

# 2008 Management Report of Fund Performance

December 31, 2008

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VentureLink Financial Services Innovation Fund Inc.

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This annual management report of fund performance contains financial highlights but does not contain the complete annual financial statements of the investment fund. You can get a copy of the annual financial statements at your request, and at no cost, by calling 1-800-253-1043, by writing to us at VentureLink LP, 1 Richmond Street West, Suite 801, Toronto, ON M5H 3W4 or by visiting our website at [www.venturelinkfunds.com](http://www.venturelinkfunds.com) or SEDAR at [www.sedar.com](http://www.sedar.com).

Securityholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or semi-annual portfolio disclosure.

# VENTURELINK FINANCIAL SERVICES INNOVATION FUND INC.

*Management Report of Fund Performance for the year ended December 31, 2008*

## INVESTMENT OBJECTIVE AND STRATEGIES

The Fund invests in a portfolio of small and medium-sized eligible Canadian based financial service businesses with the objective of generating interest and dividend income as well as long term capital appreciation.

The investment focus is on income-yielding investments in the financial services sector. The Fund concentrates on making debt and debt-related investments, a strategy that is designed to reduce risk and increase the income potential of the Fund compared to traditional equity-based venture capital funds.

In addition to identifying and investing in growing Canadian financial service companies, the Fund invests a portion of the portfolio in linked notes tracking the performance of the S&P/TSX Capped Financials Total Return Index.

## RISK

The risks of investing remain as discussed in the prospectus. The Fund is suited to investors that have a high tolerance for risk and a long term investment horizon. There are no venture investments with a market value greater than 10% of the NAV of the Fund.

## RESULTS OF OPERATIONS (all figures in \$000's except per share amounts, number of shares and percentages)

The net asset value of the Fund at the end of the 2008 fiscal year was \$94,508. There were 5,453,030 Class A Shares, Series I, 730,342 Class A Shares, Series II, 3,491,255 Class A Shares, Series III, 1,079,082 Class A Shares, Series IV and 3,929 Class A Shares Series VI outstanding.

### Revenue

The Fund had revenue of \$5,023 in 2008 compared to \$7,742 in 2007, a decrease of approximately 35%. This decrease can be attributed largely to a decrease in placement fees and profit sharing payments received and to a decrease in the average yield as certain higher yielding investments were repaid.

### Expenses

Operating expenses have decreased to \$7,822 in 2008 from \$7,859 in 2007, a decrease of 1%. Operating expenses before the performance fee accrual were \$6,810 in 2008 versus \$7,161 in 2007 or a decrease of approximately 5%. This decrease is primarily related to the decrease in average net assets in 2008 versus 2007.

### Class A Shares

Net Class A Shares purchased during the period were 7,655.

### New investments

The Fund invested a total of \$16,260 in the year, of which \$7,500 was related to GMP Diversified Alpha SPV One Ltd. Linked Note and 8,760 was related to new and follow-on venture investments in the following companies:

- Clubb Finance Corp., \$4,460 follow-on, total investment \$6,100
- Covarity Inc., \$500 follow-on, total investment \$1,000
- Global Leasing Group Inc., \$1,100 new investment
- Kensington Capital Partners Ltd., \$2,000 follow-on, total investment \$4,667
- Lexfund Inc., \$700 follow-on, total investment \$4,093

### Realizations

The Fund realized proceeds totaling \$5,376 from the sale of securities of the following companies for a net realized loss of \$2,332.

- Covarity Inc., cost \$250
- Kensington Capital Partners Ltd., cost \$389
- N-Brook Lender Services Inc., cost \$4,769
- SciVest Canadian Holdings Inc., cost \$2,300

# VENTURELINK FINANCIAL SERVICES INNOVATION FUND INC.

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The portfolio holdings continue to reflect the Fund's objective of investing in a diversified portfolio of financial service companies.

## **Fund performance**

Fund performance reflected a decrease in net asset value per share of approximately 21-23% during the year. Of this decrease approximately 16% was related to the index linked notes as a result of the decline in value of the S&P/TSX financial services sub-index, approximately 5% was due to declines in value of the venture portfolio and 2% was related to operating expenses exceeding revenue.

