Q1

2012

"Many of the negatives of 2011 are starting to reverse and the panic has abated. This is being reflected in share prices."

- Craig Armour, Edinburgh Partners (manager of the Steadyhand Global Equity Fund)

STEADYHAND

Bradley's Brief

We're celebrating our fifth birthday this week, so this letter is going to be more about us than usual. Indeed, during the rest of this month, our plans are to share five stories, post a few 'five' lists and drink too much 5-year old wine at our team celebration.

At our client presentations earlier this year, we outlined what we thought were our most important accomplishments so far. As a way of reviewing and celebrating our brief history, I want to take you through them.

1st quartile performance – As your personal Chief Investment Officer, my barometer of how we're doing is our balanced portfolio returns. Against three different measures, we've done well. Absolute returns have been modest, although much better than GICs. Compared to indexed portfolios, we're running well ahead. And when the industry surveys come out later this month, we expect to be solidly in the first quartile versus our competition.

A good steward of your capital – When Morningstar rated fund companies (2010 and 2011) based on how well aligned they were with clients' interests, Steadyhand was at the top of the heap.

Changing the landscape – The wealth management industry is fat and flabby. Through our business practices and loud, unrestrained voice, we think we've brought some objectionable industry practices into view.

We're growing – Steadyhand has grown without pause over the five years and we're encouraged by an accelerated pace over the last five months.

Living up to our name – The accomplishment that impacted me the most was the behavior of our clients during five of the most turbulent years in market history. Last summer was a good example of what I mean. By early August, the stock markets had been dropping for four months and the news was scary. We advised clients to move some money out of bonds and into stocks. Over the following two weeks, we were busier with calls and transactions than we'd ever been (keep in mind, our clients aren't traders). While some of the callers were nervous, we processed no equity redemptions. All the moves were towards stocks. Whether the recommendation proved to be advantageous or not, this short period indicated to me that our steady hand is having an impact.

Our achievements, however, don't obscure the fact that we have lots more to do. Our Global Fund needs to perform better, we can do more to improve our client reporting and we want our 'landscaping' to be more bountiful. As the team sits down for our annual strategy session tomorrow, we'll be fleshing out and prioritizing our 'To Do' list. The theme of the meeting is building on our strengths, not trying to replicate someone else's.

Before closing, I'd be remiss if I didn't mention our first new fund in … well … five years. We've been slow (read: stubborn) introducing the Founders Fund because we want to customize every portfolio to client needs and felt a balanced fund was too generic. But clients and other supporters have been telling us they want a fund that does it all – security selection and asset allocation. The Founders Fund accomplishes this.

In closing, I want to thank you for being such a big part of our first five years. Without you and your confidence, we wouldn't be here. As you can probably tell, we're pumped about the next five.

Tom

Takeaways

Stocks had a strong start to the year as a full-blown debt crisis in Europe was averted and investor sentiment improved. The bond market, on the other hand, retreated as interest rates rose

Stocks

- Stocks had a good start to the year, as investors acted on positive developments coming out of Europe and the U.S.
- Technology and financial stocks were particularly strong, while resource stocks lagged as commodity prices were weak (excluding oil). In particular, natural gas prices plunged to 10-year lows. The Canadian market trailed most global markets as a result of its heavy exposure to resources.
- The Canadian dollar rose slightly against the U.S. dollar (+2%) and gained 9% against the yen (which dampened foreign returns for investors), but depreciated marginally against the Euro and British Pound.

Bonds

- The Canadian bond market declined due to a modest rise in interest rates (when interest rates rise, bond prices typically fall).
- Canadian and U.S. government bonds lost some of their safe haven appeal as the risk of a funding crisis in Europe faded.
- Corporate bonds, and the high yield sector in particular, performed better than governments due to an improved economic outlook.

Our Funds

- Our portfolios had a strong start to 2012. Balanced clients experienced returns in the 4% to 6% range, depending on their asset mix.
- Our bias towards foreign stocks was a benefit.
- The Founders Fund, a balanced portfolio that captures everything we do, was launched on February 17th.
- Our funds now have 5-year performance numbers and 4 of our 5 original funds have achieved 1st quartile returns in their peer group.

The Grip

We've migrated our asset mix barometer to our discussion on the Founders Fund (see page 5), our new offering that at all times will reflect our views on market fundamentals, valuations and asset mix.

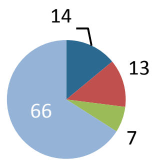
Our advice to clients remains unchanged from last quarter. We recommend a full allocation to equities in relation to your long-term asset mix (with a bias towards foreign stocks), and a below-average position in bonds. We continue to recommend a modest cash position. This positioning reflects our view that bonds look expensive and stock valuations are attractive. **Questions? 1-888-888-3147.**

Steadyhand Portfolios (Hypothetical)*

Compound Annualized Returns

Income Fund Equity Fund Global Equity Fund Small-Cap Equity Fund

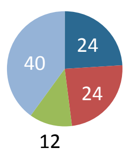
Balanced Income Portfolio



Long-term asset mix:
Fixed Income – 50%
Cdn Equities – 30%
U.S. Equities – 10%
Overseas Equities – 10%

