

Fiera Capital Inc.

MANDATE: CANADIAN FIXED INCOME MANAGER

OBJECTIVE

To manage segregated fixed income portfolios for the Summit Program where the objective is to outperform the benchmark.

BACKGROUND

- Fiera Capital Inc. was formed in 2003 following the acquisition of Desjardins Group's institutional investment subsidiary, Elantis Investment Management Inc.
- Acquired Senecal Investment Counsel Inc. in October 2005. Senecal was formed in 1981 and specialized in the management of Canadian equity, fixed income and balanced mandates.
- Acquired YMG Capital Management Inc. in February 2006. YMG Capital was formed in 1983 with an emphasis on fixed income investment management processes which were disciplined and quantitatively driven.
- Fiera offers depth and expertise in equity and fixed income management, asset allocation, quantitative strategies and alternative investments.
- Fiera's diverse clientele is made up of institutional investors, investment funds, wrap programs, charitable organizations and high net worth individuals.
- Fiera is a research-driven investment company that believes its clients' investment returns derive from knowledge – which is gained from independent market-leading research. At Fiera, knowledge is capital.

INVESTMENT PHILOSOPHY AND PROCESS

- Use a "core" oriented investment process that seeks to add value within a constrained duration range (a 1.0 year band relative to the DEX Universe Bond Index).
- Approach is to regularly restructure client portfolios by changing sector weights and cash flow characteristics relative to the DEX Universe Bond Index.
- Internal research and analysis is focused on the impact of monetary policy and the economic cycle on credit spreads and the shape of the yield curve.
- Fiera uses sophisticated software to structure portfolios efficiently. This means maximizing potential returns while maintaining characteristics which closely approximate most elements of the DEX Universe Bond Index. This process seeks to provide consistent value add compared to the index.

RISK CATEGORY



BIOGRAPHIES OF KEY PERSONNEL

Arthur Yeates, MBA, CFA, joined YMG Capital in 1993 with 8 years of fixed income experience for a major Canadian life insurance company. At Fiera, Art is the lead portfolio manager for active core Canadian fixed income investment strategies.

Gaetan Dupuis, M.Sc., joined YMG Capital in 2001 with 12 years experience managing fixed income portfolios. At Fiera, Gaetan is co-manager for active core Canadian fixed income investment strategies.

Catherine Payne, CFA, joined YMG Capital in 2003 with 12 years of fixed income and equity credit analysis for a major life insurance company, an investment dealer and a bond rating service. At Fiera, Catherine is responsible for managing specialty Canadian corporate bond portfolios and the Fiera Canadian High Yield Bond Fund. In addition, she is responsible for corporate credit analysis for investment grade fixed income portfolios.

SUMMARY

Location: Montreal and Toronto
 Founded: 2003
 Ownership: Private, 77% management & investment professionals
 Staff: 98
 Managers/Analysts: 23

Assets:
 Institutional: \$11.2 billion
 Sub-Advisory: \$6.0 billion
 Private Wealth: \$0.8 billion
 TOTAL: \$18.0 billion

Portfolio Characteristics:
 Style: Fixed Term
 Duration: SC Universe +/- 1 Year
 Minimum Credit Rating: A
 Canadas: 20 – 100%
 Provincials: 0 – 50%
 Municipals: 0 – 10%
 Corporates: Max 2X Bmk Corp Weight
 Foreign Pays-Canadian: 0 – 10%

STYLE

	Short	Neutral	Long
High		●	
Medium		●	
Low			

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, 2008). 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.

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