Class A, Series I returned (22.8)%, Class A, Series II returned (22.9)%, Class A, Series III returned (23.2)%, Class A, Series IV (23.2)% and Class A, Series VI returned (20.9)% versus the DEX Mid-Term Bond Index of 7.0% and the Globe Retail Venture Capital Peer Index of (14.7)%. The Fund underperformed the DEX Mid-Term bond index significantly as the index linked note portfolio decreased substantially in value and the venture portfolio also suffered declines in value based on difficult market conditions. The Fund underperformed the Globe Retail Venture Capital Peer Index largely as a result of its high portfolio weighting of index linked notes.

## **RECENT DEVELOPMENTS**

### **Adoption of New Accounting Standards**

The Canadian Institute of Chartered Accountants ("CICA") issued Section 3862 "Financial Instruments – Disclosures" and Section 3863 "Financial Instruments – Presentation" in place of Section 3861 "Financial Instruments – Disclosure and Presentation". Section 3862 and 3863 became effective for interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007. These sections establish standards for disclosure of financial instruments including the nature and extent of risks arising from financial instruments to which the Fund is exposed during the reporting period. The adoption of the new accounting standards has no impact on valuation policies, nor the way the Fund's Net Assets are calculated.

Section 1535 "Capital Disclosures" establishes standards for disclosing information about an entity's capital and how it is managed. The new standard became effective for interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007. The adoption of the new accounting standard has no impact on the Fund's Net Assets.

### **Future Accounting Standards**

On February 13, 2008, the Canadian Accounting Standards Board ("AcSB") confirmed that the use of the International Financial Reporting Standards ("IFRS") will be required in 2011 for all publicly accountable profit-oriented enterprises. IFRS will replace Canadian Generally Accepted Accounting Principles ("GAAP"). IFRS becomes effective for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011.

At December 31, 2008, the Manager is taking the following steps to transition to IFRS:

- Identification of areas where changes in disclosure will be required under IFRS standards.
- Identification of operational areas impacted by the adoption of IFRS.
- Assessment of current reporting systems and their readiness for IFRS implementation.
- Implementation of an IFRS transition plan.

### **Ontario Tax Benefits**

On September 30, 2005, the Ontario government announced plans to remove the provincial tax credit for investors by the end of the 2011 RSP season. On March 23, 2006 a number of measures relating to the transition of the labour sponsored fund program were announced in the 2006 Ontario budget. These measures received Royal Assent on May 18, 2006 and are now law. In December of 2007, the Ontario Government announced that it intended to extend the tax credit by one year to the end of the 2012 RSP season and that it would increase the annual contribution eligible for provincial credit from \$5,000 to \$7,500. The measures announced in December 2007 received Royal Assent on May 14, 2008 and are now law.

# VENTURELINK FINANCIAL SERVICES INNOVATION FUND INC.

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## RELATED PARTY TRANSACTIONS

### **Manager**

The Manager, Investment Advisor and Sponsor are deemed to be related parties and earned \$4,016 from the Fund. This amount represents fees for management, investment advisor and sponsor services. In addition, the Fund accrued \$1,012 of performance fees and paid performance fees during the year of \$229 resulting in an ending accrual of \$4,597. Accrued performance fees will be payable to the Manager in future periods if certain criteria are achieved

### **Registrar and Transfer Agent**

CI Investments Inc., is the registrar and transfer agent for the Fund.

# VENTURELINK FINANCIAL SERVICES INNOVATION FUND INC.

Management Report of Fund Performance for the year ended December 31, 2008

## FINANCIAL HIGHLIGHTS

The Fund's Net Assets per Share table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for each of the five one-year periods ended December 31, as applicable.

The Ratios & Supplemental Data shown below are based on net asset value.

### THE FUND'S NET ASSETS PER SHARE (\$) <sup>(1)(2)</sup>

CLASS A, SERIES I SHARES	Dec. 31 2008	Dec. 31 2007	Dec. 31 2006	Dec. 31 2005	Dec. 31 2004
Net assets, beginning of year <sup>(3)(9)</sup>	11.49	11.91	10.40	9.79	10.49
<b>Increase (decrease) from operations:</b>					
Total revenue	0.49	0.80	1.10	0.67	0.47
Total expenses	(0.68)	(0.73)	(1.01)	(0.78)	(0.54)
Realized gains (losses) for the period	(0.22)	0.67	0.57	0.02	0.12
Unrealized gains (losses) for the period	(2.15)	(1.16)	0.85	0.72	0.26
Total increase (decrease) from operations <sup>(3)</sup>	(2.56)	(0.42)	1.51	0.63	0.31
<b>Distributions:</b>					
From income (excluding dividends)	–	–	–	–	–
From dividends	–	–	–	–	0.15
From capital gains	–	–	–	–	–
Return of capital	–	–	–	–	–
Total annual distributions <sup>(3)(4)</sup>	–	–	–	–	0.15
<b>Net assets at end of year shown <sup>(3)(9)</sup></b>	<b>8.92</b>	<b>11.49</b>	<b>11.92</b>	<b>10.40</b>	<b>9.79</b>

