

Scheer Rowlett & Associates Investment Management Ltd.

MANDATE: PINNACLE CANADIAN VALUE EQUITY FUND (THE "FUND")

INVESTMENT OBJECTIVE OF THE FUND

To achieve superior long term returns through capital growth by investing primarily in securities of Canadian corporations.

BACKGROUND OF SCHEER ROWLETT & ASSOCIATES INVESTMENT MANAGEMENT LTD.

- Scheer Rowlett originally operated as Crown Life Investment Management Inc. (CLIMCO), founded in 1990 by Crown Life Insurance Company.
- In 1998, CLIMCO changed its name to Scheer Rowlett at which time two investment professionals, Harold Scheer (Fixed Income), Lloyd Rowlett (Canadian Equities) and Connor, Clark & Lunn Financial Group (CCLFG) became partners in the firm.
- Harold Scheer left in 2000 to lead fixed income shop, Baker Gilmore, leaving Scheer Rowlett as an equity specialist shop.
- Scheer Rowlett manages Canadian Equity and Balanced Fund strategies (non-Canadian and fixed income portions managed by outside investment managers).
- Non-investment management functions (i.e. administration, IT systems, sales and marketing) are centralized and provided by CCLFG.

BIOGRAPHIES OF KEY PERSONNEL

Lloyd E. Rowlett, CFA - President, Portfolio Manager, has 25 years of investment experience having previously managed and researched Canadian equities at Crown Life Investment Management for 6 years. He has also served in the Venture Capital division of Alberta Opportunity Corp. He holds a BComm from the University of Saskatchewan and is a CFA charter holder.

Rob Dionne, CFA - VP & Portfolio Manager, has 15 years of investment experience. Previously he worked at Crown Life Investment Management as a Canadian equity analyst for 5 years. He holds a BAdmin from the University of Regina and is a CMA and CFA charter holder.

Scott Merriman, CFA - VP & Portfolio Manager, has 9 years of investment experience. Previously he researched Canadian equities for UBS Global Asset Management and Merrill Lynch. He graduated from the University of Saskatchewan with a BComm and is a CFA charter holder.

INVESTMENT PHILOSOPHY AND PROCESS OF SCHEER ROWLETT & ASSOCIATES INVESTMENT MANAGEMENT LTD.

- Emphasis on large capitalization stocks but some exposure to medium cap and small cap holdings.
- Bottom-up value driven approach that focuses on companies trading below their intrinsic value, based on their return on invested capital.
- 4-stage investment process:
 - 1) quantitative screen using traditional valuation metrics
 - 2) fundamental research and management interviews to determine rationale behind market discount
 - 3) determining profit sustainability by looking at business operating environment
 - 4) estimating fair value (price target) using DCF, break-up value, net asset value, earnings multiples, etc.
- Sell when there is a change in fundamental outlook either at the company or industry level, price has appreciated as the gap between current and target price closes, a more attractive opportunity emerges.

SUMMARY*

Location: Toronto, Ontario
 Founded: 1998
 Ownership: 51% by Connor, Clark & Lunn Financial Group
 49% by employees
 Staff: 5
 Managers/Analysts: 4

Assets:
 Institutional: \$3.10 billion
 Mutual Funds: \$800 million
 High Net Worth: \$175 million
 TOTAL: \$4.08 billion

Portfolio Characteristics:
 Style: Large Cap Value Equity
 Earnings Growth: Similar to market
 P/CF: Lower than market
 P/E: Lower than market
 P/B: Lower than market
 Yield: Lower than market
Turnover:
 Trailing 12 month 20-25%

STYLE			
	Value	Blend	Growth
Large	●		
Medium			
Small			

*Information provided as of December 2008.

The Pinnacle Program™ The Pinnacle Program™ is an asset allocation service that consists of the Pinnacle Program Funds. Commissions, trailing commissions, management fees and expenses may be associated with mutual fund investments and the use of an asset allocation service. Please read the Pinnacle Program Funds prospectus before investing. Mutual funds are not guaranteed or insured, their values change frequently and past performance may not be repeated.



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