



FUND PERFORMANCE

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
<b>1999</b>	-	-	-	-	13.92	-1.82	3.35	-3.68	4.79	-1.08	-10.52	0.74	<b>4.04</b>
<b>2000</b>	-1.32	-5.23	0.53	24.00	10.99	-1.42	2.67	2.97	-0.36	2.97	1.20	-2.93	<b>35.91</b>
<b>2001</b>	15.58	7.39	6.14	-0.60	8.60	-2.53	11.30	10.80	3.01	4.76	-10.16	-1.59	<b>63.12</b>
<b>2002</b>	8.03	4.04	-3.26	5.52	1.77	2.21	1.38	-2.22	1.10	-2.90	1.04	2.09	<b>19.80</b>
<b>2003</b>	0.53	-3.90	-0.28	-3.32	-0.73	0.37	3.93	0.43	-1.12	1.80	1.80	4.50	<b>3.72</b>
<b>2004</b>	-0.87	1.33	0.51	-0.48	1.78	-0.85	0.89	-2.14	-0.40	-1.10	-2.97	-8.83	<b>-12.77</b>
<b>2005</b>	0.55	1.01	0.09	0.03	-5.31	0.05	-1.47	0.80	0.11	-3.62	-0.26	2.90	<b>-5.25</b>
<b>2006</b>	0.24	1.29	3.07	0.60	0.37	-2.43	2.61	-0.13	-1.47	2.67	3.30	0.04	<b>10.45</b>
<b>2007</b>	1.93	5.96	3.71	0.51	-1.58	4.83	5.28	3.11	0.01	1.61	6.02	0.65	<b>36.73</b>
<b>2008</b>	1.14	-0.14	3.81	-4.97	-1.61	3.70	4.72	1.15	7.33	3.32	1.06	0.78	<b>21.62</b>
<b>2009</b>	-0.03	-3.69	1.55	1.20	-	-	-	-	-	-	-	-	<b>-1.05</b>

FUND COMMENTARY

In April North American equity markets continued their rebound with the second positive month of the year. In Canada, the S&P/TSX Composite Index gained 6.93% erasing all of the losses incurred in January and February. Meanwhile the US markets were also significantly positive; the S&P 500 rose 9.39% in April and the DJIA gained 7.35%. The NASDAQ was also up in April (+12.35%). Year to date these indices have mixed results; the S&P/TSX has now gained 3.75%, while the S&P 500 is still down 3.37%, the DJIA has lost 6.93%. Meanwhile the NASDAQ has now gained 8.89% so far in 2009.

The Preservation Trust maintained a positive net market exposure of 31% (beta adjusted net exposure= +22%) during April and experienced a gain of +1.20% on the month. The positive returns can be attributed to gains in the industrial, energy and communication sectors as well as various index unit gains. These gains were offset by losses in the consumer cyclical sector.

Positions in the industrial sector combined for gains of approximately +0.7%, while energy sector positions added another +0.20%. Meanwhile communications sector positions combined to add another +0.1%. Various index unit positions also contributed positively (+0.9%). These gains were offset by losses in the consumer cyclical sector (-0.8%).

The Canadian and US long books combined to gain 3.8% for the month while both short books offset these gains by -2.6%.

At the end of April, the fund was net long in Canada (+16%) and net long in the US (+15%). Overall, approximately 55% of the fund was invested in Canada and 45% in the US. Net exposure stood at +31% by the end of the month due mainly to security-specific investment ideas, while gross exposure stood at approximately 82%.

While the manager had increased the fund's net long position in recent months, the manager has started to reverse this stance and reduce the net exposure of the fund due to the significant rally in equity prices over the last several weeks. With only modest improvements in fundamental economic data and corporate earnings, the recent strength in equities has been largely driven by a valuation multiple expansion which may not be sustainable. Since inception the Preservation Trust has shown a negative correlation (-0.28) to its benchmark, equal weightings of the S&P 500 and S&P/TSX Composite Index. The Preservation Trust has demonstrated an ability to outperform in tougher market environments since its inception in May 1999 and has generated annualized returns of 15.7% while its benchmark has lost 0.5% annualized over the same period.

