

SEAMARK Dividend & Income Fund

Summary of Investment Portfolio and Fund Manager Commentary

For the quarter ended September 30, 2009

Global equity markets continued their steady march higher during the third quarter. In the space of four short months equity markets have rallied fifty percent or more from the lows of early March. In local currency terms, the Canadian equity market lagged most other world markets during the quarter, but ranked near the top in Canadian dollar terms as the loonie rose 8% against the U.S. dollar. Bond markets also recorded a gain, as yields moved lower. For the second straight quarter bond returns were led by the corporate sector. Provincial bonds also did well as yield spreads continued to narrow.

The Fund's performance was led by Financial sector holdings and a number of strong performers in other sectors, including Bird Construction which is adding to its order backlog, leading to expectations that it can increase its conservative current distribution. Other strong performers included Penn West Energy Trust and Zargon Energy Trust which are benefitting from stronger energy prices. Among foreign holdings, Walgreen, BHP Billiton, and Telefonica all added value during the quarter. Detracting from performance were a small number of securities that did not participate in the general price appreciation this quarter, including Nexen, Husky Energy, Loblaw, and Nokia.

During the quarter we sold our positions in Nexen and Boston Pizza, and reinvested the proceeds in companies where we anticipate greater income generation. This included taking a new position in CML Healthcare Income Fund, a leading Canadian diagnostic services business providing laboratory testing services and medical imaging services. CML's strengths are the relative stability of its cash flows, the defensive, non-discretionary characteristics of its underlying business, and its growth prospects in the U.S. medical imaging market. We also purchased Aecon Group convertible debentures maturing in 2014. We believe there is upside potential in Aecon from increased infrastructure spending and the investment also generates an attractive current yield.

The Fund has a current yield of 5.1%, which is equal to its 2009 distribution target, and is well diversified. The Fund's asset mix remains essentially unchanged with 85% invested in equities. The remainder is held in bonds, whose returns have trailed the returns from equities in recent months, but which remain an integral part of achieving the Fund's objective of providing a steady predictable income stream.

SEAMARK Dividend & Income Fund
Summary of Investment Portfolio as at September 30th, 2009* (unaudited)

Asset Mix	% of Net Assets
Cash & Cash Equivalents	1.0%
Bonds and Debentures	14.4%
Canadian Equities	68.2%
US Equities	6.1%
International Equity	10.2%
Total	100%

Allocation by Sector

Cash & Cash Equivalents	1.0%
Federal Bonds	1.2%
Provincial Bonds	3.6%
Corporate Bonds	9.6%
Consumer Discretionary	2.6%
Consumer Staples	8.4%
Energy	21.9%
Financials	24.5%
Health Care	4.9%
Industrials	6.8%
Information Technology	1.8%
Materials	4.3%
Telecommunications	7.0%
Utilities	2.5%
Total	100%

Top 25 Investments	% of Net Assets
Royal Bank of Canada, common shares	5.3%
Toronto-Dominion Bank (The), common shares	5.0%
Canadian Imperial Bank of Commerce, common shares	4.7%
EnCana Corp., common shares	4.1%
Husky Energy Inc., common shares	3.8%
Penn West Energy, trust units	3.3%
TransCanada Corp., common shares	3.3%
Bird Construction Trust, units	3.1%
TELUS Corp., common shares	2.7%
Manulife Financial Corporation, common shares	2.7%
TMX Group Inc., common shares	2.6%
Total SA, ADR	2.6%
Colabor Group Inc., common shares	2.6%
CML Healthcare Income Fund, units	2.6%
Shaw Communications Inc., class B shares	2.6%
Fort Chicago Energy Partners L.P., class A units	2.5%
Crombie Real Estate Investment Trust, units	2.5%
Yamana Gold Inc., common shares	2.5%
Fortis Inc., common shares	2.5%
Johnson & Johnson, common shares	2.3%
Zargon Energy Trust, units	2.3%
New Flyer Industries Inc., income deposit security	2.2%
Bell Aliant Regional Communications Income Fund, units	2.2%
Telefonica SA, ADR	2.0%
Nestle SA, ADR	2.0%
Total	74.0%

Total Net Assets: \$ 6,005,170

* The summary of investment portfolio may change due to ongoing portfolio transactions of the Fund. The prospectus and other information about the Fund is available 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.