3 M	YTD	1 Y	2 Y	3 Y	5 Y
4.1%	4.1%	6.1%	7.9%	13.7%	4.2%

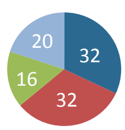
Balanced Equity Portfolio



Long-term asset mix:
Fixed Income – 30%
Cdn Equities – 34%
U.S. Equities – 18%
Overseas Equities – 18%

3 M	YTD	1 Y	2 Y	3 Y	5 Y
5.5%	5.5%	4.9%	7.3%	13.3%	2.2%

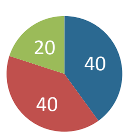
Growth Portfolio



Long-term asset mix:
Fixed Income – 15%
Cdn Equities – 37%
U.S. Equities – 24%
Overseas Equities – 24%

3 M	YTD	1 Y	2 Y	3 Y	5 Y
6.6%	6.6%	4.0%	6.8%	12.9%	0.7%

Aggressive Growth Portfolio



Long-term asset mix
Fixed Income – 0%
Cdn Equities – 40%
U.S. Equities – 30%
Overseas Equities – 30%

3 M	YTD	1 Y	2 Y	3 Y	5 Y
7.7%	7.7%	3.1%	6.3%	12.6%	-0.8%

Capital Market Performance

	3 M	YTD	1 Y	2 Y	3 Y	5 Y
DEX 91 Day T-Bill Index	0.2%	0.2%	0.9%	0.9%	0.7%	1.8%
DEX Universe Bond Index	-0.2%	-0.2%	9.7%	7.4%	6.7%	6.1%
S&P/TSX Composite Index	4.4%	4.4%	-9.8%	4.2%	15.6%	1.7%
BMO Small Cap Index	7.5%	7.5%	-11.0%	9.1%	30.2%	2.8%
S&P 500 Index ($Cdn)	10.5%	10.5%	11.6%	11.1%	14.2%	-0.9%
MSCI World Index ($Cdn)	9.8%	9.8%	4.0%	6.5%	11.9%	-3.0%

*The referenced portfolios are hypothetical portfolios comprised of Steadyhand funds. Each portfolio assumes that it is rebalanced on a quarterly basis to the target fund allocation. The indicated rates of return are the historical compound annualized returns (unaudited). See end of report for all performance disclaimers. For further details on the portfolios, visit www.steadyhand.com/education/portfolios.

Founders Fund

Fund Overview

- The Founders Fund is a balanced mix of our fixed income and equity funds.
- It has a long-term asset mix target of 60% equities and 40% fixed income, but there's quite a bit of scope around these weightings.
- Tom Bradley manages the underlying mix of funds, and as such, the Founders Fund reflects Steadyhand's views on corporate fundamentals, valuations and asset mix.
- The fund is designed for balanced investors who want our oversight on asset allocation and rebalancing.

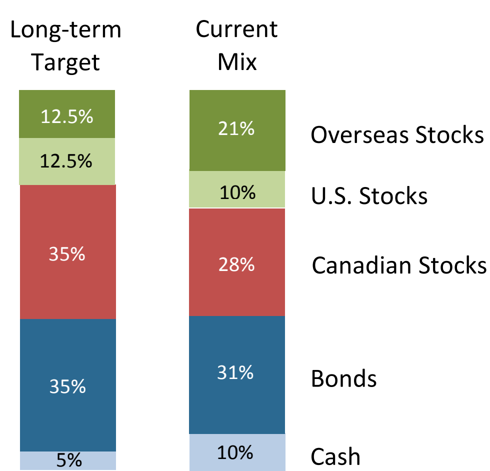
The fund has greater exposure to foreign stocks and a low weighting in bonds – a reflection of where we feel the opportunities lie.

Fund Mix

Income Fund	44%
Equity Fund	24%
Global Equity Fund	22%
Small-Cap Equity Fund	5%
Savings Fund	5%

Asset Mix

- The fund currently has a full allocation to equities (in relation to its long-term target) based on our view that stock valuations remain attractive.
- Foreign stocks, and overseas companies in particular, comprise a significant weighting as we believe they present more compelling opportunities than Canadian stocks.
- The portfolio's Canadian stocks consist primarily of income-oriented securities (Income Fund) and high-quality companies with growing dividends (Equity Fund), and to a lesser extent, smaller companies with faster growth profiles (Small-Cap Fund).
- The weighting in bonds is well below our long-term target, as we feel these securities look expensive, especially in relation to stocks.
- The cash reserve, at 10%, provides a meaningful source of liquidity and cushion in the event of heightened market volatility.



Portfolio Specifics

- Refer to pages 7-16 for details on the underlying funds.

Notable Transactions

- There were no changes to the underlying fund mix during the quarter.

