

To Our Clients:

I am sure that you have heard the news and read the newspaper headlines regarding the financial crisis in the United States. This crisis, largely based on very bad mortgage loans compounded by highly indebted financial institutions threatens to dwarf global financial markets.

In the past week the Federal Reserve and U.S. government have undertaken extraordinary measures to stabilize markets. These steps include taking over troubled insurance companies, proposing the establishment of a fund that would in effect purchase underperforming loans from banks and guaranteeing the value of money market funds. In addition, central banks around the world have injected liquidity into the banking system. Over the last two days equity markets have responded positively to these measures and the crisis seems to have abated for now.

We want to reassure you that we have not been affected by the serious events that have recently occurred in financial markets. Since our inception we have only invested our cash balances in Government of Canada Treasury Bills. We avoided other fixed income instruments offering higher yields to prevent exactly against the possibility of getting caught up in the events of the last few days.

Our equity positions have held up extremely well. The shares that we purchased earlier this year are now well above their cost base. More importantly, the underlying businesses are capitalizing on the current turbulence. Because they are industry leaders and financially sound their competitive positions have strengthened at the expense of their weaker rivals and their long term franchise values have increased.

As well the recent market weakness has provided us with the opportunity to purchase a new company and where appropriate “top up” existing investments to our target weightings.

We have always preached “safety first.” It is at times like these that the value of our approach becomes apparent. We take great pride in the fact that our approach provides you with a strong sense of comfort while providing positive long term returns.

As always please feel free to contact me directly if you have any questions.

Thank you for your continued support.

**Vito Maida
Friday September 19, 2008.**
