

Scotia Cassels Investment Counsel Limited

MANDATE: PINNACLE SHORT TERM INCOME FUND (THE "FUND")

INVESTMENT OBJECTIVE OF THE FUND

To preserve investment capital while providing interest income and maintaining liquidity by investing primarily in highly liquid, senior investment grade money market instruments.

BACKGROUND OF SCOTIA CASSELS INVESTMENT COUNSEL LIMITED

- Scotia Cassels Investment Counsel Limited, a wholly-owned subsidiary of Scotiabank, manages money for individuals, institutions, foundations and endowments on a discretionary basis. They are one of the largest managers of private wealth in Canada managing over \$20 billion in total assets, with proven talent, particularly for managing Canadian fixed income and equity portfolios.
- The firm was formed in August 1998, through the amalgamation of Cassels Blaikie Investment Management, Scotia Investment Management Limited and the investment activities of Scotiatrust. Scotia Cassels traces its roots back to 1877. Scotia Cassels has 18 offices across Canada. Scotia Cassels' style is best described as growth at a reasonable price, which incorporates elements of both the growth and value investing styles. As the name indicates, companies with strong growth in earnings and revenues, available at a reasonable price, are the primary focus.

BIOGRAPHIES OF KEY PERSONNEL

Romas J. Budd, MBA, Managing Director, Fixed Income with 24 years experience.

Cecilia Chan, Associate Portfolio Manager, 19 years experience.

INVESTMENT PHILOSOPHY AND PROCESS OF SCOTIA CASSELS INVESTMENT COUNSEL LIMITED

- Approach investing with a long-term focus – do not react to short-term market volatility.
- Blended top-down, bottom up style.
- Focus on yield curve and credit analysis.
- Use a disciplined investment process to govern buy and sell decisions, and apply it consistently.
- Diversify investment holdings.

SUMMARY*

Location: Toronto, Ontario
 Founded: 1998
 Ownership: Wholly-owned subsidiary of Scotiabank
 Staff: 150
 Managers/Analysts: 78

Assets:
 Institutional: \$4.7 billion
 Wholesale: \$10.1 billion
 Private Client: \$ 9.0 billion
 TOTAL: \$23.8 billion

Portfolio Characteristics:
 Duration: Short Term

STYLE			
	Short	Neutral	Long
High	●		
Medium			
Low			

*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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