Founders Fund

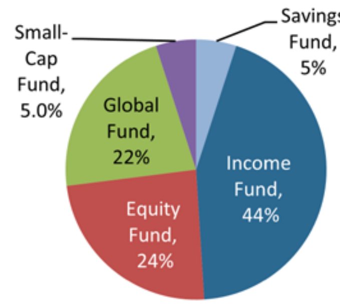
Top Stock Holdings (% of Fund)

TD Bank	2.3%
Crescent Point Energy	1.7%
Unilever	1.7%
Asia Pacific Breweries	1.5%
Suncor Energy	1.4%
TMX Group	1.3%
Novartis	1.1%
CVS Caremark	1.1%
Mead Johnson	1.0%
Rogers Communications	1.0%

Sector Allocation (Equities)

Financials	21.9%
Industrials	15.4%
Energy	13.9%
Consumer Staples	12.3%
Information Technology	10.7%
Telecom Services	7.1%
Consumer Discretionary	6.5%
Health Care	5.1%
Materials	5.0%
Utilities	2.1%

Fund Mix



Transactions

+	-
CAE	ARC Resources
Royal Bank	BorgWarner
Johnson Ctrls	Intel
Iridium Comm.	Cdn Helicopter

Asset Mix

Cash & Short-term	9.6%
Government Bonds	11.2%
Corporate Bonds	19.6%
Canadian Equities	27.9%
Foreign Equities	31.7%

Fund Size

Net Assets	$6,368,427

Compound Annualized Returns

	3 M	YTD	1 Y	2 Y	3 Y	5 Y	Incept*
Founders Fund	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
DEX Universe Bond Index	-0.2%	-0.2%	9.7%	7.4%	6.7%	6.1%	6.2%
S&P/TSX Composite Index	4.4%	4.4%	-9.8%	4.2%	15.6%	1.7%	1.9%
MSCI World Index ($Cdn)	9.8%	9.8%	4.0%	6.5%	11.9%	-3.0%	-3.1%

*Feb. 17, 2012

Growth of $10,000 Since Inception

Securities regulators prohibit us from reporting performance for a fund that has been available for less than one year. Investors can visit Morningstar or Globefund for information on the fund's returns.

Income Fund

As the economy gains traction and interest rates have edged upwards, the fund's strategies have been working well

Market Overview

- Interest rates rose in the quarter, as there were positive signs that the global economy is picking up. The Canadian bond market lost modest ground (when rates rise, bond prices fall). 10-year government bond yields started the year under 2%, but rose to 2.1% by the end of March.
- The Canadian stock market pushed forward, but lagged most global markets as many commodity prices declined (excluding oil).

Portfolio Specifics

- While government bonds and the broad Canadian bond market fell in value, the bond portion of the portfolio held its ground, due largely to its focus on corporate bonds and its emphasis on shorter-term bonds, which are less sensitive to changes in interest rates.
- 10-year government bond yields are currently lower than the core rate of inflation, reflecting an enormous divergence from fundamentals. The fund holds a minimal weighting in these securities (with a focus on short-dated bonds) based on the manager's view (Connor, Clark & Lunn Investment Management Ltd.) that rates will rise over time.
- The corporate sector gained ground due to an improved outlook. Credit spreads (the difference in yield between corporate and government bonds) tightened and bank bonds in particular had a good quarter.
- The fund's U.S. high yield investments contributed to performance. These securities comprise roughly 8% of the fund.
- CC&L further shortened the portfolio's duration and added to corporate bonds. These moves, which we mentioned last quarter, were sparked by (1) ongoing improvements in U.S. economic data and (2) evidence that structural reforms are taking root in Europe and a funding crisis is unlikely.
- The fund's income-equities had a strong start to the year. Focus remains on companies with healthy balance sheets and growing dividends. REITs, banks and insurance companies remain key areas of investment.

Notable Transactions

- CC&L trimmed bonds and added to income-equities in early March as they gained comfort in their base case economic scenario.
- On the stock side, positions in banks and insurance companies were increased. *Intact Financial* and *Sun Life* were added to the portfolio.

Positioning

- The manager continues to believe that interest rates are too low and corporate bond spreads too high. Fixed income holdings remain shorter-term in maturity and are positioned for an increase in interest rates.
- The fund is seeking additional return by taking credit risk (corporate bonds) as opposed to interest rate risk (longer-term government bonds).

Income Fund

Top Holdings

iShares iBoxx High Yield	4.1%
SPDR Barclays High Yield	4.1%
Canada 0.75% (05/01/14)	3.8%
RBC Put Note (12/11/12)	3.2%
BMO 2.96% (08/02/16)	2.2%
CIBC 4.11% (04/30/15)	2.1%
Ontario 4.30% (03/08/17)	2.0%
Ontario 1.90% (09/08/17)	1.9%
Royal Bank	1.8%
Bank of Nova Scotia	1.8%

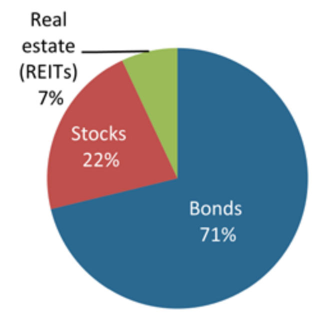
Issuer Allocation (Bonds)

Federal Govt. Bonds	10.1%
Provincial Govt. Bonds	26.2%
Corporate Bonds	63.7%

Rating Summary (Bonds)

AAA	14.0%
AA	37.3%
A	25.7%
BBB	11.4%
BB (or lower)	11.6%

Asset Mix



Stock Transactions

+	-
Intact Financial	ARC Resources
Sun Life	Veresen
CIBC	Thomson Reut.
Royal Bank	Reitmans

Portfolio Summary

Avg. Term to Maturity	8.3 yrs.
Duration	5.9 yrs.