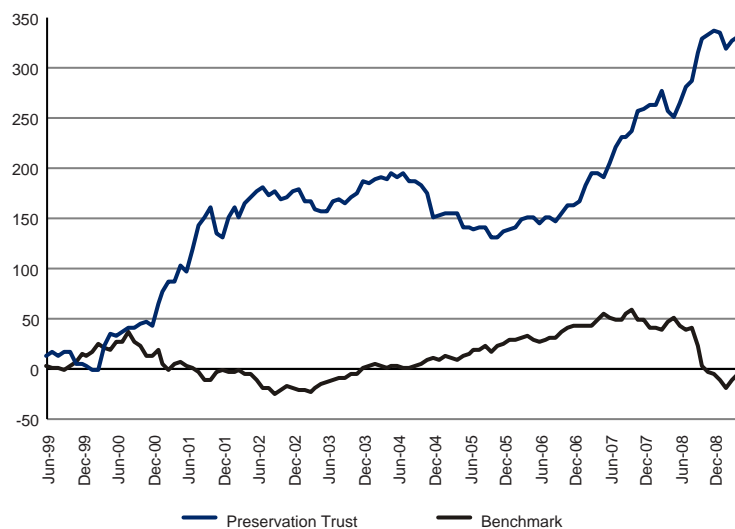
FUND STRATEGY

The Preservation Trust seeks absolute return on capital through a classic long-short hedged style. The Fund invests approximately half of its assets in Canadian equities and stresses hands-on fundamental research. JCClark manages approximately C\$300 million.

The managers seek to execute a focused investment strategy (different themes or sectors on a rotating basis) while maintaining diversification in the number of positions held (40-60 at once). All investments are made in publicly-traded securities (mainly equities).

Security selection is the primary focus as the managers attempt to buy high quality companies trading at significant discounts to their intrinsic values and short businesses with: weak fundamentals, poor or overly promotional management, and aggressive accounting. The managers perform significant internal due diligence on all investment ideas.

RELATIVE PERFORMANCE (SINCE INCEPTION)



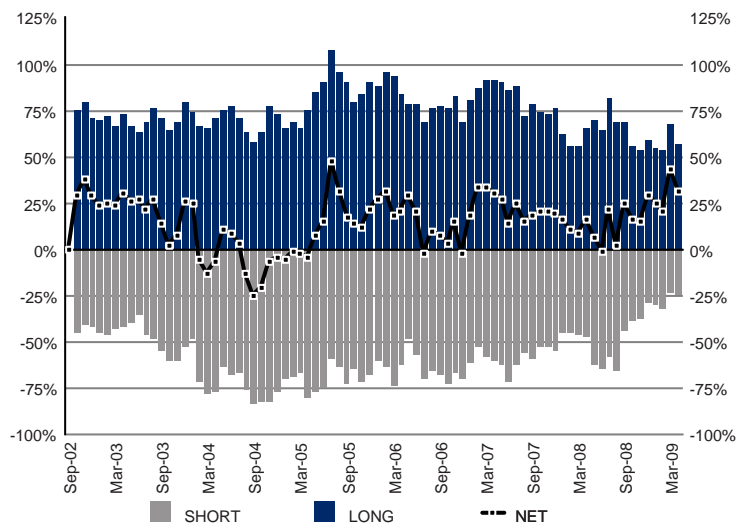
RETURN ANALYSIS

	Preservation Trust	Benchmark
<b>Avg. Monthly Return (since incep.)</b>	1.32%	0.05%
<b>Months with Positive 1-year Return</b>	77.98%	58.72%
<b>Months with Negative 1-year Return</b>	22.02%	41.28%
<b>Annualized Returns</b>		
Since Inception	15.72%	-0.56%
1 Year	20.78%	-34.89%
3 Year	19.96%	-10.51%
5 Year	8.37%	-1.02%
<b>Best Month</b>	24.00%	8.81%
<b>Worst Month</b>	-10.52%	-16.88%
<b>Best 12 Month Return</b>	90.46%	36.66%
<b>Worst 12 Month Return</b>	-19.06%	-42.35%
<b>Advancing Months</b>	65.00%	53.33%
<b>Declining Months</b>	35.00%	46.67%

The Preservation Trust Fund is compared against the benchmark: Equal weighting of S&P 500 and S&P/TSX Composite. Fund valuations are done on the second last day of the month. Return figures net of all fees and expenses. Performance reflects Class B shares of Preservation Trust.

