

SEAMARK Mutual Funds
Interim Financial Report (Unaudited)
For the six months ended June 30, 2009

SEAMARK Canadian Equity Fund

SEAMARK Dividend & Income Fund

SEAMARK North American Equity Fund

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To the unitholders of
SEAMARK Canadian Equity Fund
SEAMARK Dividend & Income Fund
SEAMARK North American Equity Fund

(collectively referred to as the “Funds”)

The Auditor of the Funds has not reviewed these financial statements.

SEAMARK Asset Management Ltd., the Manager and Trustee of the Funds, appoints an independent auditor to audit the Funds’ annual financial statements. Applicable securities laws require that if an auditor has not reviewed the Funds’ interim financial statements this must be disclosed in an accompanying notice. The annual report will contain the Funds’ annual audited financial information as at December 31, 2009.

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SEAMARK Canadian Equity Fund
STATEMENT OF NET ASSETS (Unaudited)
As at June 30, 2009 and December 31, 2008

	2009	2008
Assets		
Investments at fair value (Note 2)	\$ 628,862	\$ 621,194
Cash	-	6,547
Due from brokers	5,299	-
Dividends receivable	1,247	1,779
Total assets	635,408	629,520
Liabilities		
Bank indebtedness	2,319	-
Distributions payable to unitholders	2,490	10,888
Management fee payable	690	705
Other accrued liabilities	1,120	1,797
Total liabilities	6,619	13,390
Net assets representing Unitholders' Equity	\$ 628,789	\$ 616,130
Net assets per series		
Series A	\$ 195,441	\$ 240,826
Series F	\$ 433,348	\$ 375,304
Net assets per unit (Note 2(b))		
Series A	\$ 7.37	\$ 6.53
Series F	\$ 7.45	\$ 6.61
Net asset value per unit (Note 2(b))		
Series A	\$ 7.38	\$ 6.54
Series F	\$ 7.46	\$ 6.62

See accompanying notes to the financial statements

Signed on behalf of
SEAMARK Asset Management Ltd., Manager & Trustee



Chief Executive Officer



Chief Financial Officer

SEAMARK Canadian Equity Fund

STATEMENT OF OPERATIONS (Unaudited)

For the six months ended June 30, 2009

	2009	2008
Investment income		
Interest	\$ 522	\$ 395
Dividends	9,132	9,658
	9,654	10,053
Expenses (Note 2(i))		
Management fees	3,990	5,394
Administration fees	1,444	918
Custodial fees	10	19
Legal fees	645	3,532
Audit fees	2,638	6,810
Fund services fees	780	1,937
Regulatory filing fees	2,030	3,311
Unitholder reporting fees	592	734
Independent review committee fees	18	567
	12,147	23,222
Net loss before absorbed expenses	(2,493)	(13,169)
Expenses absorbed by fund manager	7,176	16,498
Net income	4,683	3,329
Realized and unrealized gain (loss) on investments and transaction costs		
Realized (loss) gain on sale of investments	(58,634)	7,727
Transaction costs (Notes 2(c) and 5)	(170)	(411)
Change in unrealized appreciation (depreciation) in value of investments	138,538	(15,707)
Net gain (loss) on investments and transaction cost	79,734	(8,391)
Increase (decrease) in net assets from operations	\$ 84,417	\$ (5,062)
Increase (decrease) in net assets from operations per series		
Series A	\$ 30,936	\$ (3,275)
Series F	\$ 53,481	\$ (1,787)
Increase (decrease) in net assets from operations per unit (Note 2(h))		
Series A	\$ 0.87	\$ (0.10)
Series F	\$ 0.92	\$ (0.03)

See accompanying notes to the financial statements

SEAMARK Canadian Equity Fund

STATEMENT OF CHANGES IN NET ASSETS (Unaudited)

For the six months ended June 30, 2009

	2009 Series A		2008 Series A		2009 Series F		2008 Series F	
Net assets, beginning of period	\$	240,826	\$	224,441	\$	375,304	\$	495,522
Increase (decrease) in net assets from operations		30,936		(3,275)		53,481		(1,787)
Capital unit transactions :								
Proceeds from units issued		-		187,559		-		55,000
Value of units redeemed		(80,056)		(17,144)		-		-
Units issued on reinvestment of distributions		4,384		2,290		8,981		6,224
Net capital unit transactions		(75,672)		172,705		8,981		61,224
Distributions paid to unitholders from :								
Net investment income		(649)		(263)		(4,418)		(2,200)
Net realized gains on investments		-		-		-		-
Total distributions paid to unitholders		(649)		(263)		(4,418)		(2,200)
Net assets, end of period	\$	195,441	\$	393,608	\$	433,348	\$	552,759

	2009 Total Fund		2008 Total Fund	
Net assets, beginning of period	\$	616,130	\$	719,963
Increase (decrease) in net assets from operations		84,417		(5,062)
Capital unit transactions :				
Proceeds from units issued		-		242,559
Value of units redeemed		(80,056)		(17,144)
Units issued on reinvestment of distributions		13,365		8,514
Net capital unit transactions		(66,691)		233,929
Distributions paid to unitholders from :				
Net investment income		(5,067)		(2,463)
Total distributions paid to unitholders		(5,067)		(2,463)
Net assets, end of period	\$	628,789	\$	946,367

See accompanying notes to the financial statements

SEAMARK Canadian Equity Fund

STATEMENT OF INVESTMENTS (Unaudited)

As at June 30, 2009

Description	No. of Shares or Par Value	Average Cost \$	Market Value \$	% of Net Assets
EQUITIES				
Energy				
EnCana Corp., common	550	35,711	31,719	
Husky Energy Inc., common	800	32,696	26,024	
Nexen Inc., common	1,225	35,652	30,956	
ShawCor Ltd., class A, Sub-Voting Shares	825	27,211	16,591	
Suncor Energy Inc., common	775	35,156	27,412	
Total Energy		166,426	132,702	21.10
Materials				
Agnico-Eagle Mines Ltd., common	300	14,887	18,381	
Teck Resources Ltd., class B, Sub-Voting Shares	600	23,507	11,130	
Yamana Gold Inc., common	2,375	30,086	24,462	
Total Materials		68,480	53,973	8.58
Industrials				
Aecon Group Inc., common	1,421	20,126	16,398	
Canadian National Railway Co., common	425	22,703	21,237	
Finning International Inc., common	750	22,247	12,510	
New Flyer Industries Inc., IDS	700	8,365	6,874	
Total Industrials		73,441	57,019	9.07
Consumer Discretionary				
Astral Media Inc., class A, Non-Voting	450	18,497	13,338	
Gildan Activewear Inc., common	950	31,712	16,369	
Shaw Communications Inc., class B, Non-Voting	1,000	22,094	19,570	
Tim Hortons Inc., common	700	24,778	19,894	
Total Consumer Discretionary		97,081	69,171	11.00
Consumer Staples				
Empire Co. Ltd., class A, Non-Voting	325	14,119	13,748	
Loblaw Cos. Ltd., common	575	22,008	19,981	
Shoppers Drug Mart Corp., common	350	18,703	17,486	
Total Consumer Staples		54,830	51,215	8.15