Fund Size / Yield

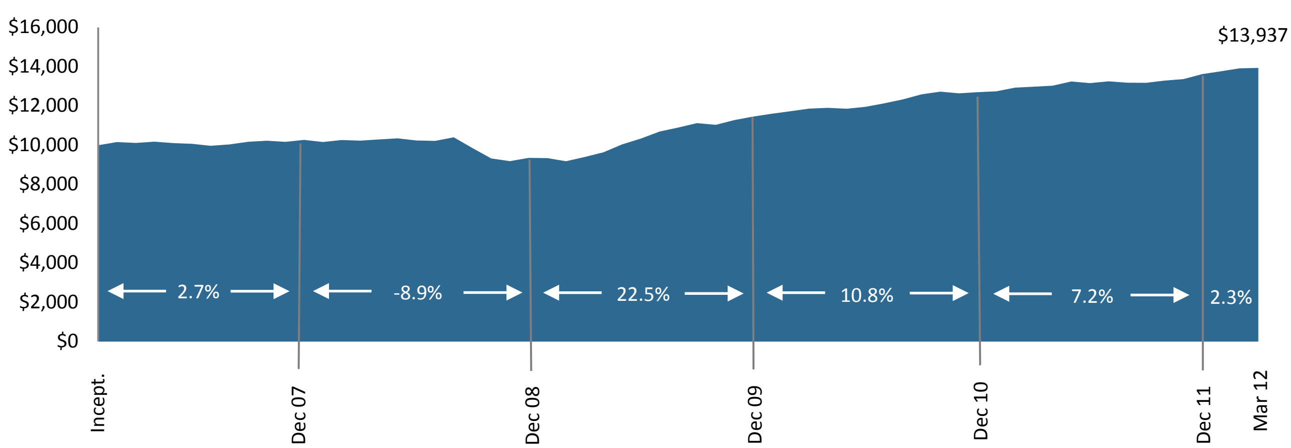
Net Assets	$62,481,853
Pre-fee Yield	3.8%

Compound Annualized Returns

	3 M	YTD	1 Y	2 Y	3 Y	5 Y	Incept*
Income Fund	**2.3%**	**2.3%**	**7.4%**	**8.4%**	**14.0%**	**6.6%**	**6.7%**
DEX Universe Bond Index	-0.2%	-0.2%	9.7%	7.4%	6.7%	6.1%	6.2%
S&P/TSX Composite Index	4.4%	4.4%	-9.8%	4.2%	15.6%	1.7%	1.9%

*Feb. 13, 2007

Growth of $10,000 Since Inception



Equity Fund

It was a good quarter for stocks, foreign in particular, as investors are starting to feel a little better

Market Overview

- The Canadian stock market (S&P/TSX Composite Index) was up 4% to start the year, led by financial and consumer stocks. Resource stocks weighed on the market, however, as commodity prices were weak – especially natural gas, which tumbled to a 10-year low.
- Global markets had a much stronger start, as the clouds over Europe began to lift and investor sentiment improved.

Portfolio Specifics

- The companies in the fund continue to report strong earnings and balance sheets are in good shape. Investors are starting to feel a little better about the global economy and this was reflected in share price gains in the first quarter.
- The fund's foreign investments have driven performance, a theme that started in late 2010. *Asia Pacific Breweries*, *BorgWarner*, *Insperity* and *Lincoln Electric* all saw strong price gains.
- The portfolio's Canadian investments fared well. This was due in part to a focus on growing dividends and limited exposure to gold and base metals (the mining sector was weak).
- The dividend yield of the fund is 2.3% (slightly higher than 10-year government bonds).
- *Birchcliff Energy* was the lone sore spot. The company, which put itself up for sale in October after receiving unsolicited buyout offers, took itself off the block late in the quarter and did an equity financing at a reduced price. The manager, CGOV Asset Management, modestly increased the position following the announcement.
- The cash position is higher than normal, at 8%. CGOV has been cautious in redeploying cash.

Notable Transactions

- *BorgWarner* was sold. The auto parts company gained a quick 35% from the manager's purchase price last year and CGOV felt the stock's risk/reward profile was no longer favourable.
- Positions were increased in *CAE*, *Franco-Nevada* and *Birchcliff*.

Positioning

- The fund's structure hasn't changed. CGOV favours industry-leading companies with predictable, recurring revenues across a wide range of industries.
- A higher cash position provides the manager with some options if volatility picks up. The manager has a few stocks on their watch list but valuations are not yet attractive enough to pull the trigger.

Dividend growth

Foreign stocks

Oil & Gas

Mining

Consumer Staples

Recurring revenues

Equity Fund

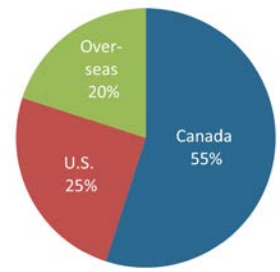
Top Holdings

TD Bank	6.5%
Asia Pacific Breweries	6.1%
Suncor Energy	5.8%
Crescent Point Energy	5.7%
Unilever	4.8%
Novartis	4.6%
CVS Caremark	4.6%
Mead Johnson	4.3%
Lincoln Electric	4.2%
Insperity	3.9%

Sector Allocation (Equities)

Consumer Staples	24.4%
Energy	18.5%
Industrials	17.7%
Financials	15.4%
Materials	10.7%
Health Care	5.2%
Information Technology	4.1%
Telecom Services	4.0%

Geographic Profile (Equities)