### RATIOS AND SUPPLEMENTAL DATA

Total net asset value (\$000's)	49,869	65,447	66,436	58,564	55,658
Number of shares outstanding (000's)	5,453	5,520	5,574	5,629	5,682
Management fee (%) <sup>(5)</sup>	1.25	1.25	1.25	1.25	1.25
Investment advisor fee (%) <sup>(5)</sup>	2.00	2.00	2.00	2.00	2.00
Management expense ratio (%) <sup>(6)</sup>	6.12	5.90	8.74	7.40	5.13
Portfolio turnover rate (%) <sup>(7)</sup>	5.21	27.83	17.63	4.43	12.37
Trading expense ratio (%) <sup>(8)</sup>	–	0.01	–	–	N/A
Net asset value per share (\$) <sup>(9)</sup>	9.14	11.85	12.41	11.03	9.79

# VENTURELINK FINANCIAL SERVICES INNOVATION FUND INC.

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### THE FUND'S NET ASSETS PER SHARE (\$) <sup>(1)(2)</sup> cont'd

	Dec. 31 2008	Dec. 31 2007	Dec. 31 2006	Dec. 31 2005	Dec. 31 2004
<b>CLASS A, SERIES II SHARES</b>					
Net assets, beginning of year <sup>(3)(9)</sup>	11.56	12.03	10.60	10.05	10.44
<b>Increase (decrease) from operations:</b>					
Total revenue	0.48	0.79	1.09	0.67	0.47
Total expenses	(0.73)	(0.79)	(1.07)	(0.84)	(0.59)
Realized gains (losses) for the period	(0.22)	0.66	0.56	0.02	0.12
Unrealized gains (losses) for the period	(2.14)	(1.15)	0.85	0.72	0.26
Total increase (decrease) from operations <sup>(3)</sup>	(2.61)	(0.49)	1.43	0.57	0.26
<b>Distributions:</b>					
From income (excluding dividends)	-	-	-	-	-
From dividends	-	-	-	-	0.15
From capital gains	-	-	-	-	-
Return of capital	-	-	-	-	-
Total annual distributions <sup>(3)(4)</sup>	-	-	-	-	0.15
<b>Net assets at end of year shown <sup>(3)(9)</sup></b>	<b>8.94</b>	<b>11.56</b>	<b>12.05</b>	<b>10.60</b>	<b>10.05</b>
<b>RATIOS AND SUPPLEMENTAL DATA</b>					
Total net asset value (\$000's)	6,627	8,731	9,008	7,994	7,679
Number of shares outstanding (000's)	730	742	748	754	764
Management fee (%) <sup>(5)</sup>	1.25	1.25	1.25	1.25	1.25
Investment advisor fee (%) <sup>(5)</sup>	2.00	2.00	2.00	2.00	2.00
Management expense ratio (%) <sup>(6)</sup>	6.64	6.43	9.26	7.94	5.67
Portfolio turnover rate (%) <sup>(7)</sup>	5.21	27.83	17.63	4.43	12.37
Trading expense ratio (%) <sup>(8)</sup>	-	0.01	-	-	-
Net asset value per share (\$) <sup>(9)</sup>	9.07	11.77	12.34	10.97	10.05