SEAMARK Canadian Equity Fund

Financials

Bank of Montreal, common	260	15,674	12,745	
Canadian Imperial Bank of Commerce, common	350	23,593	20,353	
Homburg Invest Inc., class A Non-Voting	300	13,974	2,055	
Manulife Financial Corp., common	1,350	42,257	27,257	
Royal Bank of Canada, common	700	37,107	33,243	
Sun Life Financial Inc., common	875	39,171	27,465	
TMX Group Inc., common	600	28,345	20,280	
Toronto-Dominion Bank, common	650	45,855	39,059	
Total Financials		245,976	182,457	29.02

Information Technology

MacDonald Dettwiler & Associates Ltd., common	550	22,349	14,520	
Research In Motion Ltd., common	325	26,483	26,871	
Total Information Technology		48,832	41,391	6.58

Telecommunication Services

TELUS Corp., common	565	28,441	17,430	2.77
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Utilities

Fortis Inc., common	925	25,238	23,504	3.74
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Total Equities		808,745	628,862	100.01
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Transaction cost		(721)		
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Total Investments		808,024	628,862	100.01
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Other net assets			(73)	(0.01)
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Total net assets			628,789	100.00
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SEAMARK Dividend & Income Fund


STATEMENT OF NET ASSETS (Unaudited)

As at June 30, 2009 and December 31, 2008

	2009		2008
Assets			
Investments at fair value (Note 2)	\$ 5,639,763	\$	5,084,741
Short-term investments (Note 2)	-		364,689
Cash	34,892		70,890
Accounts receivable for units sold	6,200		-
Dividends receivable	23,489		21,643
Other receivable	10,632		9,707
Total assets	5,714,976		5,551,670
Liabilities			
Distributions payable to unitholders	23,186		39,294
Accounts payable for units redeemed	300		-
Management fee payable	10,220		8,530
Other accrued liabilities	16,813		10,687
Total liabilities	50,519		58,511
Net assets representing Unitholders' Equity	\$ 5,664,457	\$	5,493,159
Net assets per series			
Series A	\$ 5,198,258	\$	4,208,402
Series F	\$ 466,199	\$	1,284,757
Net assets per unit (Note 2(b))			
Series A	\$ 7.32	\$	6.96
Series F	\$ 7.49	\$	7.08
Net asset value per unit (Note 2(b))			
Series A	\$ 7.33	\$	6.98
Series F	\$ 7.50	\$	7.10

See accompanying notes to the financial statements

Signed on behalf of
SEAMARK Asset Management Ltd., Manager & Trustee



Chief Executive Officer



Chief Financial Officer

SEAMARK Dividend & Income Fund

STATEMENT OF OPERATIONS (Unaudited)

For the six months ended June 30, 2009

	2009	2008
Investment income		
Interest	\$ 78,652	\$ 12,822
Dividends	71,833	51,713
	150,485	64,535
Expenses (Note 2(i))		
Management fees	52,777	25,399
Administration fees	2,394	1,435
Custodial fees	93	64
Legal fees	5,791	8,340
Audit fees	23,665	16,080
Fund services fees	7,002	4,574
Regulatory filing fees	18,212	7,817
Unitholder reporting fees	5,307	1,733
Independent review committee fees	160	1,340
	115,401	66,782
Net income (loss) before absorbed expenses	35,084	(2,247)
Expenses absorbed by fund manager	53,528	37,054
Net income	88,612	34,807
Realized and unrealized gain (loss) on investments and transaction costs		
Realized (loss) gain on sale of investments	(278,262)	4,234
Transaction costs (Notes 2(c) and 5)	(2,385)	(4,819)
Change in unrealized appreciation (depreciation) in value of investments	708,343	(76,953)
Net gain (loss) on investments and transaction costs	427,696	(77,538)
Increase (decrease) in net assets from operations	\$ 516,308	\$ (42,731)
Increase (decrease) in net assets from operations per series		
Series A	\$ 397,521	\$ (37,017)
Series F	\$ 118,787	\$ (5,714)
Increase (decrease) in net assets from operations per unit (Note 2(h))		
Series A	\$ 0.59	\$ (0.15)
Series F	\$ 0.69	\$ (0.10)

See accompanying notes to the financial statements

SEAMARK Dividend & Income Fund

STATEMENT OF CHANGES IN NET ASSETS (Unaudited)

For the six months ended June 30, 2009

	2009 Series A		2008 Series A		2009 Series F		2008 Series F	
Net assets, beginning of period	\$	4,208,402	\$	430,364	\$	1,284,757	\$	522,632
Increase (decrease) in net assets from operations		397,521		(37,017)		118,787		(5,714)
Capital unit transactions :								
Proceeds from units issued		778,843		3,403,446		1,575		25,000
Value of units redeemed		(131,226)		(100,360)		(944,967)		(10,000)
Units issued on reinvestment of distributions		66,660		40,510		35,300		18,210
Net capital unit transactions		714,277		3,343,596		(908,092)		33,210
Distributions paid to unitholders from :								
Net investment income		(121,942)		(81,941)		(29,253)		(17,204)
Total distributions paid to unitholders		(121,942)		(81,941)		(29,253)		(17,204)
Net assets, end of period	\$	5,198,258	\$	3,655,002	\$	466,199	\$	532,924

	2009 Total Fund		2008 Total Fund	
Net assets, beginning of period	\$	5,493,159	\$	952,996
Increase (decrease) in net assets from operations		516,308		(42,731)
Capital unit transactions :				
Proceeds from units issued		780,418		3,428,446
Value of units redeemed		(1,076,193)		(110,360)
Units issued on reinvestment of distributions		101,960		58,720
Net capital unit transactions		(193,815)		3,376,806
Distributions paid to unitholders from :				
Net investment income		(151,195)		(99,145)
Total distributions paid to unitholders		(151,195)		(99,145)
Net assets, end of period	\$	5,664,457	\$	4,187,926

