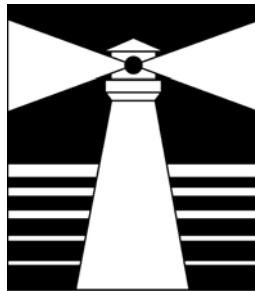


SEAMARK Dividend & Income Fund

Interim Management Report of Fund Performance

For the six months ended June 30, 2009



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This interim management report of fund performance contains financial highlights but does not contain either interim or annual financial statements of the investment fund. You can get a copy of the interim or annual financial statements at your request, and at no cost, by calling 1-888-303-5055, by writing to us at SEAMARK Asset Management Ltd., 1801 Hollis Street, Suite 310, Halifax, NS B3J 3N4 or by visiting our website at www.seamark.ca or SEDAR at www.sedar.com.

Unitholders may request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure at no cost by calling or writing us or by visiting our website.

Results of Operations

The dismal equity market conditions of 2008 continued into the first few months of 2009. Then, in early March, global equity markets began a strong rally that continued until mid-June. The improved investor confidence behind the equity rally can be linked to greater stability in the global financial system and to early signs that the significant and co-ordinated government stimulus programs are having their intended effect of stabilizing general economic conditions. Oil, base metals and most other commodities experienced good price appreciation driven by a combination of reduced concerns about the global economy, positive expectations about China, a weakening of the U.S. dollar (in which most commodities are priced) and rising inflation expectations (which is a key driver of commodity prices). Overall, the S&P/TSX Composite Index generated a total return of 17.6% for the six month period.

The improved investor confidence behind the equity market rally was mirrored in a general "flight from quality" in the bond market. Credit spreads narrowed dramatically in the first half of 2009, as investors became more comfortable holding corporate debt. The corporate bond sector of the DEX Universe Bond Index returned 10.2% over the first six months of 2009, while the federal bond sector fell -0.9%. The overall DEX Universe Bond Index generated a total return of 2.8% during the period. The Bank of Canada committed to maintaining overnight interest rates at the rock bottom level of 0.25% until at least June 2010. This had the desired impact of encouraging short-term interest rates to remain low, but has also ignited concerns about the potential for future inflation.

The Fund's distribution policy is to pay a monthly distribution that will, on an annual basis and relative to the unit value of the Fund at the beginning of each year, be approximately equal to the yield of Government of Canada ten-year bonds plus 2%. At the beginning of 2009 this distribution was set to 3 cents per unit per month. Investment returns for all classes of units of the Fund for the first six months of 2009 have exceeded this rate, resulting in an increase in net asset values during the period.

The Fund had an average of 4.8% in cash and short-term investments, 18.7% in bonds, 60.1% in Canadian equities, and 16.8% in foreign equities during the period.

Cash equivalents, primarily short-term Government of Canada treasury bills, averaged a return of approximately 0.3% during the period, reflecting the very low short-term interest rates available on Government of Canada treasury bills.

The Fund's bonds generated an average return of 3.7% for the period, with returns coming primarily from corporate issues.

The Fund's Canadian equities generated an average return of 14.4% for the period. The Canadian equities that contributed most to the Fund's performance were the Toronto-Dominion Bank, Royal Bank of Canada, Canadian Imperial Bank of Commerce, TMX Group Inc., and Nexen Inc. common shares, Bird Construction Trust units, Fort Chicago Energy Partners L.P. class A units, and New Flyer Industries Inc. income deposit securities. The Canadian equities that detracted most from performance were Shaw Communications Inc. class B non-voting shares, Total Energy Service Trust units, and Zargon Energy Trust units. Each of these positions continue to be held in the Fund as of the date of this report (August 14, 2009), except for Nexen Inc. common shares and Total Energy Services Trust units.

The Fund's foreign equities detracted from performance during the period, generating an average Canadian dollar return of -4.53%, after the effect of a strengthening Canadian dollar. The largest foreign equity detractors from Fund performance were Comcast Corporation class A shares, Johnson & Johnson and Bank of America Corporation common shares, and Nokia Corporation ADRs. The largest foreign equity contributors to Fund performance were BHP Billiton Ltd. and Total SA ADRs and Walgreen Co. common shares. Each of these positions continue to be held in the Fund as of the date of this report (August 14, 2009), except for Comcast Corporation class A shares and Bank of America Corporation common shares.