	Dec. 31 2008	Dec. 31 2007	Dec. 31 2006	Dec. 31 2005	Dec. 31 2004
<b>CLASS A, SERIES III SHARES</b>					
Net assets, beginning of year <sup>(3)(9)</sup>	11.20	11.78	10.54	10.14	10.00
<b>Increase (decrease) from operations:</b>					
Total revenue	0.45	0.75	1.05	0.64	0.44
Total expenses	(0.81)	(0.89)	(1.15)	(0.93)	(0.68)
Realized gains (losses) for the period	(0.22)	0.63	0.54	0.02	0.11
Unrealized gains (losses) for the period	(2.05)	(1.09)	0.81	0.69	0.25
Total increase (decrease) from operations <sup>(3)</sup>	(2.63)	(0.60)	1.25	0.42	0.12
<b>Distributions:</b>					
From income (excluding dividends)	-	-	-	-	-
From dividends	-	-	-	-	-
From capital gains	-	-	-	-	-
Return of capital	-	-	-	-	-
Total annual distributions <sup>(3)(4)</sup>	-	-	-	-	-
<b>Net assets at end of year shown <sup>(3)(9)</sup></b>	<b>8.60</b>	<b>11.20</b>	<b>11.80</b>	<b>10.54</b>	<b>10.14</b>
<b>RATIOS AND SUPPLEMENTAL DATA</b>					
Total net asset value (\$000's)	30,016	32,495	27,714	19,677	13,412
Number of shares outstanding (000's)	3,491	2,902	2,350	1,867	1,323
Management fee (%) <sup>(5)</sup>	1.25	1.25	1.25	1.25	1.25
Investment advisor fee (%) <sup>(5)</sup>	2.00	2.00	2.00	2.00	2.00
Management expense ratio (%) <sup>(6)</sup>	7.77	7.55	10.37	9.16	6.87
Portfolio turnover rate (%) <sup>(7)</sup>	5.21	27.83	17.63	4.43	12.37
Trading expense ratio (%) <sup>(8)</sup>	-	0.01	-	-	-
Net asset value per share (\$) <sup>(9)</sup>	8.60	11.20	11.80	10.54	10.14

# VENTURELINK FINANCIAL SERVICES INNOVATION FUND INC.

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## THE FUND'S NET ASSETS PER SHARE (\$) <sup>(1)(2)</sup> cont'd

	Dec. 31 2008	Dec. 31 2007	Dec. 31 2006	Dec. 31 2005	Dec. 31 2004
<b>CLASS A, SERIES IV SHARES</b>					
Net assets, beginning of year <sup>(3)(9)</sup>	11.21	11.80	10.56	10.16	10.00
<b>Increase (decrease) from operations:</b>					
Total revenue	0.45	0.75	1.05	0.64	0.43
Total expenses	(0.81)	(0.89)	(1.15)	(0.93)	(0.68)
Realized gains (losses) for the period	(0.22)	0.63	0.54	0.02	0.11
Unrealized gains (losses) for the period	(2.05)	(1.10)	0.81	0.69	0.25
Total increase (decrease) from operations <sup>(3)</sup>	(2.63)	(0.61)	1.25	0.42	0.11
<b>Distributions:</b>					
From income (excluding dividends)	-	-	-	-	-
From dividends	-	-	-	-	-
From capital gains	-	-	-	-	-
Return of capital	-	-	-	-	-
Total annual distributions <sup>(3)(4)</sup>	-	-	-	-	-
<b>Net assets at end of year shown <sup>(3)(9)</sup></b>	<b>8.61</b>	<b>11.21</b>	<b>11.81</b>	<b>10.56</b>	<b>10.16</b>
<b>RATIOS AND SUPPLEMENTAL DATA</b>					
Total net asset value (\$000's)	9,288	9,890	7,995	5,465	3,408
Number of shares outstanding (000's)	1,079	882	677	518	335
Management fee (%) <sup>(5)</sup>	1.25	1.25	1.25	1.25	1.25
Investment advisor fee (%) <sup>(5)</sup>	2.00	2.00	2.00	2.00	2.00
Management expense ratio (%) <sup>(6)</sup>	7.79	7.58	10.40	9.16	6.88
Portfolio turnover rate (%) <sup>(7)</sup>	5.21	27.83	17.63	4.43	12.37
Trading expense ratio (%) <sup>(8)</sup>	-	0.01	-	-	-
Net asset value per share (\$) <sup>(9)</sup>	8.61	11.21	11.81	10.56	10.16