See accompanying notes to the financial statements

SEAMARK Dividend & Income Fund

STATEMENT OF INVESTMENTS (Unaudited)

As at June 30, 2009

Description	Coupon Rate (%)	Maturity	No. of Shares or Par Value	Average Cost \$	Market Value \$	% of Net Assets
BONDS						
Federal Bonds						
Government of Canada	5.000%	01-Jun-37	60,000	75,315	71,610	1.26
Provincial Bonds						
Province of Ontario	4.700%	02-Jun-37	50,000	48,350	49,316	
Province of Ontario	6.500%	08-Mar-29	65,000	77,529	77,457	
Province of Quebec	5.500%	01-Dec-14	10,000	10,690	11,115	
Province of Quebec	4.500%	01-Dec-18	20,000	20,002	20,366	
				156,571	158,254	2.79
Corporate Bonds						
407 International Inc.	5.100%	20-Jan-14	50,000	49,952	53,449	
Bank of Montreal	5.050%	03-Sep-13	50,000	49,996	53,149	
Bank of Nova Scotia	5.300%	31-Jan-18	25,000	24,993	26,329	
EnCana Corp.	5.800%	18-Jan-18	25,000	24,935	26,346	
GE Capital Canada Funding Co.	5.150%	06-Jun-13	75,000	72,704	76,246	
Province of Ontario	4.300%	08-Mar-17	50,000	49,590	51,369	
Royal Bank of Canada	4.530%	07-May-12	68,000	67,168	71,100	
Sun Life Financial Inc.	7.900%	31-Mar-19	35,000	34,953	39,554	
Suncor Energy Inc.	6.700%	22-Aug-11	50,000	53,735	53,996	
Toronto-Dominion Bank	5.141%	19-Nov-12	30,000	30,000	32,054	
Union Gas Ltd.	9.700%	06-Nov-17	50,000	68,085	67,187	
Westcoast Energy Inc.	8.500%	04-Sep-18	50,000	63,870	62,588	
				589,981	613,367	10.83
Total Bonds				821,867	843,231	14.88
EQUITIES						
Energy						
EnCana Corp., common			3,925	239,611	226,355	
Fort Chicago Energy Partners LP, class A Units			16,975	155,250	143,609	
Husky Energy Inc., common			7,600	273,530	247,228	
Nexen Inc., common			6,925	187,745	174,995	
Penn West Energy Trust, units			9,025	198,883	133,480	
Total SA, ADRs			2,425	144,895	152,726	
TransCanada Corp., common			5,875	214,452	183,535	
Zargon Energy Trust, units			8,700	175,824	137,460	
Total Energy				1,590,190	1,399,388	24.70

SEAMARK Dividend & Income Fund

Materials

BHP Billiton Ltd., ADR	1,500	105,781	95,341	
Yamana Gold Inc., common	13,000	157,812	133,900	
Total Materials		263,593	229,241	4.05

Industrials

Bird Construction Income Fund, units	5,250	145,987	130,463	
New Flyer Industries Inc., IDS	10,425	117,646	102,374	
Total Industrials		263,633	232,837	4.11

Consumer Discretionary

Boston Pizza Royalties Income Fund, units	7,500	91,699	74,325	
Shaw Communications Inc., class B Non-Voting	7,900	161,035	154,603	
Total Consumer Discretionary		252,734	228,928	4.04

Consumer Staples

Colabor Income Fund, units	11,225	105,271	112,699	
Loblaws Cos. Ltd., common	3,850	126,862	133,788	
Nestle SA, ADR	2,650	112,272	115,778	
PepsiCo Inc., common	1,750	111,641	111,678	
Walgreen Co., common	2,875	101,628	98,129	
Total Consumer Staples		557,674	572,072	10.10

Health Care

Johnson & Johnson, common	2,150	148,096	141,674	2.50
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Financials

Canadian Imperial Bank of Commerce, common	3,650	201,473	212,247	
Crombie Real Estate Investment Trust, REIT	13,525	139,180	110,229	
Manulife Financial Corp., common	7,100	184,219	143,349	
Royal Bank of Canada, common	5,525	235,291	262,380	
Sun Life Financial Inc., common	5,100	144,015	160,089	
TMX Group Inc., common	4,350	163,198	147,030	
Toronto-Dominion Bank, common	4,625	270,985	277,915	
Total Financials		1,338,361	1,313,239	23.19

SEAMARK Dividend & Income Fund

Information Technology				
Nokia OYJ, Class A, ADR	6,300	112,088	106,674	1.88
Telecommunication Services				
Bell Aliant Regional Communications Income Fund	6,100	170,933	160,551	
Telefonica SA, ADR	1,475	103,474	116,243	
TELUS Corp., common	4,725	200,142	145,766	
Total Telecommunication Services		474,549	422,560	7.46
Utilities				
Fortis Inc., common	5,900	156,780	149,919	2.65
Total Equities		5,157,698	4,796,532	84.68
Transaction cost		(4,934)		
Total Investments		5,974,631	5,639,763	99.56
Other net assets			24,694	0.44
Total net assets			5,664,457	100.00

SEAMARK North American Equity Fund

STATEMENT OF NET ASSETS (Unaudited)

As of June 30, 2009 and December 31, 2008

	2009	2008
Assets		
Investments at fair value (Note 2)	\$ 1,182,914	\$ 1,054,486
Short-term investments (Note 2)	-	29,995
Cash	12,135	19,833
Due from brokers	8,628	-
Dividends receivable	2,163	2,153
Total assets	1,205,840	1,106,467
Liabilities		
Due to brokers	19,593	-
Distribution payable to unitholders	392	805
Management fee payable	1,668	1,630
Other accrued liabilities	2,242	2,351
Total liabilities	23,895	4,786
Net assets representing Unitholders' Equity	\$ 1,181,945	\$ 1,101,681
Net assets per series		
Series A	\$ 556,665	\$ 551,310
Series B	\$ 191,408	\$ 174,564
Series F	\$ 238,258	\$ 198,512
Series G	\$ 195,614	\$ 177,295
Net assets per unit (Note 2(b))		
Series A	\$ 7.56	\$ 6.90
Series B	\$ 7.57	\$ 6.90
Series F	\$ 7.66	\$ 6.97
Series G	\$ 7.67	\$ 6.98
Net asset value per unit (Note 2(b))		
Series A	\$ 7.57	\$ 6.90
Series B	\$ 7.58	\$ 6.91
Series F	\$ 7.67	\$ 6.98
Series G	\$ 7.68	\$ 6.99

