

# Mawer Investment Management Ltd.

## Mandate: TAX EFFICIENT BALANCED STRATEGY

### Risk Category 4

#### OBJECTIVE

To manage segregated balanced portfolios for the Summit program where the emphasis is on maximizing after tax returns in conjunction with moderate risk. The objective is to outperform a clearly defined customized benchmark.

#### BACKGROUND

- Independent partnership of investment professionals founded in 1974 with initial focus on high net worth investors.
- Seventeen investment professionals across all asset classes, including Canadian equity (small cap and mid-large cap), U.S. equity, International equity, Bonds (high yield and Canadian), Balanced (registered and non-registered).
- Firm has always been conscious of needs of taxable investors.

#### INVESTMENT PHILOSOPHY AND PROCESS

- Long-term capital growth that focuses on maximization of after tax returns in conjunction with moderate risk by:
- Minimizing turnover and harvesting realized losses to effectively manage the impact of capital gains;
- Tilting the equity component towards large cap companies with superior earnings and dividend growth;
- Broadly diversified equity component comprised of at least 50 Canadian, U.S. and International stocks across all asset classes;
- Use of Fixed Income component to control risk and generate long term capital gains. Income generation is a secondary consideration;
- Use of small, incremental asset mix shifts within a range of plus or minus 5%.
- Cash will not exceed 10% of total portfolio.
- Foreign stocks will not exceed 50% of total portfolio.

#### BIOGRAPHIES OF KEY PERSONNEL

Craig Senyk, B. Comm., CFA, joined Mawer in 1997 and has over 13 years experience. He is Director of Portfolio Management, a portfolio manager, and member of the institutional team.

Jamie Hyndman, B.A., CFA, joined Mawer in Dec 2005 as an institutional portfolio manager, and has 13 years experience.

#### SUMMARY

Location:	Calgary, Alberta
Founded:	1974
Ownership:	100% by Management
Staff:	38
Managers/Analysts:	14

#### Assets:

Institutional	\$2.0 billion
Mutual Funds	\$0.7 billion
Individual	\$0.5 billion
<b>TOTAL</b>	<b>\$3.2 billion</b>

#### Portfolio Characteristics:

Style	GARP
ROE	Higher than market
P/E	Lower than market
Debt/Equity	Lower than market
Average Capitalization	Large Cap

#### Turnover:

Should not exceed 40% per annum

Style			
	Value	Blend	Growth
Large		•	
Medium		•	
Small			

## The Summit Program



The material presented herein is prepared by Northern Trust Global Advisors and is gathered from sources we believe to be reliable. It is current as of issue date (December 2006). These profiles are intended for use by ScotiaMcLeod Summit Program clients who are selecting an investment manager for their account. All performance data represents past performance and is not indicative of future performance. Please note that representative composite returns were used for managers that have been in ScotiaMcLeod Summit Program less than five years to the date of this report. TM Trademark used under authorization and control of The Bank of Nova Scotia. ScotiaMcLeod is a division of Scotia Capital Inc., Member CIPF.