	Dec. 31 2008
<b>CLASS A, SERIES VI SHARES</b>	
Net assets, beginning of year <sup>(3)(9)</sup>	10.00
<b>Increase (decrease) from operations:</b>	
Total revenue	0.36
Total expenses	(0.66)
Realized gains (losses) for the period	(0.21)
Unrealized gains (losses) for the period	(1.89)
Total increase (decrease) from operations <sup>(3)</sup>	(2.40)
<b>Distributions:</b>	
From income (excluding dividends)	-
From dividends	-
From capital gains	-
Return of capital	-
Total annual distributions <sup>(3)(4)</sup>	-
<b>Net assets at end of year shown <sup>(3)(9)</sup></b>	<b>7.91</b>
<b>RATIOS AND SUPPLEMENTAL DATA</b>	
Total net asset value (\$000's)	31
Number of shares outstanding (000's)	4
Management fee (%) <sup>(5)</sup>	1.25
Investment advisor fee (%) <sup>(5)</sup>	2.00
Management expense ratio (%) <sup>(6)</sup>	1.40
Portfolio turnover rate (%) <sup>(7)</sup>	5.21
Trading expense ratio (%) <sup>(8)</sup>	-
Net asset value per share (\$) <sup>(9)</sup>	7.91

# VENTURELINK FINANCIAL SERVICES INNOVATION FUND INC.

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## FINANCIAL HIGHLIGHTS cont'd

- (1) This information is derived from the Fund's audited annual financial statements. The net assets per share presented in the financial statements differs from the net asset value calculated for fund pricing purposes. An explanation of these differences can be found in the notes to the financial statements.
- (2) The following classes of shares of the Fund commenced operations:

Class A, Series I shares	January 1, 2002
Class A, Series II shares	January 1, 2002
Class A, Series III shares	January 1, 2004
Class A, Series IV shares	January 1, 2004
Class A, Series VI shares	January 24, 2008
- (3) Net assets per share and dividends per share are based on the actual number of shares outstanding for the relevant class on the relevant date. The increase (decrease) in net assets from operations per share is based on the weighted average number of shares outstanding for the relevant class over the financial period.
- (4) Distributions are automatically reinvested in additional shares of the Fund, unless the shareholder withdraws from the automatic reinvestment plan by providing written notice to the Manager, or unless the Fund elects to pay them.
- (5) The Fund has entered into various agreements including management, investment advisory and administration agreements. The annualized fees are as shown.
- (6) Management expense ratio is calculated based on expenses charged directly to the Fund plus, if applicable, expenses of the underlying funds, calculated on a weighted average basis based on the percentage weighting of each underlying fund and is expressed as an annualized percentage of average daily net asset value for the period.
- (7) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the fiscal period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a higher turnover rate and the performance of a Fund. Portfolio turnover rate is calculated by dividing the lesser of the cost of purchases and the proceeds of sales of portfolio securities for the period, excluding cash and short-term investments maturing in less than one year and the value of any securities acquired as a result of merger, by the average of the monthly fair value of investments during the period.
- (8) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value of the Fund during the period. The trading expense ratio is provided from 2005 onwards.
- (9) The Canadian Securities Administrators issued a notice and request for comments to the proposed amendments to NI 81-106, form 81-106F1 and 81-106CP on June 1, 2007. The proposed amendments permit investment funds to have two different net asset values: one for financial statements prepared in accordance with Canadian GAAP (referred to as "Net Assets" in the proposal) and one for the purchase and redemption price of an investment fund (referred to as "Net Asset Value" in the proposal). Net Assets requires bid price (for long securities) or ask price (for securities held short) to be used in the fair valuation of investments whereas Net Asset Value uses closing sale prices. The provisions of Section 3855 have been applied retroactively without restatement of prior years.

# VENTURELINK FINANCIAL SERVICES INNOVATION FUND INC.

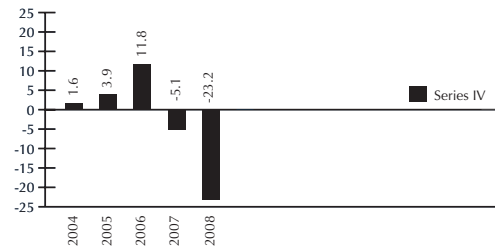
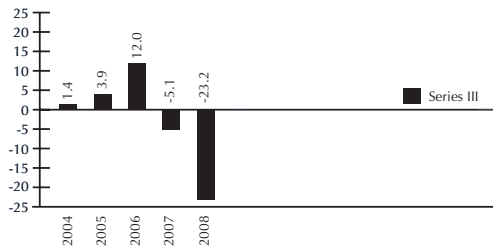
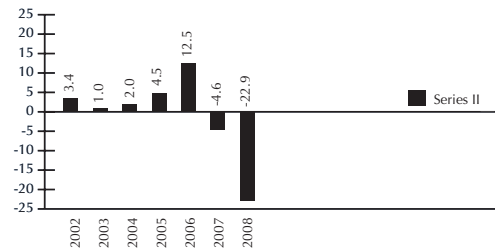
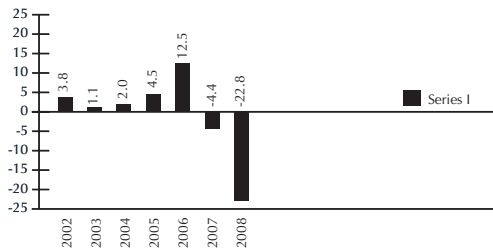
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## PAST PERFORMANCE