See accompanying notes to the financial statements

Signed on behalf of
SEAMARK Asset Management Ltd., Manager & Trustee



Chief Executive Officer



Chief Financial Officer

SEAMARK North America Equity Fund

STATEMENT OF OPERATIONS (Unaudited)

For the six months ended June 30, 2009

	2009	2008
Investment income		
Interest	\$ 99	\$ 380
Dividends	11,754	9,359
	11,853	9,739
Expenses (Note 2(i))		
Management fees	8,701	7,594
Administration fees	1,528	992
Custodial fees	17	21
Legal fees	1,210	3,688
Audit fees	4,946	7,110
Fund services fees	1,463	2,022
Regulatory filing fees	3,806	3,456
Unitholder reporting fees	1,109	766
Independent review committee fees	30	593
	22,810	26,242
Net loss before absorbed expenses	(10,957)	(16,503)
Expenses absorbed by fund manager	12,432	17,244
Net income	1,475	741
Realized and unrealized gain (loss) on investments and transaction costs		
Realized (loss) gain on sale of investments	(95,834)	6,074
Transaction costs (Notes 2(c) and 5)	(340)	(476)
Change in unrealized appreciation (depreciation) in value of investments	199,913	(62,350)
Net gain (loss) on investments and transaction costs	103,739	(56,752)
Increase (decrease) in net assets from operations	\$ 105,214	\$ (56,011)
Increase (decrease) in net assets from operations per series		
Series A	\$ 47,665	\$ (27,748)
Series B	\$ 16,844	\$ (14,245)
Series F	\$ 22,317	\$ (1,197)
Series G	\$ 18,388	\$ (12,821)
Increase (decrease) in net assets from operations per unit (Note 2(h))		
Series A	\$ 0.62	\$ (0.66)
Series B	\$ 0.67	\$ (0.56)
Series F	\$ 0.75	\$ (0.30)
Series G	\$ 0.72	\$ (0.51)

See accompanying notes to the financial statements

SEAMARK North America Equity Fund

STATEMENT OF CHANGES IN NET ASSETS (Unaudited)

For the six months ended June 30, 2009

	2009		2008	
	Series A	Series A	Series B	Series B
Net assets, beginning of period	\$ 551,310	\$ 275,190	\$ 174,564	\$ 234,700
Increase (decrease) in net assets from operations	47,665	(27,748)	16,844	(14,245)
Capital unit transactions :				
Proceeds from units issued	4,500	249,702	-	-
Value of units redeemed	(46,982)	(9,820)	-	-
Units issued on reinvestment of distributions	172	2,805	-	2,430
Net capital unit transactions	(42,310)	242,687	-	2,430
Distributions paid to unitholders from :				
Net investment income	-	(127)	-	-
Total distributions paid to unitholders	-	(127)	-	-
Net assets, end of period	\$ 556,665	\$ 490,002	\$ 191,408	\$ 222,885

	2009		2008	
	Series F	Series F	Series G	Series G
Net assets, beginning of period	\$ 198,512	\$ 9	\$ 177,295	\$ 235,395
Increase (decrease) in net assets from operations	22,317	(1,197)	18,388	(12,821)
Capital unit transactions :				
Proceeds from units issued	17,125	45,000	-	-
Value of units redeemed	-	-	-	-
Units issued on reinvestment of distributions	1,076	110	599	2,896
Net capital unit transactions	18,201	45,110	599	2,896
Distributions paid to unitholders from :				
Net investment income	(772)	(110)	(668)	(460)
Total distributions paid to unitholders	(772)	(110)	(668)	(460)
Net assets, end of period	\$ 238,258	\$ 43,812	\$ 195,614	\$ 225,010

	2009		2008	
	Total Fund		Total Fund	
Net assets, beginning of period	\$ 1,101,681		\$ 745,294	
Increase (decrease) in net assets from operations	105,214		(56,011)	
Capital unit transactions :				
Proceeds from units issued	21,625		294,702	
Value of units redeemed	(46,982)		(9,820)	
Units issued on reinvestment of distributions	1,847		8,241	
Net capital unit transactions	(23,510)		293,123	
Distributions paid to unitholders from :				
Net investment income	(1,440)		(697)	
Total distributions paid to unitholders	(1,440)		(697)	
Net assets, end of period	\$ 1,181,945		\$ 981,709	

See accompanying notes to the financial statements

SEAMARK North America Equity Fund

STATEMENT OF INVESTMENTS (Unaudited)

As at June 30, 2009

Description	No. of Shares or Par Value	Average Cost \$	Market Value \$	% of Net Assets
EQUITIES				
Energy				
Nabors Industries Ltd., common	2,195	39,707	39,639	
Nexen Inc., common	1,725	34,482	43,591	
Suncor Energy Inc., common	770	25,291	27,235	
XTO Energy Inc., common	775	38,157	34,310	
Total Energy		137,637	144,775	12.25
Industrials				
Aecon Group, common	2,200	29,268	25,388	
FedEx Corp., common	695	63,804	44,885	
General Electric Co., common	1,875	53,247	25,477	
Norfolk Southern Corp., common	1,050	48,421	45,923	
Total Industrials		194,740	141,673	11.99
Consumer Discretionary				
Astral Media Inc., class A Non-Voting	775	24,442	22,971	
Coach Inc., common	1,615	42,775	50,415	
Comcast Corp., class A	2,105	42,123	35,423	
Nike Inc., class B	625	36,586	37,584	
Tim Hortons Inc., common	1,205	40,836	34,246	
Total Consumer Discretionary		186,762	180,639	15.28
Consumer Staples				
Loblaw Cos. Ltd., common	665	22,499	23,109	
PepsiCo Inc., common	500	34,825	31,908	
Sysco Corp., common	1,200	33,858	31,301	
Walgreen Co., common	1,205	44,453	41,129	
Total Consumer Staples		135,635	127,447	10.78
Health Care				
Johnson & Johnson, common	540	35,113	35,583	3.01

