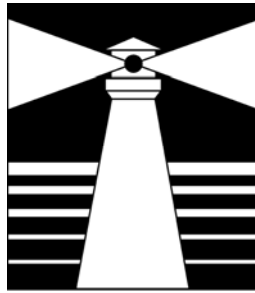


SEAMARK Canadian Equity Fund

Annual Management Report of Fund Performance

For the year ended December 31, 2008



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This 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. (“SEAMARK”), 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.

Annual Management Discussion of Fund Performance

Investment Objective and Strategies

The SEAMARK Canadian Equity Fund (the “Fund”) seeks to provide investors with long-term capital gains supplemented by current dividend income by investing primarily in Canadian equities listed on the Toronto Stock Exchange.

The Fund is invested through a bottom-up approach that seeks to identify companies with superior long-term investment merit based on proven management, competitive position, and strong balance sheets. Preference is given to companies with durable growth prospects.

Risk

The risks associated with investing in this Fund remain as discussed in the simplified prospectus dated May 29, 2008. The Fund is designed for investors who are seeking long-term capital appreciation through a portfolio of Canadian equity securities. The Fund is suitable for individuals who have a medium tolerance for investment risk and are comfortable investing for the medium to long-term.

Results of Operations

In 2008, equity markets around the globe experienced significant declines, generally in the order of 30% or greater in local currency terms. The experience of the Canadian equity market, as measured by the S&P/TSX Composite Index, was similar, declining 33% for the year.

The returns for each class of the Fund exceeded the benchmark S&P/TSX Composite Index for the year, but were nevertheless strongly negative as the overall market declines impacted all equity securities.

The Fund benefitted from having an average of 4.5% of the Fund allocated to cash & cash equivalent securities over the course of the year. While the yields on cash & cash equivalents were very low for the year, averaging approximately 1%, this was better than the severe declines experienced by equities. As of December 31, 2008, the Fund has reduced its weight in cash & cash equivalents to 1% as we believe the Fund is best served by being fully invested in equities at the current time.

The Fund's equity investments were selected on the expectation that they have the potential to generate above average investment returns compared to the overall market over a multi-year time period. For the full year 2008, the Fund's equity investments did generate a return in excess of the benchmark S&P/TSX Composite Index, but were still strongly negative with an average decline of 31.9%.

The decline in equities during the year was broad based, with all 10 sectors of the S&P/TSX Composite Index experiencing declines. The Fund's sector weighting had relatively little impact on the Fund's equity returns compared to the benchmark index over the full year.

The Fund holdings that contributed most to the Fund's performance were CHC Helicopter Corp. class A sub-voting shares, which appreciated over 30% in the year as the company was taken over, Agnico Eagle Mines Ltd. common shares, which returned 15.6%, and Loblaw Companies Ltd. common shares, which returned 6%. As of December 31, 2008 the Fund continues to hold Agnico Eagle Mines Ltd. common shares and Loblaw Companies Ltd. common shares.

The holdings that most detracted from the Fund's performance during the year were Gildan Activewear Inc. class A sub-voting shares, which declined over 65%, Forbes Energy Services Ltd. common shares, which declined over 77%, and Toronto Dominion Bank common shares, which declined over 35%. As of December 31, 2008, the Fund continues to hold all three of these positions, as we expect each to provide the opportunity for attractive returns in upcoming years.

The Fund is a relatively new fund, launched in the fall of 2007. It experienced modest net new sales during 2008 and is expected to experience modest net new sales in 2009. The cash flow resulting from such net new sales did not materially impact the performance of the Fund during 2008 and is not expected to impact the performance of the Fund in 2009.

Recent Developments

From December 31, 2008 to the date of the writing of this report (March 18, 2009) general Canadian equity market weakness has continued. 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.

On January 1, 2008, the Fund adopted the Canadian Institute of Chartered Accountants ("CICA") Handbook Section 3862, "Financial Instruments – Disclosures" and Section 3863, "Financial Instruments – Presentation". The new standards replaced Section 3861, "Financial Instruments – Disclosure and Presentation". The new disclosure standards increase the emphasis on the disclosure of risks associated with financial instruments and how those risks are managed. Adoption of the new standards does not impact the daily price of the Fund's securities for subscription and redemption purposes, nor for the calculation of net assets.

On January 1, 2008, the Fund adopted CICA Section 1535, "Capital Disclosures", which requires that the 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 Fund's disclosure provided but does not affect the Fund's results or financial position.

Section 14.2 of amended National Instrument 81-106 ("NI 81-106") issued by the Canadian Securities Administrators came into force on September 8, 2008. The amendment requires an investment fund to calculate its daily net asset value ("Net Asset Value") for the purchase and redemption of shares based on

the fair value of the investment fund's assets and liabilities, the Fund has not changed its valuation methodology in its investments with the adoption of the amendments.

