

Guided Portfolio Update – Canadian Income Plus

The Canadian Income Plus Portfolio is a lower risk equity portfolio designed for conservative investors whose primary objective is dividend income with modest capital appreciation. The portfolio is comprised of investments in entities that are well established, financially strong, and have an excellent record of earnings and dividend or distribution growth.

| | Canadian Income Plus | S&P/TSX Composite | Relative |
|---------------------------------|----------------------------|----------------------|----------|
| Year 2000 | 56.0% | 7.4% | 48.5% |
| Year 2001 | 4.2% | -12.6% | 16.8% |
| Year 2002 | -1.1% | -12.4% | 11.3% |
| Year 2003 | 19.4% | 26.7% | -7.3% |
| Year 2004 | 17.0% | 14.5% | 2.5% |
| Year 2005 | 27.4% | 24.1% | 3.3% |
| Year 2006 | 12.0% | 17.3% | -5.2% |
| Year 2007 | 3.4% | 9.8% | -6.4% |
| Year-to-Date ¹ | -13.5% | -1.3% | -12.1% |
| Since Inception ² | 190.0% | 125.1% | 64.9% |

Returns are not calculated according to A.I.M.R. "Performance Presentation Standards". Returns are calculated on a total return basis (including dividends). Past performance is not an indication of future performance.

¹ As of Jul 17, 2008

² Inception date is Sep 15, 1999

| Company | Symbol | Date Added | Adjusted Cost | Price 17Jul08 | Gain/Loss | Market At Add | Relative ROR | Target Price | Target ROR | Dividend | Yield | Rating* |
|------------------------------|--------|------------|---------------|---------------|-----------|---------------|--------------|--------------|------------|----------|-------|---------|
| Interest Sensitive | | | | | | | | | | | | |
| BCE Inc. | BCE | 16-May-00 | \$33.68 | \$38.95 | 15.7% | 9582 | -24.8% | \$42.75 | 13.5% | \$1.47 | 3.8% | 2-SP |
| Calloway REIT | CWT.UN | 24-Apr-07 | \$26.46 | \$17.91 | -32.3% | 13590 | -31.4% | n.a. | n.a. | \$1.55 | 8.6% | n.a. |
| Fortis Inc. | FTS | 13-May-08 | \$27.18 | \$24.55 | -9.7% | 14617 | -1.8% | \$32.00 | 34.4% | \$1.00 | 4.1% | 1-SO |
| Great-West Lifeco Inc. | GWO | 07-Nov-07 | \$35.28 | \$28.07 | -20.4% | 14118 | -15.8% | \$34.00 | 25.3% | \$1.17 | 4.2% | 1-SO |
| Power Financial Corporation | PWF | 15-Sep-99 | \$17.74 | \$32.00 | 80.4% | 7064 | -10.2% | \$45.00 | 44.8% | \$1.34 | 4.2% | 2-SP |
| Rogers Communications Inc. | RCI.B | 13-Feb-08 | \$39.79 | \$39.74 | -0.1% | 13282 | -1.5% | \$62.00 | 58.5% | \$1.00 | 2.5% | 1-SO |
| Royal Bank of Canada | RY | 06-Sep-05 | \$42.42 | \$44.35 | 4.5% | 10798 | -20.1% | \$75.00 | 73.6% | \$2.00 | 4.5% | 1-SO |
| Sun Life Financial Inc. | SLF | 13-Feb-07 | \$52.06 | \$40.92 | -21.4% | 13172 | -23.6% | \$50.00 | 25.7% | \$1.44 | 3.5% | 1-SO |
| TELUS Corporation | T | 06-Apr-06 | \$48.44 | \$40.80 | -15.8% | 12342 | -24.8% | \$56.00 | 41.7% | \$1.81 | 4.4% | 2-SP |
| Toronto-Dominion Bank | TD | 18-Dec-03 | \$45.45 | \$58.36 | 28.4% | 8125 | -37.3% | \$95.00 | 66.8% | \$2.36 | 4.0% | 2-SP |
| Consumer Products | | | | | | | | | | | | |
| Thomson Reuters Corporation | TRI | 26-Apr-07 | \$48.54 | \$30.78 | -36.6% | 13598 | -35.6% | \$47.00 | 56.2% | US\$1.08 | 3.5% | 1-SO |
| Yellow Pages Income Fund | YLO.UN | 10-Nov-04 | \$12.79 | \$8.93 | -30.2% | 8842 | -82.4% | \$11.00 | 35.8% | \$1.13 | 12.7% | 1-SO |
| Resources | | | | | | | | | | | | |
| Enbridge Inc. | ENB | 15-Sep-99 | \$18.08 | \$42.14 | 133.1% | 7064 | 42.6% | \$46.00 | 12.3% | \$1.33 | 3.1% | 2-SP |
| Inter Pipeline Fund | IPL.UN | 13-Feb-08 | \$9.36 | \$9.54 | 1.9% | 13282 | 0.6% | \$10.50 | 18.9% | \$0.84 | 8.8% | 1-SO |
| TransCanada Corporation | TRP | 06-Apr-06 | \$34.28 | \$38.04 | 11.0% | 12342 | 1.9% | \$46.00 | 24.7% | \$1.44 | 3.8% | 1-SO |
| S&P/TSX Composite | | | | 13460 | | | | 14200 | 8.3% | 381.87 | 2.8% | |

* *Rating definitions:*

1-SO = Sector Outperform
2-SP = Sector Perform
3-SU = Sector Underperform
T = Tender
UR = Under Review
R = Restricted

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The author of the report owns securities of the following companies.

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Thomas C. O'Neill is a director of BCE Inc and is a director of the Bank of Nova Scotia.

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Ronald Brenneman is a director of BCE Inc. Ronald Brenneman is a director of the Bank of Nova Scotia.

BCE Inc.

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