SEAMARK North America Equity Fund

Financials				
American Express Co., common	1,605	55,795	43,318	
Bank of America Corp., common	3,941	134,915	60,094	
Canadian Imperial Bank of Commerce, common	465	31,568	27,040	
JP Morgan Chase & Co., common	1,125	45,432	44,552	
Manulife Financial Corp., common	1,600	40,584	32,304	
Royal Bank of Canada, common	910	40,944	43,216	
TMX Group Inc., common	1,100	45,775	37,180	
Toronto-Dominion Bank, common	760	42,445	45,668	
Total Financials		437,458	333,372	28.21
Information Technology				
Cisco Systems Inc., common	1,500	43,283	32,471	
Corning Inc., common	2,000	35,676	37,302	
F5 Networks Inc., common	650	16,473	26,096	
Google Inc., class A	50	22,467	24,479	
Qualcomm Inc., common	725	33,868	38,091	
Research In Motion Ltd., common	510	35,426	42,167	
Total Information Technology		187,193	200,606	16.97
Telecommunication Services				
TELUS Corp., common	610	30,522	18,819	1.59
Total Equities		1,345,060	1,182,914	100.08
Transaction cost		(1,076)		
Total Investments		1,343,984	1,182,914	100.08
Other net assets			(969)	(0.08)
Total net assets			1,181,945	100.00

SEAMARK MUTUAL FUNDS
NOTES TO FINANCIAL STATEMENTS
For the six months ended June 30, 2009

1. Declaration of trust

The SEAMARK Mutual Funds (the "Funds") are open-end unincorporated mutual fund trusts created under the laws of the Province of Ontario pursuant to a Declaration of Trust dated September 26, 2007, by SEAMARK Asset Management Ltd., who acts as Manager and Trustee of the Funds.

2. Significant accounting policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("Canadian GAAP"), which include estimates and assumptions by management that may affect the reported amounts of assets, liabilities, income and expenses during the reporting period. Actual results could vary from these estimates.

(a) Recent developments

Financial instruments - disclosure and presentation

On January 1, 2008, the Funds adopted CICA Handbook Section 3862, "Financial Instruments – Disclosures" and Section 3863, "Financial Instruments – Presentation". The new standards replaced Section 3861, "Financial Instruments – Disclosure and Presentation". These sections establish standards for the comprehensive disclosure and presentation requirements for financial instruments. The standards include new requirements to quantify certain risk exposures and to provide sensitivity analysis for certain risks.

The detailed risks of investing in the Funds are disclosed in the Funds' Simplified Prospectus. Refer to Note 7 for new disclosures relating to adoption of the new requirements.

Capital disclosures

The Funds also adopted CICA Section 1535, "Capital Disclosures", which requires that a fund disclose information about its objectives, policies and processes for managing capital, including disclosures of any externally imposed capital requirements and the consequences of non-compliance. This standard impacts the Funds' disclosure provided but does not affect the Funds' results or financial position. Refer to Note 8 for the new disclosures.

(b) Valuation of investments

On April 1, 2005, the Canadian Institute of Chartered Accountants ("CICA") issued Section 3855, "Financial Instruments – Recognition and Measurement" of the CICA Handbook – Accounting, which establishes standards for the fair valuation of investments as well as the accounting treatment of transaction costs. Section 3855 applies to fiscal years beginning on or after October 1, 2006. Additionally, Section 14.2 of National Instrument 81-106 ("NI 81-106"), issued by the Canadian Securities Administrators (CSA) in 2005, requires the daily net asset value of an investment fund to be calculated in accordance with Canadian GAAP. The adoption of Section 3855 would result in the use of different valuation techniques of certain investments.

Investments are categorized as held for trading in accordance with Section 3855 "Financial Instruments - Recognition and Measurement". Investments are recorded at their fair value with the difference between this amount and cost being recorded as unrealized appreciation or depreciation in value of investments in the Statement of Operations.

The differences between this net asset value per unit and the net assets per unit on the Statement of Net Assets is due to different pricing methodologies used to calculate the net assets for financial reporting and the net asset value for fund pricing purposes. For investments that are traded in an active market where quoted prices are readily and regularly available, Section 3855 requires bid prices (for investments held) and ask prices (for investments sold short) to be used in the fair valuation of investments for financial statements, rather than the use of closing sale prices currently used for the purpose of determining net asset value for fund pricing purposes. For investments that are not traded in an active market, Section 3855 requires the use of specific valuation techniques, rather than the use of

valuation techniques by virtue of general practice in the investment funds industry. These changes account for the difference between net assets per unit and net asset value per unit.

The market value of investments as at the financial reporting period end is determined as follows:

- (i) Securities listed upon a recognized public stock exchange are valued at their bid prices on the valuation date. Securities with no available bid prices are valued at their closing sale prices.
- (ii) Securities not listed upon a recognized public stock exchange are valued using valuation techniques, on such basis and in such manner established by the Manager.
- (iii) Short-term notes, treasury bills, bonds, asset backed securities and other debt instruments are valued at the bid quotations from recognized investment dealers.
- (iv) Underlying funds are valued each business day at the price calculated by the manager of such underlying fund in accordance with the relevant documents of such underlying fund.

(c) Transaction costs

In accordance with Section 3855, transaction costs are expensed and are included in “Transaction costs” in the Statement of Operations. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commission paid to agents, advisors, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Prior to the adoption of Section 3855, transaction costs were capitalized and included in the cost of purchases or proceeds from sale of investments. There is no impact on the net asset value of the Funds in using either of these methods. The cost of investments for each security is determined on an average cost basis.

(d) Cash

Cash is comprised of cash or deposit and cash equivalents and is deemed to be held for trading and carried at fair value.

(e) Other Assets and Liabilities

Interest and dividends receivable are designated as loans and receivables and recorded at cost or amortized cost. Management fees payable and other liabilities are designated as financial liabilities and reported at amortized cost. Other assets and liabilities are short term in nature and amortized cost approximates fair value. Distributions payable to the unit holders are automatically re-invested into the Funds, unless otherwise specified by the unit holder.

(f) Unit valuation and valuation date

Units are issued and redeemed on a continuous basis at the net asset value per unit which is determined, for each class of units of each Fund. The unit valuation per class is determined by dividing the aggregate market value of the net assets of that class of the Fund by the total number of units of that class outstanding at the close of business on the valuation day.

(g) Investment transactions

Investment transactions are accounted for on the trade date.

(h) Revenue recognition

- (i) Interest income is recorded on the accrual basis.
- (ii) Dividend income is recorded on the ex-dividend date and is net of withholding taxes.
- (iii) Realized gains and losses on investments and unrealized appreciation (depreciation) in value of investments are calculated with reference to the average cost of the related investments.
- (iv) Income received from income trusts is recorded on the ex-distribution date and allocated between income, capital gains and return of capital when the information necessary for such an allocation becomes available.
- (v) Income, realized gain (loss) and unrealized gain (loss) is allocated among the classes on a pro-rata basis.

