



## European Equity Fund (KBSH)

### Fund Details as of December 31, 2008

Fund Code:	KBEE
Asset Class:	Foreign Equity
Asset Category:	Regional Equity
Fund Inception Date:	February 1997
Segregated Fund Size:	\$440,219
Underlying Fund Size:	\$29,265,981

	2007	2006	2005
Total Fund Operating Expenses:	0.243%	0.249%	0.187%

The fund operating expense displayed does not include GST and is the total of both the segregated fund operating expense and underlying fund operating expense, if applicable.

#### Fund Objective:

This fund invests in the more established European economies. These will typically include France, Germany, Italy, Netherlands, Sweden, Norway, Denmark, Finland, Switzerland and the United Kingdom.

Fund Advisor: KBSH Capital Management Inc



#### Who Is KBSH?

- established in early 1980
- \$3 billion in assets under management
- located in Toronto and Montreal

#### KBSH's Investment Management Style

The KBSH process is largely based on "bottom-up" security selection. The majority of the fund will be invested in larger capitalization, global growth companies with sustainable competitive advantages, strong financial positions and superior management. Macro-economic factors are also examined in evaluating potential risk-adjusted market returns.

### Portfolio by Sector as of December 31, 2008

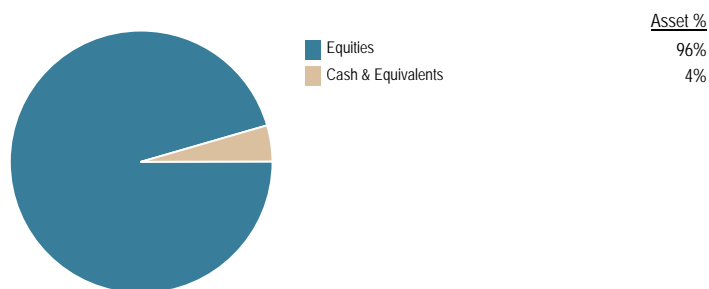
Consumer Staples	17.2%	Consumer Discretionary	8.3%
Industrials	16.3%	Information Technology	5.1%
Energy	13.7%	Cash & Equivalents	4.5%
Health Care	13.5%		
Financials	12.9%		
Telecommunications	8.6%		

### Major Holdings as of December 31, 2008

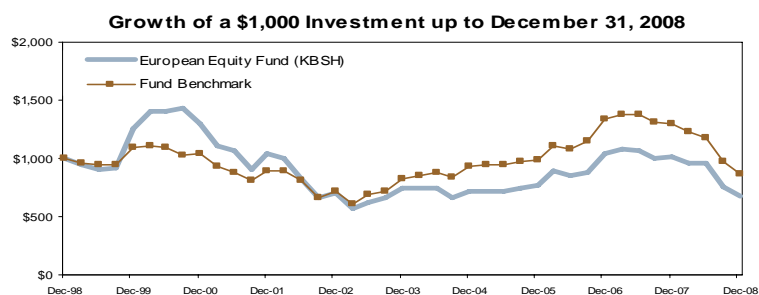
Roche Holding AG Genusscheine	8.1%
Total Sa	7.0%
Nestlé SA - Registered	6.7%
Bp Plc	6.7%
Bae Systems	5.5%
Synthes	5.4%
Capita Group	5.2%
SAP Aktiengesellschaft	5.1%
Zurich Financial Services Chf09	5.0%
Lvmh Moet Hennessy Louis Vuitton	4.6%
<b>Total Major Holdings:</b>	<b>59.3%</b>

Detailed fund holdings may be obtained by calling Access Line.

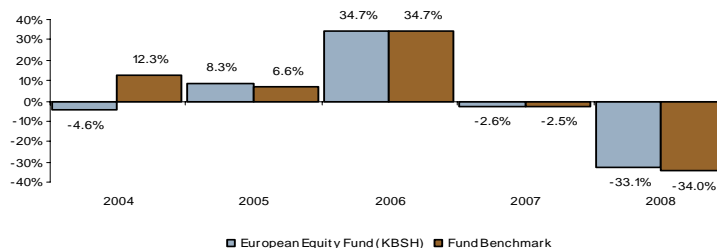
### Fund Composition as of December 31, 2008



### Fund Performance as of December 31, 2008



#### Annual Returns as of December 31, 2008



#### Annualized Rates of Return

	as of December 31, 2008						
	6 mo.	1 yr.	2 yr	3 yr	4 yr	5 yr	10 yr
Fund	-29.21%	-33.11%	-19.26%	-4.23%	-1.24%	-1.91%	-3.85%
Benchmark	-26.94%	-33.97%	-19.77%	-4.65%	-1.96%	0.75%	-1.50%

Fund Benchmark: (as of December 31, 2008)

100% MSCI Europe

#### Investment Method:

London Capital Management Ltd. purchases units in the KBSH European Equity Fund.

The indicated growth reflects changes in unit value and reinvestment of all distributions and is net of the fund operating expense and GST. It does not take into account investment management fees and GST payable by the unitholder which would have reduced returns. Performance data is provided for illustrative purposes only and represents past performance, which is not necessarily indicative of future performance.