Transactions

+	-
CAE Franco-Nevada Dairy Farm Intl.	BorgWarner

Asset Mix

Equities	91.6%
Cash & Short-term	8.4%

Fund Size / Concentration

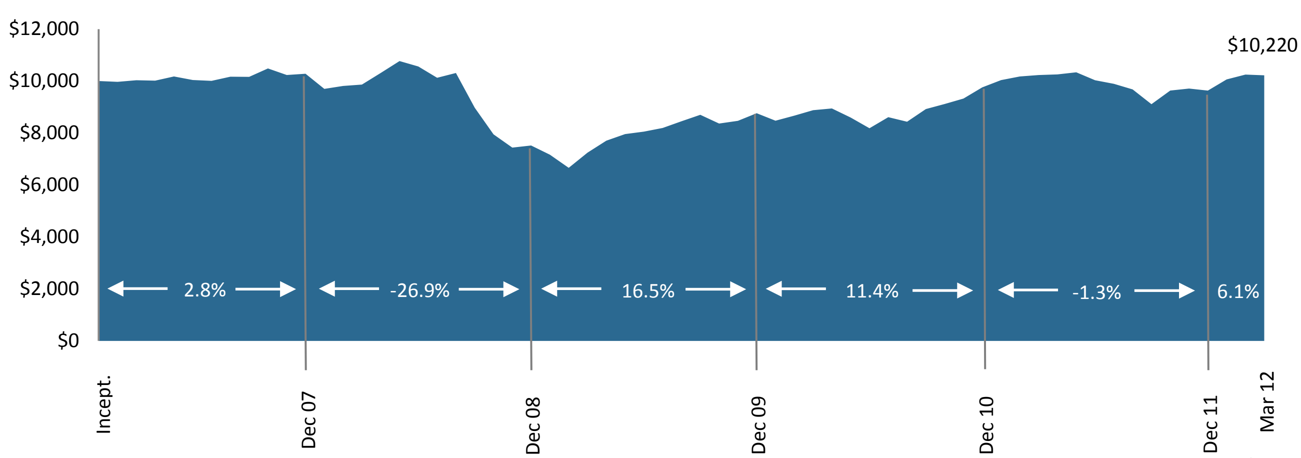
Net Assets	$40,462,071
Number of stocks	23

Compound Annualized Returns

	3 M	YTD	1 Y	2 Y	3 Y	5 Y	Incept*
Equity Fund	**6.1%**	**6.1%**	**-0.1%**	**7.3%**	**12.2%**	**0.4%**	**0.4%**
S&P/TSX Composite Index	4.4%	4.4%	-9.8%	4.2%	15.6%	1.7%	1.9%
MSCI World Index ($Cdn)	9.8%	9.8%	4.0%	6.5%	11.9%	-3.0%	-3.1%

*Feb. 13, 2007

Growth of $10,000 Since Inception



Global Equity Fund

Market Overview

- Many global stock markets turned in strong gains in the first quarter, led by Japan which rose 20%. Several other Asian markets recorded double-digit gains and the U.S. had a strong start to the year. European markets also advanced, with Germany at the top of the pack.
- The loonie rose 9% against the yen, which dampened returns for Japanese holdings, but was little changed against the U.S. dollar and Euro.

Signs of progress have materialized in Europe and a more positive economic and financial environment has emerged in the U.S., casting some deserved attention on global stocks

Portfolio Specifics

- As the panic surrounding debt issues in Europe abated, many stocks in the region rebounded. More specifically, the fund's German holdings gained strong ground (*SAP* and *Deutsche Post*) and financial companies rallied (*Royal Bank of Scotland*, *HSBC, Aviva*).
- The portfolio's U.S. investments were the strongest contributors to performance. Tech companies such as *Microsoft*, *Applied Materials* and *Intel* were up strongly along with homebuilder *DR Horton*.
- Japanese stocks also saw a turnaround, as the earnings recovery became more evident and the yen weakened (a positive for exporters). *Mitsubishi*, *Sony*, *Japan Tobacco* and *Ricoh* all gained over 20%.
- Exposure to the emerging markets, where over 35% of the fund's revenues are generated, remains an important theme.
- There is little to report on the negative side. *Tesco* was one of few holdings to lose ground, while telecom and health care holdings saw limited gains.

Notable Transactions

- Four companies were purchased: *Rio Tinto* (Anglo-Australian miner); *ABB* (Swiss leader in power technologies); *Johnson Controls* (U.S. auto parts company); and *Sandisk* (U.S. manufacturer of flash memory cards).
- Five stocks were sold: *Intel*, *Diageo*, and *Shell* based on strong performance; *General Dynamics* on a murky outlook; and *Tesco* on operational issues.

Positioning

- The manager (Edinburgh Partners Limited) continues to focus on companies with sensible growth outlooks and avoid those that are operating at peak, possibly unsustainable, margins. They continue to find value in the technology and consumer-related sectors.
- EPL is finding better opportunities in Europe and Asia than in the U.S. This is reflected in the fund's geographic profile: roughly 40% of the portfolio is invested in Greater Europe, 40% in Greater Asia, and 20% in the Americas.
- The portfolio has taken on a little more exposure to cyclical businesses (economically sensitive) where growth targets are achievable.