(i) Foreign exchange

Foreign currency amounts are expressed in Canadian dollars on the following basis:

- (i) Market value of investments, other assets and liabilities at the rate of exchange prevailing on each valuation date.
- (ii) Value of investment transactions, income and expenses at the rates prevailing on the respective dates of such transactions.

The portion of the results of operations arising from changes in foreign exchange rates on portfolio investments is not isolated from the fluctuations arising from changes in market prices. The combined effects of changes in foreign exchange rates and changes in market prices on portfolio investments are included in “Realized gain (loss) on sale of investments” or “Change in unrealized appreciation (depreciation) in value of investments” in the Statements of Operations.

(j) Increase (decrease) in net assets from operations per unit

Increase (decrease) in net assets from operations per unit in the Statement of Operations represents the increase (decrease) in net assets from operations attributable to each series for the period, divided by the weighted average number of outstanding units of that series during the period.

(k) Management fee and operating expenses

The Manager and Trustee is paid a management fee of 2.00% for Series A and Series B units and 0.75% for Series F and Series G units. This management fee is calculated on each class of units as a percentage of the net asset value of the class, as of the close of business on each business day. The Funds are responsible for the payment of all expenses relating to the operation and administration of the Funds. Operating expenses include audit, legal, transfer agent, trustee, administration, filing, cost of preparing financial reports and prospectus, reasonable costs incurred by its Independent Review Committee and miscellaneous expenses specific to each Fund. Common operating expenses are allocated on a pro-rata basis among all the series.

(l) Future accounting policy changes

In February 2008, the Canadian Accounting Standards Board confirmed that the International Financial Reporting Standards (“IFRS”) will replace current Canadian standards and interpretations as Canadian GAAP for publicly accountable enterprises effective January 1, 2011, which includes investment funds. The Funds will adopt IFRS on January 1, 2011. Management has commenced activities to identify key issues and the likely impacts resulting from the adoption of IFRS and is in the process of developing a changeover plan, which will include identifying differences between the Funds’ current accounting policies and those it expects to apply under IFRS, as well as any accounting policy and implementation decisions and their resulting impact, if any, on NAV of the Funds. Management has presently determined that there will be no significant impact to NAV per Unit as a result of the changeover to IFRS.

3. The units

The Funds may issue an unlimited number of units of each series. Series A units of each Fund are designed for retail investors. Series B units and Series G units of SEAMARK North American Equity Fund are designed for retail investors who want to minimize the impact of any currency risk between Canadian and U.S. dollar. Series F units of each Fund are designed for investors who participate in a fee-based or wrap account with a dealer or an advisor.

Changes in outstanding units of the SEAMARK Dividend & Income Fund for the period ended June 30, 2009 and 2008 were as follows:

	2009		2008	
	#	#	#	#
	Series A	Series F	Series A	Series F
Units, beginning of period	604,456	181,430	45,721	55,354
Subscriptions	115,136	225	368,848	2,699
Reinvestments	9,777	5,078	4,383	1,953
Redemptions	(18,740)	(124,502)	(10,914)	(1,075)
Units, end of period	710,629	62,231	408,038	58,931

Changes in outstanding units of the SEAMARK Canadian Equity Fund for the period ended June 30, 2009 and 2008 were as follows:

	2009		2008	
	#	#	#	#
	Series A	Series F	Series A	Series F
Units, beginning of period	36,893	56,797	22,829	49,999
Subscriptions	-	-	19,349	5,822
Reinvestments	672	1,365	234	634
Redemptions	(11,054)	-	(1,757)	-
Units, end of period	26,511	58,162	40,655	56,455

Changes in outstanding units of the SEAMARK North American Equity Fund for the period ended June 30, 2009 and 2008 were as follows:

	2009			
	#	#	#	#
	Series A	Series B	Series F	Series G
Units, beginning of period	79,954	25,282	28,484	25,399
Subscriptions	672	-	2,453	-
Reinvestments	25	-	160	90
Redemptions	(7,024)	-	-	-
Units, end of period	73,627	25,282	31,097	25,489

	2008			
	#	#	#	#
	Series A	Series B	Series F	Series G
Units, beginning of period	29,337	25,020	1	24,999
Subscriptions	27,007	-	4,909	-
Reinvestments	299	259	12	309
Redemptions	(1,052)	-	-	-
Units, end of period	55,591	25,279	4,922	25,308

4. Related party transactions

There were no related party transactions during the period, other than management fees paid to and expenses absorbed by the Manager and Trustee and seed money invested in initial year into the Funds by the Manager and Trustee.

5. Commission and other transaction costs

The Funds paid the following amounts in brokerage commissions and other transaction costs for portfolio transactions during the period:

	2009	2008
SEAMARK Dividend & Income Fund	\$ 2,385	\$ 4,819
SEAMARK Canadian Equity Fund	\$ 170	\$ 411
SEAMARK North American Equity Fund	\$ 340	\$ 476

6. Income taxes

The Funds qualify as unit fund trusts, and in the case of the Dividend & Income Fund as a mutual fund trust, as defined in the Income Tax Act (Canada). Pursuant to the terms of the declaration of trust establishing the Funds, the Funds pay or make payable in the calendar year to the unitholders all the net taxable investment income and such portion of the net capital gains which will result in the Funds paying no tax under the current provisions of the Act. As a result, under existing tax legislation, the net investment income and capital gains are taxable in the hands of the unitholders in the Funds. Accordingly, no provision for Canadian income taxes has been made in these financial statements.

7. Financial Risk Management

i. Canadian Equity Fund

The Fund's financial instruments consist of short-term debt securities and Canadian equity investments. As a result, the Fund is exposed to various types of risks that are associated with its investment strategies, financial instruments and markets in which it invests. The most important risks include market risk, interest rate risk, credit risk and liquidity risk. These risks and related risk management practices employed by the Fund are discussed below:

(a) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The investments of the Fund are subject to normal market fluctuations and the risks inherent in investment in equity financial markets. The maximum risk resulting from financial instruments held by the Fund is determined by the fair value of the financial instruments. The Manager moderates market risk through a careful selection of securities and diversification of the Fund. The Manager monitors the Fund's overall market positions on a daily basis and positions are maintained within established ranges.