The Fund experienced modest net redemptions during the period that did not impact the management of the Fund or the pursuit of the Fund's investment strategy.

The Fund's overall strategy remained consistent throughout the period. Asset mix began 2009 at 7.6% cash and cash equivalents, 19.3% in bonds, 57.6% in Canadian equities, and 15.5% in foreign equities. As of June 30th it stood at 0.4% cash and cash equivalents, 14.8% in bonds, 68.2% in Canadian equities and 16.6% in foreign equities. The relative increase in the weight of equities and decrease in the weight of fixed income was partially the result of the differences in the relative returns of these two asset classes during the period, and partially a result of our aggregate investment decisions, which included a net buying of equities during the period, based on our assessment of the relative risk and return potential of individual equity securities, and a net selling of bonds, based on our assessment of the relative unattractiveness of their potential returns moving forward compared to the potential risk.

As part of the active management of the Fund, the following are the most significant changes to the overall allocation of the Fund to specific portfolio assets since December 31, 2008:

- Cash and cash equivalent investments declined to fund net buying of equity investments.
- The overall position in Government of Canada and Canadian provincial bonds was reduced.
- The overall position in corporate bonds was increased through the purchase of a Sun Life Financial Inc. floating rate bond with a maturity of March 31, 2019 and the purchase of a 407 International Inc. 5.1% bond with a maturity of January 20, 2014.
- New positions were established in Sun Life Financial Inc. and PepsiCo. Inc. common shares.
- The positions in EnCana Corporation, Royal Bank of Canada, TMX Group Inc., The Toronto-Dominion Bank and Husky Energy Inc. common shares and Penn West Energy Trust units were increased.

- All Total Energy Service Trust units, Barclays Plc and Canon Inc. ADRs, and Pfizer Inc., Bank of America Corporation and Aecon Group Inc. common shares were sold.

Recent Developments

From June 30, 2009 to the date of the writing of this report (August 14, 2009), Canadian equity and bond markets have experienced small positive returns. There have been no significant changes to the investment strategy pursued in the Fund. There are no known or anticipated events considered reasonably likely to impact the Fund or its future performance other than those normally associated with market investments.

The Independent Review Committee (“IRC”) is currently composed of two members and is in the process of seeking a replacement member. Mr. Holland resigned from the IRC on March 31, 2009 in order to avoid any perceived conflict of interest as he is the Chairman of a registered dealer.

Changeover to International Financial Reporting Standards (“IFRS”)

In February 2008, the Canadian Accounting Standards Board confirmed that the IFRS will replace current Canadian standards and interpretations as Canadian generally accepted accounting principles for publicly accountable enterprises effective January 1, 2011, which includes investment funds. The Fund 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.

Related Party Transactions

SEAMARK Asset Management Ltd. (“SEAMARK”) is the manager and trustee of the Fund (the “Manager”). SEAMARK collects no fees for these services other than those set out below under the heading “Management Fees”.

As part of the launch of the Fund, SEAMARK purchased the initial units of the Fund. In addition, distributions on the units held by SEAMARK are being automatically re-invested in the purchase of additional units of the Fund. At the end of June 30, 2009, SEAMARK owned 1.105 Series A units of the Fund and 55,666.574 Series F units of the Fund. SEAMARK may redeem these units without notice.

The Manufacturers Life Insurance Company, a wholly-owned subsidiary of Manulife Financial Corporation (“Manulife”), owns approximately 31% of the total shares of SEAMARK outstanding. As such, Manulife may be considered a related party to SEAMARK and to the Fund. The Fund may purchase or dispose of securities issued by Manulife when considered appropriate for the Fund by the Manager in light of the Fund’s investment objectives. Such transactions are subject to conditions established by the Fund’s Independent Review Committee (“IRC”) and are reviewed by the IRC. As of June 30, 2009 the Fund had purchased a total of 7,100 common shares of Manulife.