Value tilt

Europe

U.S. **Low P/E**

Greater Asia **Cyclical**

Dividends

Global Equity Fund

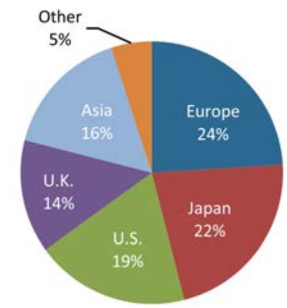
Top Holdings

Samsung Electronics	3.1%
Cisco Systems	3.1%
Mitsubishi	3.0%
China Mobile	2.9%
Microsoft	2.9%
ENI	2.9%
Sanofi-Aventis	2.8%
Dongfeng Motor	2.7%
Illinois Tool Works	2.7%
Johnson Controls	2.5%

Sector Allocation (Equities)

Information Technology	20.4%
Consumer Discretionary	16.9%
Financials	13.7%
Telecom Services	12.9%
Industrials	10.9%
Consumer Staples	7.8%
Energy	7.7%
Health Care	7.4%
Materials	2.3%

Geographic Profile (Equities)



Transactions

+	-
Rio Tinto	Intel
ABB	Diageo
Johnson Ctrls	Shell
Sandisk	General Dynam
	Tesco

Asset Mix

Equities	95.8%
Cash & Short-term	4.2%

Fund Size / Concentration

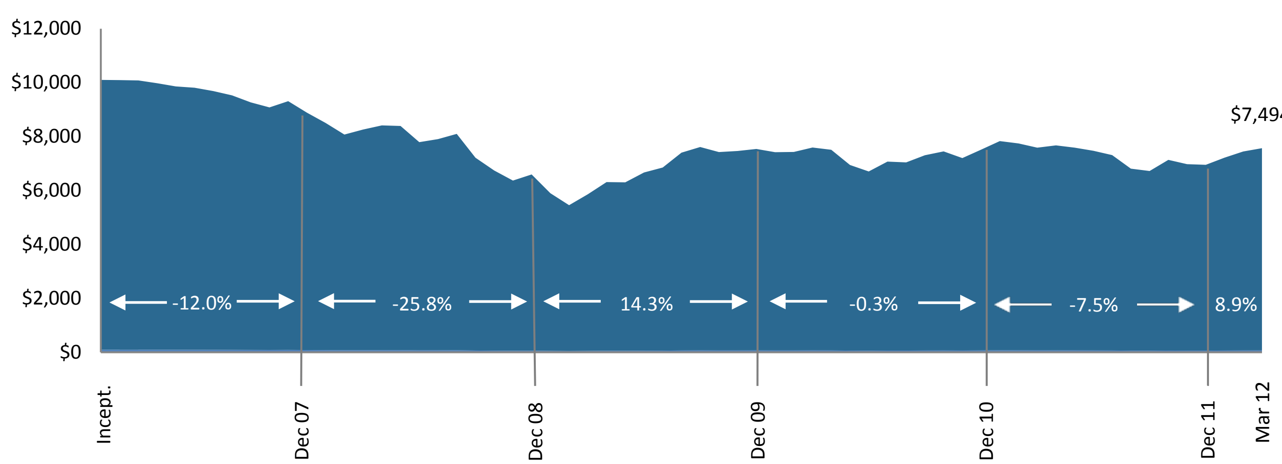
Net Assets	$25,426,850
Number of stocks	41

Compound Annualized Returns

	3 M	YTD	1 Y	2 Y	3 Y	5 Y	Incept*
Global Equity Fund	**8.9%**	**8.9%**	**-0.3%**	**-0.2%**	**8.9%**	**-5.6%**	**-5.5%**
MSCI World Index ($Cdn)	9.8%	9.8%	4.0%	6.5%	11.9%	-3.0%	-3.1%

*Feb. 13, 2007

Growth of $10,000 Since Inception



Small-Cap Equity Fund

The portfolio's holdings continue to deliver strong operating results and are well positioned from a financial standpoint

Market Overview

- The Canadian small-cap market had a good start to 2012, led by strong gains in technology, industrial and consumer stocks.
- Commodity-related stocks, which comprise over half the index, advanced only modestly.

Portfolio Specifics

- Operating results continue to be strong and most of the fund's holdings saw further share price gains to start the year.
- The portfolio's composition is much different than the small-cap market as a whole. The fund has limited exposure to base metals and is concentrated in companies that generate stable cash flows and earnings.
- The manager, Wutherich & Company, purchased two micro-cap companies (market capitalization under $300 million), but their share prices quickly jumped so only small positions were established. The names of the companies are being withheld because they are thinly-traded stocks and Wutherich is still looking to build the positions.
- *Primero Mining* is the fund's black sheep. The stock was under pressure as the company conducted a full assessment of its reserves late in the quarter. Contrary to the price action, Wutherich felt the results were neutral to positive and is keeping the position.
- The fund holds 17 stocks, with a weighted average market capitalization of roughly $1.3 billion. Two-thirds of the holdings, however, have a market cap of less than $1 billion.
- A portion of the fund's cash was put to work in two new holdings, but the manager still has a healthy sum in reserve (11%).

Notable Transactions

- Two of the portfolio's larger holdings, *Canadian Helicopters* and *Coastal Energy*, were trimmed. Both stocks have provided stellar returns for the fund.
- Additional shares were purchased in *Parkland Fuel*, *Total Energy Services*, and *Iridium Communications*. Iridium is now the fund's largest holding.

