiaFunds, DPF India Opportunities Fund, DundeeWealth US LP, Dynamic US GP, LLC, Dynamic Growth Opportunities Master, Ltd., Dynamic Alpha Performance Master, Ltd., Dynamic Onshore Funds and Dynamic Offshore Funds and each of the investment funds managed by GCICL.

Other Related or Connected Parties (these parties may also be considered related parties):

Allbanc Split Corp, Allbanc Split Corp II, BNS Split Corp II, Canadian Resources Income Trust (CaRIT), Canadian Wireless Trust, Diversified Private Equity Corp, Energy Split Corp, Energy Split Corp II, Kingsway Linked Return of Capital Trust, Lifeco Split Corporation Inc., NewGrowth Corporation, R Split III Corp, SCITI Trust, SCITI ROCS Trust, SCITI Total Return Trust, Sixty Split Corp., SL Split Corp, SMC Man AHL Alpha Fund, SNP Split Corp. and UtilityCorp.

Revisions or amendments to this Notice will be posted to our website at www.HollisWealth.com in accordance with applicable legislation.

SCHEDULE "B"

RELATED REGISTRANTS AND RELATED COMPANIES WITH WHOM SIAM US MAY ESTABLISH A BUSINESS RELATIONSHIP

The following is a list of certain Related Registrants:

Aurion Capital Management Inc.
HollisWealth Advisory Services Inc.
DundeeWealth S.A.
Scotia Institutional Investments US, L.P.
Dynamic US GP, LLC
ING Direct Asset Management Ltd.
ING Direct Funds Limited
1832 Asset Management L.P.
1832 Asset Management U.S. Inc.
Scotia Capital Inc.
Scotia Capital (USA) Inc.
Scotia Managed Companies Administration Inc.
Scotia Securities Inc.
ScotiaMcLeod Financial Services Inc.
The Bank of Nova Scotia
The Bank of Nova Scotia Trust Company