Note on Forward-Looking Statements

This document may contain forward-looking statements. These forward-looking statements are subject to known and unknown risks and uncertainties and other factors which may cause actual results, levels of activity and achievements to differ materially from those expressed or implied by such statements. Such

factors include, but are not limited to: general economic, market and business conditions; fluctuations in securities prices, fluctuation in interest rates and foreign currency exchange rates; and actions by governmental authorities. Future events and their effects on the Fund may not be those anticipated by the Manager. Actual results may differ materially from the results anticipated in these forward-looking statements. We do not undertake, and specifically disclaim, any obligation to update or revise any forward-looking information, whether as a result of new information, future developments or otherwise.

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the six month period ended June 30, 2009, and for each of the past 2 years ended December 31. This information is derived from the Fund's unaudited interim financial statements and audited annual financial statements.

SEAMARK Dividend & Income Fund Series A[†]

The Fund's Net Assets per Unit⁽⁹⁾

	June 30 2009	Dec. 31 2008	Dec. 31 2007
Net Assets, beginning of period ⁽¹⁾⁽³⁾	\$ 6.96	\$ 9.41	\$ 10.00
Increase (decrease) from operations:			
total revenue	0.18	0.43	0.11
total expenses	(0.09)	(0.21)	(0.09)
realized gains (losses) for the period	(0.34)	(0.38)	0.05
unrealized gains (losses) for the period	0.84	(2.07)	(0.37)
Total increase (decrease) from operations⁽¹⁾	0.59	(2.23)	(0.30)
Distributions from:			
income (excluding dividends)	(0.18)	(0.60)	(0.06)
dividends	-	-	(0.01)
capital gains	-	-	(0.07)
Total annual distributions⁽²⁾	(0.18)	(0.60)	(0.14)
Net Assets, end of period	\$ 7.32	\$ 6.96	\$ 9.41

⁽¹⁾ Net asset and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period.

⁽²⁾ Distributions were paid in cash/reinvested in additional units of the Fund, or both.

⁽³⁾ This information is derived from the Fund's unaudited semi-annual financial statements as at June 30 and audited annual financial statements as at December 31, of the period shown and the net assets presented in the financial statements differs from the net asset value calculated for fund pricing purposes. An explanation of these differences can be found in Note 2 of the notes to the financial statements.

Ratios and Supplemental Data

	June 30 2009	Dec. 31 2009	Dec. 31 2007
Net asset value ⁽¹⁾	5,207,600	4,218,355	430,981
Number of units outstanding ⁽¹⁾	710,629	604,456	45,721
Management expense ratio (%) ⁽²⁾	2.42	2.41	2.43
Management expense ratio before waivers or absorptions (%)	4.51	4.89	24.58
Portfolio turnover rate (%) ⁽³⁾	23.35	24.77	3.92
Trading expense ratio (%) ⁽⁴⁾	0.08	0.18	0.17
Net asset value per unit	\$ 7.33	\$ 6.98	\$ 9.43

⁽¹⁾ The information is provided as at June 30 or December 31 of the period shown.

⁽²⁾ Management expense ratio is based on total expenses including GST, but excluding transaction cost for the stated period and is expressed as an annualized percentage of daily average net assets during the period.

⁽³⁾ The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

⁽⁴⁾ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the period.

[†]The Dividend & Income Fund Series A was created on September 27, 2007.

SEAMARK Dividend & Income Fund Series F[†]

The Fund's Net Assets per Unit ⁽³⁾

	June 30 2009	Dec. 31 2008	Dec. 31 2007
Net Assets, beginning of period ^{(1) (3)}	\$ 7.08	\$ 9.44	\$ 10.00
Increase (decrease) from operations:			
total revenue	0.18	0.43	0.10
total expenses	(0.04)	(0.11)	(0.04)
realized gains (losses) for the period	(0.30)	(0.44)	0.04
unrealized gains (losses) for the period	0.85	(2.55)	(0.56)
Total increase (decrease) from operations ⁽¹⁾	0.69	(2.67)	(0.46)
Distributions from :			
income (excluding dividends)	(0.18)	(0.60)	(0.07)
dividends	-	-	(0.01)
capital gains	-	-	(0.07)
Total annual distributions ⁽²⁾	(0.18)	(0.60)	(0.15)
Net Assets, end of period	\$ 7.49	\$ 7.08	\$ 9.44

⁽¹⁾ Net asset and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period.