The Fund's market risk is affected by changes in actual market prices as measured by broad market indices. If the following index had increased (decreased) by 10% at June 30, 2009, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Market Sensitivity			
	June 30, 2009		
Index:	Historical Correlation ¹	10% Increase	10% Decrease
S&P TSX	1.0	\$64,313	(\$64,313)

¹ For the five-year period ended June 30, 2009, based on the weighted average of securities held on June 30, 2009.

	December 31, 2008		
Index:	Historical Correlation ¹	10% Increase	10% Decrease
S&P TSX	0.9	\$55,907	(\$55,907)

¹ For the five-year period ended December 31, 2008, based on the weighted average of securities held on December 31, 2008.

In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

(b) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or fair values of financial instruments. Interest rate risk arises when the Fund invests in interest-bearing financial instruments. The Fund is exposed to the risk that the value of such financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. The Fund's exposure to interest rate risk is concentrated in its investment in short-term debt securities. Other assets and liabilities are short-term in nature and/or non-interest bearing.

The majority of the Fund's financial assets and liabilities are non-interest bearing. As a result, the Fund is not subject to a significant amount of interest rate risk due to fluctuations in the prevailing level of market interest rates.

(c) Credit risk

Credit risk is the risk that a loss could arise from a security issuer or counterparty to a financial instrument not being able to meet its financial obligations. The Fund's main credit risk exposure is in short-term debt securities. The Fund limits its exposure to credit loss by investing its cash in fixed income securities with high credit quality. To reduce the risk of default on Fund investments, the Manager performs ongoing credit evaluations based upon factors such as the current financial condition of the issuer, historical trends and other information.

As at June 30, 2009, the Fund had no significant investments in debt instruments and/or derivatives.

(d) Liquidity risk

The Fund's exposure to liquidity risk is primarily related to the daily cash redemptions of redeemable units. The units of the Fund are redeemed on demand at the current Transactional NAV per unit at the option of the unitholder. Liquidity risk is managed by investing the majority of the Fund's assets in investments that are traded in an active market and can be readily disposed. In addition, the Fund aims to retain sufficient cash and cash equivalent positions to maintain liquidity.

The Fund's investments are considered readily realizable and highly liquid, therefore the Fund's liquidity risk is considered minimal.

ii. Dividend and Income Fund

The Fund's financial instruments consist of short-term debt securities, bonds and equity investments. As a result, the Fund is exposed to various types of risks that are associated with its investment strategies, financial instruments and markets in which it invests. The most important risks include market risk, currency risk, interest rate risk, credit risk and liquidity risk. These risks and related risk management practices employed by the Fund are discussed below:

(a) Market risk

The investments of the Fund are subject to normal market fluctuations and the risks inherent in investment in financial markets. The maximum risk resulting from financial instruments held by the Fund is determined by the fair value of the financial instruments. The Manager moderates market risk through a careful selection of securities and diversification of the Fund. The Manager monitors the Fund's overall market positions on a daily basis and positions are maintained within established ranges.

The Fund's market risk is affected by changes in actual market prices as measured by broad market indices. If the following indices had increased (decreased) by 10% at June 30, 2009, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Market Sensitivity			
	June 30, 2009		
Index:	Historical Correlation ¹	10% Increase	10% Decrease
S&P TSX	0.9	\$356,573	(\$356,573)
S&P 500	0.6	\$21,717	(\$21,717)
MSCI EAFE	0.9	\$54,598	(\$54,598)

¹ For the five-year period ended June 30, 2009, based on the weighted average of securities held on June 30, 2009.

Market Sensitivity			
	December 31, 2008		
Index:	Historical Correlation ¹	10% Increase	10% Decrease
S&P TSX	0.9	\$282,597	(\$282,597)
S&P 500	0.9	\$40,903	(\$40,903)
MSCI EAFE	1.0	\$38,800	(\$38,800)

¹ For the five-year period ended December 31, 2008, based on the weighted average of securities held on December 31, 2008.

In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

(b) Currency risk

The Statement of Investments identifies all investments denominated in foreign currencies. Equities in foreign markets and foreign bonds are exposed to currency risk as the prices denominated in foreign currencies are converted to the Fund's functional currency in determining fair value.

The Fund holds assets that are denominated in currencies other than the Canadian Dollar, the functional currency. It is therefore exposed to currency risk, as the value of the securities denominated in other currencies fluctuate due to changes in exchange rates. The table below summarizes the Fund's exposure to currency risks. Amounts shown are based on the carrying value of monetary and non-monetary assets.

June 30, 2009		
Currency Type	Currency Exposure (\$)	Percentage of Net Assets (%)
USA	\$941,282	16.62%

December 31, 2008		
Currency Type	Currency Exposure (\$)	Percentage of Net Assets (%)
USA	\$858,660	15.63%

All amounts in Canadian dollar.

As at June 30, 2009, if the exchange rate between the Canadian Dollar and the foreign currencies to which the Fund is exposed increased or decreased by 5%, with all other variables held constant, net assets would have increased or decreased, respectively, by approximately \$47,064 (2008-\$42,933). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

(c) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or fair values of financial instruments. Interest rate risk arises when the Fund invests in interest-bearing financial instruments. The Fund is exposed to the risk that the value of such financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. The Fund's exposure to interest rate risk is concentrated in its investment in short-term debt securities and bonds. Other assets and liabilities are short-term in nature and/or non-interest bearing.

The below table summarizes the Fund's exposure to interest rate risk, categorized by earlier of contractual re-pricing or maturity dates.

June 30, 2009						
	Less Than 1 Month (\$)	1-3 Months (\$)	3 Months - 1 Year (\$)	1 - 5 Years (\$)	> 5 Years (\$)	Total (\$)
Interest Rate Exposure	\$nil	\$nil	\$nil	\$339,993	\$503,236	\$843,229

December 31, 2008						
	Less Than 1 Month (\$)	1-3 Months (\$)	3 Months - 1 Year (\$)	1 - 5 Years (\$)	> 5 Years (\$)	Total (\$)
Interest Rate Exposure	\$99,983	\$264,706	\$nil	\$361,161	\$703,559	\$1,429,409

At June 30, 2009, should interest rates have decreased by 25 basis points with all other variables remaining constant, the increase in net assets for the period would amount to approximately \$14,420 (2008-\$21,999). Conversely, if interest rates had risen by 25 basis points, the decrease in net assets would amount to approximately \$14,420 (2008-\$21,999). In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

(d) Credit risk

Credit risk is the risk that a loss could arise from a security issuer or counterparty to a financial instrument not being able to meet its financial obligations. The Fund's main credit risk exposure is in short-term debt securities and bonds. The Fund limits its exposure to credit loss by investing in fixed income securities with high credit quality. To reduce the risk of default on Fund investments, the Manager performs ongoing credit evaluations based upon factors such as the current financial condition of the issuer, historical trends and other information.