This section describes how the Fund has performed in the past. Past returns do not indicate how the Fund will perform in the future. Returns shown are based on Net Asset Value per share, which differs from the GAAP net assets per share (Note 3 of the Financial Statements). The information shown assumes that dividends paid by the Fund in the years shown were reinvested in additional shares of the relevant classes of the Fund. In addition, the information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance.

### Year-by-Year Returns

The following charts show the Fund's annual performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. In percentage terms, the chart shows how much an investment made on the first day of each financial period would have grown or decreased by the last day of each financial period.



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## Annual Compound Returns

The following table shows the Fund's annual compound returns, compared to the DEX Mid Term Bond Index and The Globe Retail Venture Capital Peer Index.

The DEX Mid Term Bond Index is a market capitalization weighted index that measures the performance of the Canadian investment-grade fixed income market. The DEX Mid Term Bond Index consists of fixed rate bonds denominated in Canadian dollars, with remaining effective terms to maturity greater than 5 years, and less than or equal to 10 years, rated BBB or higher. The Index is a sub-sector of the DEX Universe Bond Index.

The Globe Retail Venture Capital Peer Index (formerly Globe Labour-Sponsored Peer Index) is a mutual fund sector specific index that combines data from similar funds, in this case labour-sponsored venture capital funds, to provide sector average return information.

A discussion of the performance of the Fund as compared to the DEX Mid Term Bond Index and The Globe Retail Venture Capital Peer Index is found in the Results of Operations section of this report.

	One Year	Three Years	Five Years	Since Inception
Class A, Series I (%)	-22.8	-6.0	-2.4	-1.1
DEX Mid Term Bond 100%	7.0	4.8	5.6	6.5
Globe Retail Venture Capital Peer Index 100%	-14.7	-5.7	-4.4	-5.0
Class A, Series II (%)	-22.9	-6.1	-2.5	-1.2
DEX Mid Term Bond 100%	7.0	4.8	5.6	6.5
Globe Retail Venture Capital Peer Index 100%	-14.7	-5.7	-4.4	-5.0
Class A, Series III (%)	-23.2	-6.6	-3.0	-3.0
DEX Mid Term Bond 100%	7.0	4.8	5.6	5.3
Globe Retail Venture Capital Peer Index 100%	-14.7	-5.7	-4.4	-4.7
Class A, Series IV (%)	-23.2	-6.6	-2.9	-2.9
DEX Mid Term Bond 100%	7.0	4.8	5.6	5.3
Globe Retail Venture Capital Peer Index 100%	-14.7	-5.7	-4.4	-4.7

# VENTURELINK FINANCIAL SERVICES INNOVATION FUND INC.

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## SUMMARY OF INVESTMENT PORTFOLIO (as at December 31, 2008)

Industry Sector	Number of companies	Cost (in \$000's)	Fair Market Value (in \$000's)	% of cost	% of FMV
<b>Sector</b>					
Financials	17	62,715	54,073	100.0	100.0

Stage of Development	Number of companies	Cost (in \$000's)	Fair Market Value (in \$000's)	% of cost	% of FMV
<b>Investment Stage</b>					
Public	5	13,429	8,717	21.4	16.1
Private	12	49,286	45,356	78.6	83.9
	17	62,715	54,073	100.0	100.0

The summary of investment portfolio may change due to ongoing portfolio transactions of the Fund and updates will be available on a semi-annual basis.

### A NOTE ON FORWARD-LOOKING STATEMENTS

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective," and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual

events or results to differ materially from those expressed or implied in any forward-looking statement made by the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchanges rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.