⁽²⁾ Distributions were paid in cash/reinvested in additional units of the Fund, or both.

⁽³⁾ This information is derived from the Fund's unaudited semi-annual financial statements as at June 30 and audited annual financial statements as at December 31, of the period shown and the net assets presented in the financial statements differs from the net asset value calculated for fund pricing purposes. An explanation of these differences can be found in Note 2 of the notes to the financial statements.

Ratios and Supplemental Data

	June 30 2009	Dec. 31 2008	Dec. 31 2007
Net asset value ⁽¹⁾	467,037	1,287,795	523,381
Number of units outstanding ⁽¹⁾	62,231	181,430	55,354
Management expense ratio (%) ⁽²⁾	1.10	1.10	1.09
Management expense ratio before waivers or absorptions (%)	2.05	2.23	11.06
Portfolio turnover rate (%) ⁽³⁾	23.35	24.77	3.92
Trading expense ratio (%) ⁽⁴⁾	0.08	0.18	0.17
Net asset value per unit	\$ 7.50	\$ 7.10	\$ 9.46

⁽¹⁾ The information is provided as at June 30 or December 31 of the period shown.

⁽²⁾ Management expense ratio is based on total expenses including GST, but excluding transaction cost for the stated period and is expressed as an annualized percentage of daily average net assets during the period.

⁽³⁾ The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

⁽⁴⁾ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the period.

[†] The Dividend & Income Fund Series F was created on September 27, 2007.

Management Fees

Management fees are calculated and accrued daily as a percentage of the net asset value of each Series of the Fund. They are paid monthly to SEAMARK Asset Management Ltd. as manager of the Fund. The management fee to be charged to each Series of the Fund is set out in the Simplified Prospectus, and is calculated prior to applicable taxes. For Series F, the maximum annual management fee is 0.75%. For Series A, the maximum annual management fee is 2.00%.

The Manager is currently reimbursing the Fund for substantially all of the operating expenses of the Fund. For Series F, 100% of the management fees collected by the Manager were used to pay for operating expenses of the Fund. For Series A, 38% of the management fees collected by the Manager were used to pay for operating expenses of the Fund and 62% were paid as trailing commissions to dealers as set out in the Simplified Prospectus.

Past Performance

The past performance of the Fund is set out below.

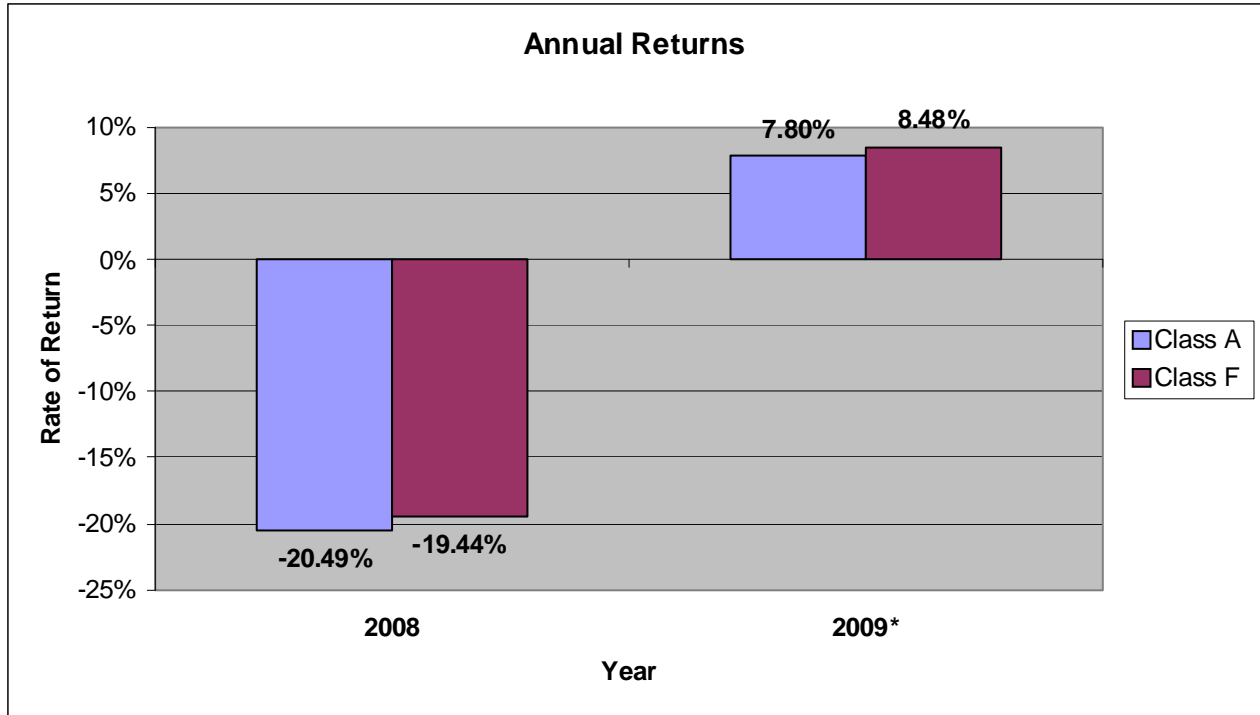
With respect to the charts displayed below, please note the following:

- (a) the returns or performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund;
- (b) the return or performance information does not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance; and,
- (c) how the Fund has performed in the past does not necessarily indicate how it will perform in the future.

Performance will vary slightly by class largely due to the extent that fees and expenses may differ between Fund series.

Year-by-Year Returns

The following bar chart shows the Fund's annual performance for 2008, the sole full financial year for which the Fund has been in existence, plus the performance for the six month period ending June 30, 2009. The chart shows, in percentage terms, how much an investment made on the first day of each period would have increased or decreased by the last day of each period. The returns for 2009 are for the six-month period from January 1, 2009 until June 30, 2009.



* Returns for the six month period ending June 30, 2009.

Summary of Investment Portfolio
as at June 30, 2009*

Asset Mix	% of Net Assets
Cash & Cash Equivalents	0.4%
Bonds and Debentures	14.8%
Canadian Equities	68.2%
US Equities	6.2%
International Equity	10.4%
Total	100%

Allocation by Sector

Cash & Cash Equivalents	0.4%
Federal Bonds	1.3%
Provincial Bonds	3.7%
Corporate Bonds	9.9%
Consumer Discretionary	4.1%
Consumer Staples	10.1%
Energy	24.7%
Financials	23.2%
Health Care	2.5%
Industrials	4.1%
Information Technology	1.9%
Materials	4.1%
Telecommunications	7.5%
Utilities	2.6%
Total	100%

Top 25 Investments	% of Net Assets
Toronto-Dominion Bank (The), common shares	4.9%
Royal Bank of Canada, common shares	4.6%
Husky Energy Inc., common shares	4.4%
EnCana Corporation, common shares	4.0%
Canadian Imperial Bank of Commerce, common shares	3.8%
TransCanada Corporation, common shares	3.2%
Nexen Inc., common shares	3.1%
Bell Aliant Regional Communications Income Fund, units	2.8%
Sun Life Financial Inc., common shares	2.8%
Shaw Communications Inc., class B shares	2.7%
Total Energy Services Inc, American depositary receipt	2.7%
Fortis Inc., common shares	2.6%
TMX Group Inc, common shares	2.6%
TELUS Corp., common shares	2.6%
Fort Chicago Energy Partners L.P., class A units	2.6%
Manulife Financial Corp., common shares	2.5%
Johnson & Johnson, common shares	2.5%
Zargon Energy Trust, units	2.4%
Yamana Gold Inc., common shares	2.4%
Loblaw Companies Ltd., common shares	2.4%
Penn West Energy, Trust units	2.4%
Bird Construction Trust, units	2.3%
Telefonica S.A., American depositary receipt	2.1%
Nestle S A, American depositary receipt	2.0%
Colabor Income Fund, units	2.0%
Total	72.4%

Total Net Assets: \$5,664,457

* The summary of investment portfolio may change due to ongoing portfolio transactions of the Fund. Quarterly updates will be available at no cost by calling 1-888-303-5055, by writing to us at SEAMARK Asset Management Ltd., 1801 Hollis Street, Suite 310, Halifax, NS B3J 3N4 or by visiting our website at: www.seamark.ca



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