



FUND PERFORMANCE

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
<b>2005</b>	-	-	-	-	-	0.90	4.52	0.41	3.36	-3.35	2.80	3.68	<b>12.75</b>
<b>2006</b>	4.73	-1.06	4.26	1.16	0.01	-1.74	0.08	1.51	-1.73	2.43	1.87	1.85	<b>13.94</b>
<b>2007</b>	0.77	4.91	0.84	2.19	0.43	1.69	3.29	0.98	0.38	1.74	1.47	0.08	<b>20.36</b>
<b>2008</b>	-2.12	-0.15	0.31	-2.12	-0.54	0.83	1.00	-0.31	-0.45	-6.60	-3.45	1.40	<b>-11.80</b>
<b>2009</b>	1.48	-3.94	4.19	2.30	3.43	-0.92	0.26	0.32	1.73	2.00	1.41	0.22	<b>12.94</b>
<b>2010</b>	1.43	1.53	0.38	-0.28	-1.02	-0.70	-0.53	0.85	-	-	-	-	<b>1.64</b>

FUND COMMENTARY

In August, North American equity market performance diverged at the border. The Canadian market was up modestly while the US equity markets were decidedly negative. In Canada, the S&P/TSX Composite Index rose 1.71%. Meanwhile the US markets posted very negative returns; the S&P 500 lost 4.74% in August and the DJIA was also negative for the month (-4.31%). The NASDAQ index posted a significant decrease of 6.24%. Year to date the S&P/TSX Composite Index has gained 1.43%, meanwhile the S&P 500 has fallen (-5.90%), the DJIA is down (-3.96%) and the NASDAQ index is down (-6.84%).

The Focused Opportunities Fund maintained a positive net market exposure of 24% (beta adjusted net exposure= +2%) during August and experienced a gain of 0.85% on the month. Year to date the fund is up 1.64%. The gain can be attributed to positions in the communications, basic materials and consumer cyclical sectors as well as various index unit short positions. Meanwhile, positions in the technology and industrials sector offset some of these gains.

Specifically, positions in the communications sector rose (+0.4%), while positions in the basic materials sector also added to returns (+0.3%) for the month. Consumer cyclical sector positions added another (+0.3%) while various index unit positions added (+0.3%) on the month.

These gains were offset by losses in technology sector (-0.7%) and industrial sector (-0.1%) positions which combined to drag returns in August.

Gains were recorded by the Canadian long book and the US short book (+1.3% contribution) while the Canadian short book and US long book dragged returns (approximately -0.4%) on the month.

At the end of August the fund was net long in Canada (+22%) and net long in the US (+2%). Overall, approximately 51% of the fund was invested in Canada and 49% in the US. Net exposure stood at +24% by the end of the month due mainly to security-specific investment ideas, while gross exposure stood at approximately 99%.

With the ongoing uncertainty in the economy, several longer term structural issues and rising deflationary risks, the manager intends to maintain a defensive stance. We continue to believe that the returns of this fund will be generated by security specific events rather than the overall movements of the equity markets. Since inception, the fund has delivered strong risk-adjusted performance with an 8.9% annualized return, and a low correlation to equity markets while the benchmark S&P/TSX Composite Index has returned 4.2% annualized over the same period. Since inception the Focused Opportunities Fund has had a volatility of 7.4% versus 16.8% for its benchmark. The fund has also protected capital well with a maximum drawdown since inception of 14% compared to a 44% drawdown for the S&P/TSX Composite over the same time period.

FUND STRATEGY

The JCClark Focused Opportunities Fund seeks absolute return on capital through a classic long-short hedged style. The Fund invests in North American equities and stresses hands-on fundamental research. JCClark manages approximately \$300 million.

The manager seeks to execute a focused investment strategy by managing a concentrated portfolio of the firm's most promising investment ideas. The manager avoids directional "bets" on the market and aims for minimal market exposure. All investments are made in publicly-traded securities (mainly equities). Security selection is the primary focus as the manager attempts to buy high quality companies trading at a significant discount to their intrinsic values and short businesses with: weak fundamentals, poor or overly promotional management, and aggressive accounting. The manager and investment team perform significant internal due diligence on all investment ideas.