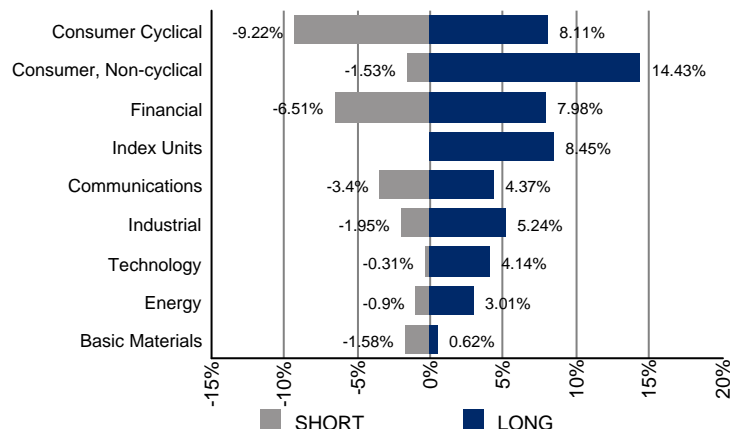
## MARKET EXPOSURE

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



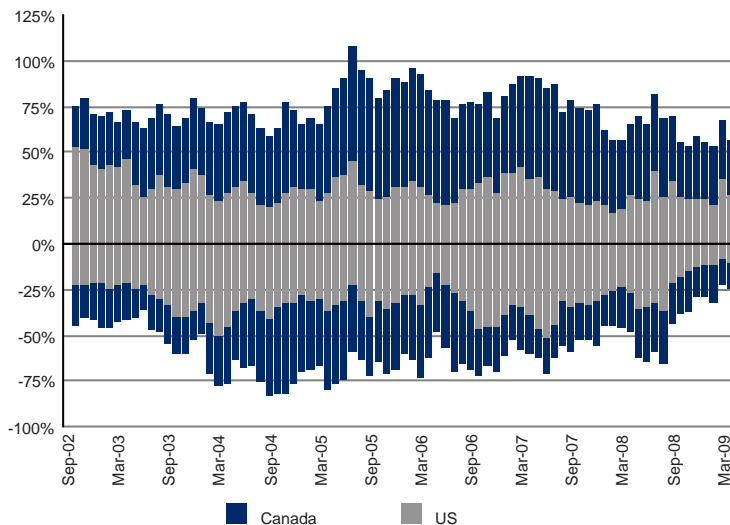
## SECTOR EXPOSURE

The Preservation Trust does not make highly concentrated, large or directional bets – and opts instead for diversification across a wide variety of sectors.



## GEOGRAPHIC EXPOSURE

The Fund focuses on opportunities in both Canada and the United States.



## RISK MANAGEMENT

	Preservation Trust	Benchmark
<b>Annualized Standard Deviation</b>		
Since Inception	15.72%	15.31%
Last 12 Months	10.03%	26.33%
<b>Kurtosis</b>		
	5.83	1.33
<b>Skewness</b>		
	1.35	-0.81
<b>Up Months</b>		
Average Monthly Return	3.38%	3.24%
Standard Deviation	4.02%	2.10%
<b>Down Months</b>		
Average Monthly Return	-2.51%	-3.59%
Standard Deviation	2.51%	3.44%
<b>Sharpe Ratio (4%)</b>		
Since Inception	0.75	-0.30
Last 12 Months	1.67	-1.48
<b>Largest Peak to Valley Drawdown</b>	-21.48%	-48.48%

## MARKET EXPOSURE

<b>Correlation to Benchmark</b>	-0.28
<b>Net Exposure (dollar-weighted)</b>	
Last Month	30.96%
Last 12 Months Average	19.54%
<b>Alpha (excess over: benchmark x L12M beta)</b>	
Last Month	2.06%
Last 12 Months	0.27%
<b>Beta (vs Benchmark)</b>	
Since Inception	-0.29
Last 12 Months	-0.10

## MANAGER

Founded April 1999, The Preservation Trust is managed by JCClark Ltd., 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 40 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.

The firm 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>Subscriptions/Redemptions:</b>	Class A: 4% redemption will be charged to the investor and paid to the Fund, if such units are redeemed within the first two years of purchase. Class B: Monthly, 30 day notice.
<b>Management Fee:</b>	2% of net assets per annum
<b>Performance Fee:</b>	20%
<b>Hurdle Rate:</b>	Class A: 0% Class B: 10%
<b>Minimum Investment:</b>	C\$2,000,000
<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