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 is the manager and trustee of the Fund. SEAMARK collects no fees for these services other than those set out below under the heading "Manager 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. As at December 31, 2008, SEAMARK held 1.011 Series A units, 50,924.378 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 on a quarterly basis. As of December 31, 2008 the Fund held 750 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 2008 and 2007.

SEAMARK Canadian Equity Fund Series A[†]

The Fund's Net Assets per Unit ⁽⁹⁾		2008	2007
Net Assets, beginning of year ⁽¹⁾⁽³⁾	\$	9.83	\$ 10.00
Increase (decrease) from operations:			
total revenue		0.24	0.05
total expenses		(0.22)	(0.09)
realized gains for the year		0.10	0.04
unrealized gains (losses) for the year		(3.63)	0.57
Total increase (decrease) from operations⁽¹⁾		(3.51)	0.57
Distributions from :			
income (excluding dividends)		-	(0.01)
dividends		(0.03)	(0.02)
capital gains		(0.10)	(0.06)
Total annual distributions⁽²⁾		(0.13)	(0.09)
Net Assets, end of year	\$	6.53	\$ 9.83

(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 audited annual financial statements as at December 31, of the year 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

	2008	2007
Net asset value ⁽¹⁾	241,407	224,704
Number of units outstanding ⁽¹⁾	36,893	22,829
Management expense ratio (%) ⁽²⁾	2.41	2.43
Management expense ratio before waivers or absorptions (%)	5.56	27.02
Portfolio turnover rate (%) ⁽³⁾	23.94	5.17
Trading expense ratio (%) ⁽⁴⁾	0.07	0.15
Net asset value per unit	\$ 6.54	\$ 9.84

(1) The information is provided as at December 31 of the year 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 Canadian Equity Fund Series A was created on September 27, 2007.

SEAMARK Canadian Equity Fund Series F

The Fund's Net Assets per Unit ⁽³⁾

	2008	2007
Net Assets, beginning of year ⁽¹⁾⁽³⁾	\$ 9.91	\$ 10.00
Increase (decrease) from operations:		
total revenue	0.24	0.06
total expenses	(0.10)	(0.04)
realized gains for the year	0.10	0.08
unrealized losses for the year	(3.34)	(0.10)
Total decrease from operations ⁽¹⁾	(3.10)	-
Distributions from :		
income (excluding dividends)	-	(0.02)
dividends	(0.11)	(0.02)
capital gains	(0.10)	(0.06)
Total annual distributions ⁽²⁾	(0.21)	(0.09)
Net Assets, end of year	\$ 6.61	\$ 9.91

⁽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 audited annual financial statements as at December 31, of the year 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

	2008	2007
Net asset value ⁽¹⁾	376,211	496,102
Number of units outstanding ⁽¹⁾	56,797	49,999
Management expense ratio (%) ⁽²⁾	1.10	1.09
Management expense ratio before waivers or absorptions (%)	2.54	12.20
Portfolio turnover rate (%) ⁽³⁾	23.94	5.17
Trading expense ratio (%) ⁽⁴⁾	0.07	0.15
Net asset value per unit	\$ 6.62	\$ 9.92

⁽¹⁾ The information is provided as at December 31 of the year 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 Canadian Equity 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 “Manager”). 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 and includes year-to-date returns.