MONTHLY AND CUMULATIVE RETURNS

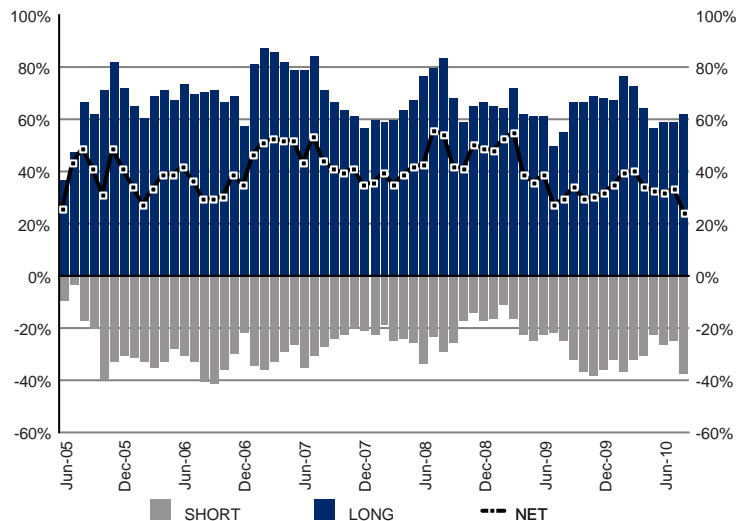


RETURN ANALYSIS

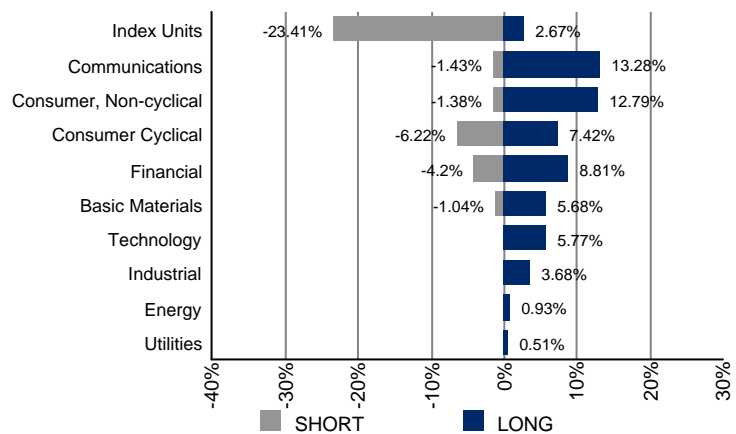
	Focused Opportunities Fund - A	Benchmark
<b>Avg. Monthly Return (since incep.)</b>	0.74%	0.46%
<b>Months with Positive 1-year Return</b>	75.00%	73.08%
<b>Months with Negative 1-year Return</b>	25.00%	26.92%
<b>Annualized Returns</b>		
Since Inception	8.91%	4.19%
1 Year	7.19%	9.63%
3 Year	1.64%	-4.45%
5 Year	8.13%	2.23%
10 Year	n/a	n/a
<b>Best Month</b>	4.91%	11.21%
<b>Worst Month</b>	-6.60%	-16.93%
<b>Best 12 Month Return</b>	23.80%	43.17%
<b>Worst 12 Month Return</b>	-12.95%	-40.19%
<b>Advancing Months</b>	71.43%	63.49%
<b>Declining Months</b>	28.57%	36.51%