Positioning

- The portfolio remains well diversified in a tight collection of profitable businesses. Focus is on industrial, energy, technology and consumer-related companies.
- Wutherich is looking in some unloved corners, such as natural gas, but has not yet come across any compelling opportunities.

Energy Mining
Concentration
Micro-cap Dividends
Valuation
Cash reserve
<$1 billion

Small-Cap Equity Fund

Top Holdings*

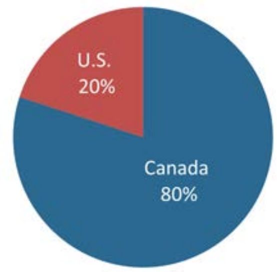
Canadian Helicopters	8.8%
Iridium Communications	7.2%
Stantec	7.1%
Total Energy Services	6.7%
Medical Facilities	6.6%
Evertz Technologies	5.6%
Shoppers Drug Mart	5.6%
Hibbett Sports	5.5%
Badger Daylighting	5.5%
Coastal Energy	5.1%

*As of January 31, 2012

Sector Allocation (Equities)

Industrials	22.2%
Energy	21.4%
Information Technology	17.6%
Consumer Discretionary	12.7%
Telecom Services	8.4%
Health Care	7.4%
Consumer Staples	6.3%
Materials	4.0%

Geographic Profile (Equities)



Transactions

+	-
Total Energy Parkland Fuel Iridium Comm.	Cdn Helicopter Coastal Energy

Asset Mix

Equities	89.0%
Cash & Short-term	11.0%

Fund Size / Concentration

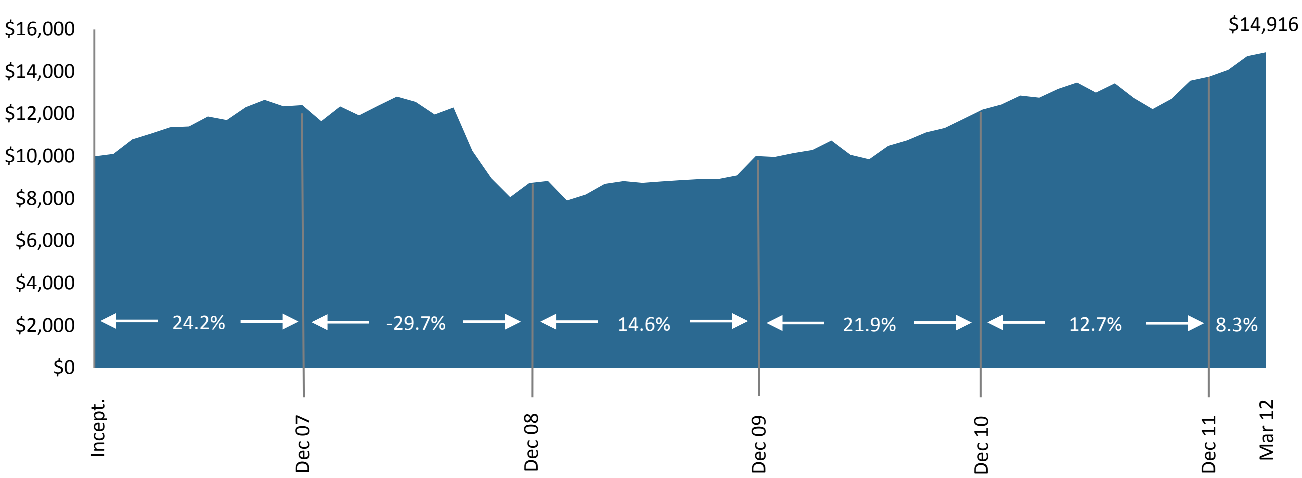
Net Assets	$25,498,700
Number of stocks	17

Compound Annualized Returns

	3 M	YTD	1 Y	2 Y	3 Y	5 Y	Incept*
Small-Cap Equity Fund	**8.3%**	**8.3%**	**16.8%**	**20.3%**	**22.1%**	**6.7%**	**8.1%**
BMO Small Cap Index	7.5%	7.5%	-11.0%	9.1%	30.2%	2.8%	3.3%

*Feb. 13, 2007

Growth of $10,000 Since Inception



Savings Fund

Market Overview

- The Bank of Canada left its key short-term lending rate unchanged in the first quarter at 1.0%. It has been at this level since September, 2010.
- In its March statement, the central bank noted that conditions in global financial markets have improved and risk aversion has decreased, but the global economy is expected to grow below its trend rate, and considerable monetary stimulus (in the form of low short-term interest rates) is still justified.
- The Bank expects inflation to remain at around 2% over their forecast horizon.

Short-term rates remain uninspiring for investors, as The Bank of Canada kept its key lending rate at 1%

Portfolio Specifics

- It's been a difficult environment in which to add yield, as the government's key lending rate remains close to historic lows.
- After moving out of Government of Canada T-Bills last spring, the manager (Connor, Clark & Lunn Investment Management Ltd.) re-initiated a position in these securities. Provincial T-Bills were trimmed to fund the purchases. The spread between provincial and federal T-Bills narrowed in the quarter, reducing the relative attractiveness of the former.
- The weighting in corporate paper was decreased modestly, while exposure to bank paper was increased. Short-term bank-issued notes now comprise roughly 50% of the portfolio. Corporate paper continues to provide the highest yields, but the advantage over bank paper is only 1-2 basis points (0.01% - 0.02%).
- The average term to maturity of the portfolio is shorter than normal.
- The pre-fee yield of the fund at the end of December was 1.1%.