The Fund's fixed income securities have been assigned an investment grade credit rating by Dominion Bond Rating Services, Standard & Poor's, and/or Moody's. At June 30, 2009, the Fund's credit risk exposures grouped by credit ratings are listed in the following table (credit ratings are Dominion Bond Rating Services ratings or the equivalent ratings assigned by Standard & Poor's or Moody's):

June 30, 2009	
Credit Rating	Percentage of Net Assets (%)
AAA	1.26%
AA	6.31%
A	4.07%
BBB or lower	3.24%
Total	14.88%

December 31, 2008	
Credit Rating	Percentage of Net Assets (%)
AAA	14.41%
AA	4.30%
A	5.13%
BBB or lower	2.18%
Total	26.02%

(e) Liquidity risk

The Fund's exposure to liquidity risk is primarily related to the daily cash redemptions of redeemable units. The units of the Fund are redeemed on demand at the current Transactional NAV per unit at the option of the unitholder. Liquidity risk is managed by investing the majority of the Fund's assets in investments that are traded in an active market and can be readily disposed. In addition, the Fund aims to retain sufficient cash and cash equivalent positions to maintain liquidity.

The Fund's investments are considered readily realizable and highly liquid, therefore the Fund's liquidity risk is considered minimal.

iii. North American Equity Fund

The Fund's financial instruments consist of short-term debt securities and equity investments. As a result, the Fund is exposed to various types of risks that are associated with its investment strategies, financial instruments and markets in which it invests. The most important risks include market risk, currency risk, interest rate risk, credit risk and liquidity risk. These risks and related risk management practices employed by the Fund are discussed below:

(a) Market risk

The investments of the Fund are subject to normal market fluctuations and the risks inherent in investment in financial markets. The maximum risk resulting from financial instruments held by the Fund is determined by the fair value of the financial instruments. The Manager moderates market risk through a careful selection of securities and diversification of the Fund. The Manager monitors the Fund's overall market positions on a daily basis and positions are maintained within established ranges.

The Fund's market risk is affected by changes in actual market prices, as measured by broad market indices. If the following indices had increased (decreased) by 10% at June 30, 2009, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Market Sensitivity			
June 30, 2009			
Index:	Historical Correlation ¹	10% Increase	10% Decrease
S&P TSX	1.1	\$48,998	(\$48,998)
S&P 500	1.3	\$98,420	(\$98,420)

¹ For the five-year period ended June 30, 2009, based on the weighted average of securities held on June 30, 2009.

December 31, 2008			
Index:	Historical Correlation ¹	10% Increase	10% Decrease
S&P TSX	1.0	\$34,367	(\$34,367)
S&P 500	1.0	\$69,179	(\$69,179)

¹ For the five-year period ended December 31, 2008, based on the weighted average of securities held on December 31, 2008.

In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

(b) Currency risk

The Statement of Investments identifies all investments denominated in foreign currencies. Equities in foreign markets and foreign bonds are exposed to currency risk as the prices denominated in foreign currencies are converted to the Fund's functional currency in determining fair value.

The Fund holds assets that are denominated in currencies other than the Canadian Dollar, the functional currency. It is therefore exposed to currency risk, as the value of the securities denominated in other currencies fluctuate due to changes in exchange rates. The table below summarizes the Fund's exposure to currency risks. Amounts shown are based on the carrying value of monetary and non-monetary assets.

June 30, 2009		
Currency Type	Currency Exposure (\$)	Percentage of Net Assets (%)
USA	\$761,403	64.42%

December 31, 2008		
Currency Type	Currency Exposure (\$)	Percentage of Net Assets (%)
USA	\$706,599	64.14%

All amounts are in Canadian dollar.

As at June 30, 2009, if the exchange rate between the Canadian Dollar and the foreign currencies the Fund is exposed to increased or decreased by 5%, with all other variables held constant, net assets would have increased or decreased, respectively, by approximately \$38,070 (2008-\$35,330). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

(c) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or fair values of financial instruments. Interest rate risk arises when the Fund invests in interest-bearing financial instruments. The Fund is exposed to the risk that the value of such financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. The Fund's exposure to interest rate risk is concentrated in its investment in short-term debt securities. Other assets and liabilities are short-term in nature and/or non-interest bearing.

The majority of the Fund's financial assets and liabilities are non-interest bearing. As a result, the Fund is not subject to a significant amount of interest rate risk due to fluctuations in the prevailing level of market interest rates.

(d) Credit risk

Credit risk is the risk that a loss could arise from a security issuer or counterparty to a financial instrument not being able to meet its financial obligations. The Fund's main credit risk is in its short-term debt securities. The Fund limits its exposure to credit loss by placing its cash and cash equivalents in fixed income securities with high credit quality. To reduce the risk of default on Fund investments, the Manager performs ongoing credit evaluations based upon factors such as the current financial condition of the issuer, historical trends and other information.

As at June 30, 2009, the Fund had no significant investments in debt instruments and/or derivatives.

(e) Liquidity risk

The Fund's exposure to liquidity risk is primarily related to the daily cash redemptions of redeemable units. The units of the Fund are redeemed on demand at the current Transactional NAV per unit at the option of the unitholder. Liquidity risk is managed by investing the majority of the Fund's assets in investments that are traded in an active market and can be readily disposed. In addition, the Fund aims to retain sufficient cash and cash equivalent positions to maintain liquidity.

The Fund's investments are considered readily realizable and highly liquid, therefore the Fund's liquidity risk is considered minimal.

8. Capital Management

The units issued and outstanding represent the capital of each fund. Each of the Funds is authorized to issue an unlimited number of units and in an unlimited number of series. Unitholder's are entitled to distributions, if any. Distributions on units of a fund are reinvested in additional units of its own fund or, at the option of the unitholders, paid in cash. The Funds have no restrictions on specific capital requirement on the subscriptions and redemptions of units. The relevant movements are shown on the Statement of Changes in Net Assets. In accordance with its investment objectives and strategies, and the risk management practices outlined in the Note 7, the Funds endeavor to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions, such as liquidity being augmented by maintaining sufficient cash and cash equivalents or disposal of investments where necessary.

9. Comparative Figures

Certain comparative figures have been reclassified to conform to the presentation for the period ended June 30, 2009.