## MARKET EXPOSURE

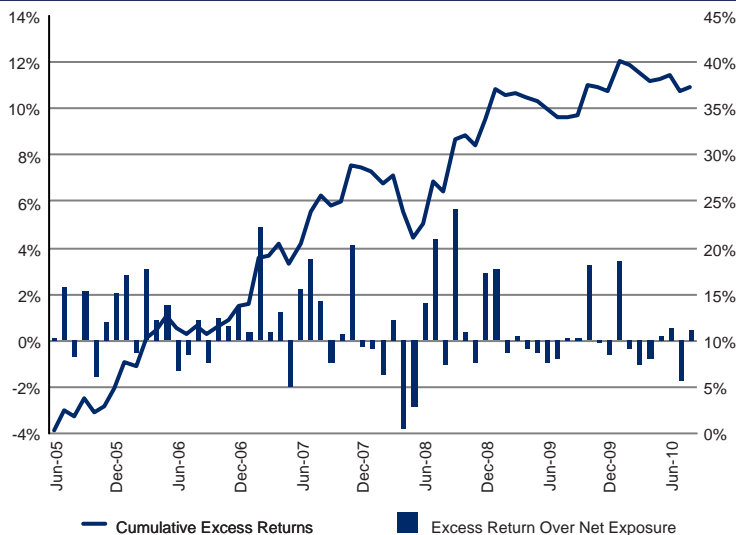
The Focused Opportunities Fund maintains a *variable bias* and its beta-adjusted net exposure is generally lower than its dollar-weighted net exposure.



## SECTOR EXPOSURE



## VALUE ADDED



\*Excess Return = Monthly Fund Return - (Net Exposure x Monthly Benchmark Return)

## RISK MANAGEMENT

	Focused Opportunities Fund - A	Benchmark
<b>Annualized Standard Deviation</b>		
Since Inception	7.36%	16.77%
Last 12 Months	3.63%	13.96%
<b>Kurtosis</b>		
	1.58	2.56
<b>Skewness</b>		
	-0.60	-1.12
<b>Up Months</b>		
Average Monthly Return	1.72%	3.38%
Standard Deviation	1.38%	2.24%
<b>Down Months</b>		
Average Monthly Return	-1.72%	-4.60%
Standard Deviation	1.69%	3.99%
<b>Sharpe Ratio (4%)</b>		
Since Inception	0.67	0.01
Last 12 Months	0.88	0.40
<b>Largest Peak to Valley Drawdown</b>		
	-14.02%	-44.80%

## MARKET EXPOSURE

<b>Correlation to Benchmark</b>	0.44
<b>Net Exposure (dollar-weighted)</b>	
Last Month	23.88%
Last 12 Months Average	32.79%
<b>Alpha (excess over: benchmark x L12M beta)</b>	
Last Month	0.78%
Last 12 Months	5.03%
<b>Beta (vs Benchmark)</b>	
Since Inception	0.26
Last 12 Months	0.04

## MANAGER

Established in January 2001, JCClark Ltd. is a Toronto based 14-person hedge fund management firm. JCClark Ltd. was founded by John Clark, former chairman of the Toronto Stock Exchange, co-founder of Connor Clark & Co., a leading wealth management firm and co-founder of Connor, Clark & Lunn a large pension fund manager. He has 37 years of investment management experience and over 20 years of long/short experience. He has successfully managed money through 6 bear markets during his career.

Portfolio Manager Colin Stewart has worked directly with John Clark as a key member of the investment team since 1999. Colin has 10 years of experience managing long/short strategies and is directly responsible for the day to day management of the Focused Opportunities Fund.

Colin is supported by an investment team, trader, in-house compliance officer, operations staff and business development personnel. The firm focuses on opportunistic, high-return investment opportunities and emphasizes open and transparent client relationships.

## TERMS

<b>Fund AUM:</b>	C\$22m
<b>Program AUM:</b>	C\$50m
<b>Subscriptions/Redemptions:</b>	Monthly, 30 day notice
<b>Management Fee:</b>	2% of net assets per annum
<b>Performance Fee:</b>	20%
<b>Hurdle Rate:</b>	6%
<b>High Water Mark:</b>	Yes (perpetual)
<b>Auditor:</b>	Deloitte & Touche
<b>Prime Broker:</b>	National Bank Financial
<b>Legal Advisor:</b>	Ogilvy Renault
<b>Administrator:</b>	Commonwealth Fund Services