Notable Transactions

- The manager increased the portfolio's weighting in federal government T-Bills from 0% to 25%.
- The weighting of corporate paper was reduced while proceeds from maturing notes were invested in other securities.

Positioning

- CC&L continues to structure the portfolio with a shorter-than-normal average term-to-maturity and expects to maintain this positioning until the market starts to anticipate future rate hikes by the Bank of Canada.
- Short-term interest rates are still very low and we have maintained a reduced fee on the fund (0.20%) to help provide a reasonable yield for unitholders.

Bank paper

Short maturity

Provincial T-Bills

Corporate paper

Government T-Bills

Low yield; reduced fee

Savings Fund

Top Holdings

Canada T-Bills (05/24/12)	24.8%
BMO B/A (04/23/12)	6.4%
TD Bank B/A (06/29/12)	5.6%
BNS B/A (04/18/12)	5.6%
GE Capital C/P (05/01/12)	5.6%
National Bank (04/30/12)	4.8%
Royal Bank B/A (07/13/12)	4.8%
Alberta FRN (06/13/12)	4.0%
Brookfield AM (05/24/12)	4.0%
CIBC B/A (07/18/12)	4.0%

Yield

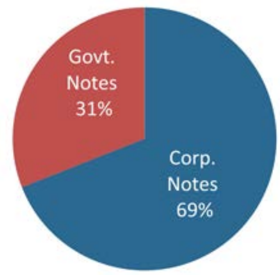
7-day Yield* 0.9%

**This is an annualized historical yield (net of fess) based on the seven day period ended on March 31, 2012, and does not represent an actual one year return.*

Fund Size

Net Assets $5,870,129

Issuer Allocation

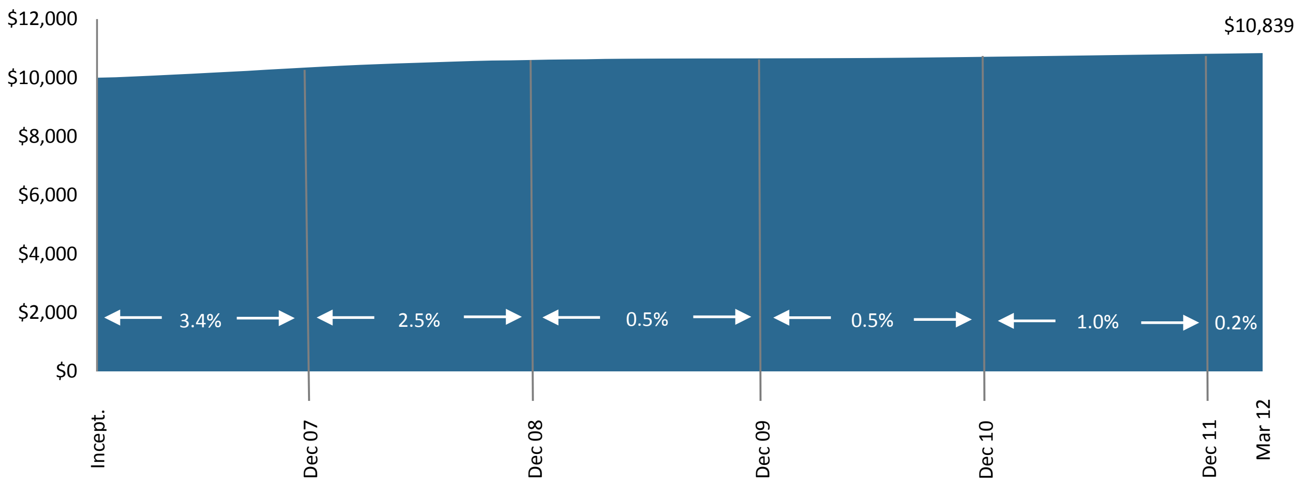


Compound Annualized Returns

	3 M	YTD	1 Y	2 Y	3 Y	5 Y	Incept*
Savings Fund	**0.2%**	**0.2%**	**1.0%**	**0.8%**	**0.7%**	**1.5%**	**1.6%**
DEX 91 Day T-Bill Index	0.2%	0.2%	0.9%	0.9%	0.7%	1.8%	1.9%

*Feb. 13, 2007

Growth of $10,000 Since Inception



Steadyhand Turns 5

Steadyhand opened its doors to investors five years ago. Since that bright spring day in April 2007, we've witnessed a lot – the biggest stock market decline since the Great Depression, a collapse in the U.S. housing market, derivatives gone wild, a global debt crisis, a strong market rebound, record low interest rates, investor paralysis, political revolution … and more. It's been an eventful period. And it's what we live for. Investors need a steady hand on their portfolio now more than ever.

To mark our 5th anniversary, we're publishing a series of five articles this month that take you inside our company and industry and touch on some of the principles and happenings that have shaped our business.

The first of the series is titled My Toughest Five Months. It's a candid look at the period from October 2008 to March 2009 – five months investors won't soon forget.

We'll also be updating our website each week with a Top 5 list. In the spirit of a 5 year old, it may be cheeky, quizzical, blunt or just plain offside. It's a fun age.

Disclaimers

First published on April 10, 2012, by Steadyhand Investment Management Ltd.