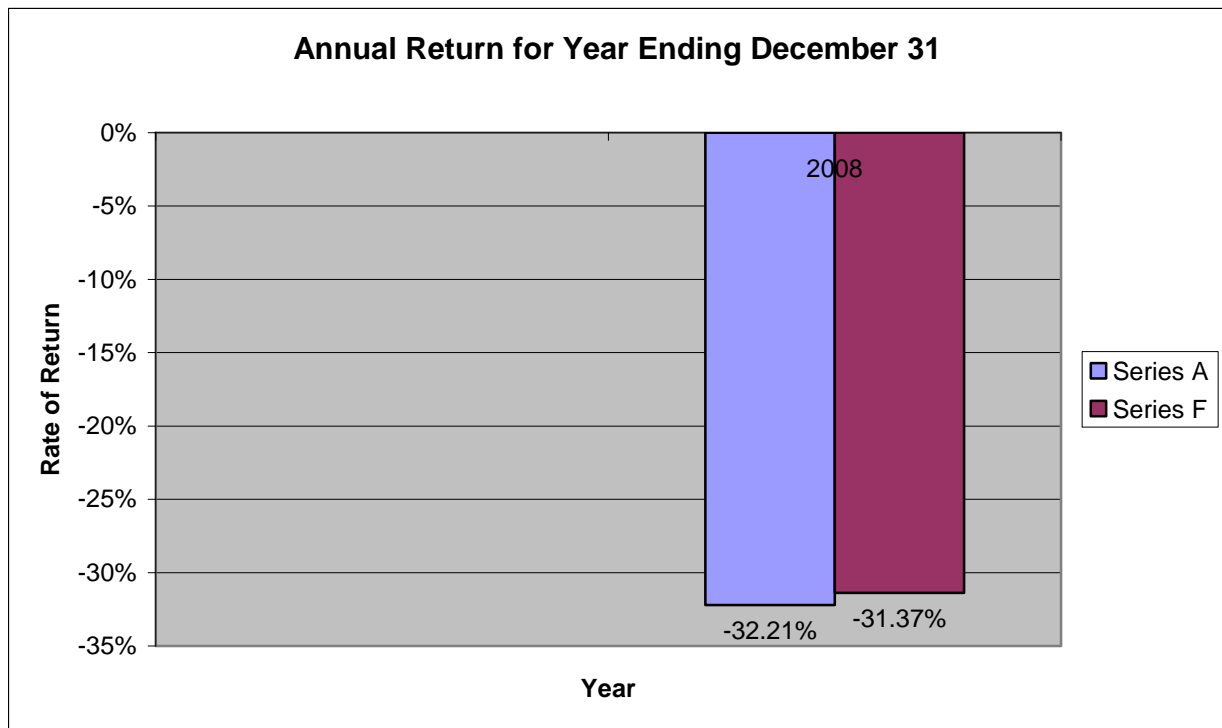
With respect to the charts displayed below, please note the following:

- (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. The chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the last day of each financial year.



Annual Compound Returns

The following table shows the Fund's historical annual compound returns for periods ending December 31, 2008, as compared to the performance of the S&P/TSX Composite Index.

The S&P/TSX Composite Index is a capitalization-weighted index designed to measure market activity of stocks listed on the TSX. The TSX listed companies in this index comprise about 71% of market capitalization for all Canadian based companies listed on the TSX.

For 2008 and since inception, the returns of each class of the Fund have exceeded its benchmark and have exceeded the returns of the S&P/TSX Composite Index. A more in-depth discussion of the performance of the Fund as compared to that of its benchmark can be found in the section "Results of Operations".

	Past 1 year	Since Inception (September 28 th , 2007)
SEAMARK Canadian Equity Fund- Series A	-32.21%	-26.94%
S&P/TSX Composite Index	-33.00%	-28.00%
	Past 1 year	Since Inception (September 28 th , 2007)
SEAMARK Canadian Equity Fund- Series F	-31.37%	-25.76%
S&P/TSX Composite Index	-33.00%	-28.00%

Summary of Investment Portfolio
as at December 31, 2008*

Allocation by Sector	% of Net Assets
Cash & Cash Equivalents	1.0%
Consumer Discretionary	13.4%
Consumer Staples	9.5%
Energy	20.2%
Financials	24.1%
Industrials	11.1%
Information Technology	5.3%
Materials	8.7%
Telecommunications	3.8%
Utilities	4.7%
Total	100%

Top 25 Investments	% of Net Assets
Toronto-Dominion Bank (The), common shares	6.0%
EnCana Corp., common shares	4.8%
Yamana Gold Inc., common shares	4.8%
Nexen Inc., common shares	4.8%
Shaw Communications Inc., class B shares	4.7%
Fortis Inc., common shares	4.7%
Royal Bank of Canada, common shares	4.4%
Tim Hortons Inc., common shares	4.2%
TELUS Corp., common shares	3.9%
Loblaw Companies Ltd., common shares	3.8%
Husky Energy Inc., common shares	3.5%
Canadian Imperial Bank Of Commerce, common shares	3.3%
Agnico Eagle Mines Ltd., common shares	3.3%
Canadian National Railway Co., common shares	3.3%
Suncor Energy Inc., common shares	3.2%
Aecon Group Inc., common shares	3.1%
Shoppers Drug Mart Corporation, common shares	3.1%
Sun Life Financial Inc., common shares	3.1%
Research in Motion Limited, common shares	2.8%
Shawcor Ltd., class A shares	2.7%
New Flyer Industries Inc., income deposit securities	2.6%
Empire Company Ltd., class A shares	2.6%
Manulife Financial Corporation, common shares	2.5%
MacDonald, Dettwiler and Associates Ltd., common shares	2.4%
TMX Group Inc., common shares	2.4%
Total	90.0%

* The summary of investment portfolio may change due to ongoing portfolio transactions of the Fund. You may obtain quarterly updates 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.



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