

Further to recent market developments, one of the underlying funds in the Meritage Global Equity Portfolio™ has exceeded the authorized deviation limit of 2.5%. In keeping with the Meritage strategic rebalancing policy, the entire portfolio has therefore been rebalanced and the weighting of the four underlying funds has been readjusted based on their initial target.

### Meritage Global Equity Portfolio™ Rebalancing

**Rebalancing date:** March 18 2008

**Decision rule:** Complete rebalancing of the portfolio in the event of a deviation greater than  $\pm 2.5\%$  of at least one of the funds included in the portfolio.

	Target %	% as at March 14, 2008	Deviation	Decision Rule	Rebalancing
Meritage Global Equity Portfolio™					
Mac Cundill Value	30.0%	28.9%	1.1%	< 2.5%	YES
Trimark Fund	30.0%	29.0%	1.0%	< 2.5%	
Mac Ivy Foreign Equity	30.0%	33.3%	3.3%	< 2.5%	
Brandes Global Small Cap Equity	10.0%	8.8%	1,2%	< 2.5%	

**Auto-rebalancing:**



Meritage Portfolios™ are rebalanced on an ongoing basis to fit the initial selection and prevent overexposure to any specific asset category.

If a specific fund market value deviates more than 2.5% from its original target, we will proceed with a rebalancing of the portfolio.