

**AMENDMENT NO. 2 DATED MAY 23, 2008
TO THE SIMPLIFIED PROSPECTUS DATED SEPTEMBER 25, 2007 AS AMENDED
BY AMENDMENT NO. 1 DATED OCTOBER 31, 2007**

Meritage Canadian Equity Portfolio
Meritage Global Equity Portfolio
Meritage American Equity Portfolio
Meritage International Equity Portfolio
Meritage Conservative Portfolio
Meritage Moderate Portfolio
Meritage Balanced Portfolio
Meritage Growth Portfolio
Meritage Equity Portfolio
Meritage Conservative Income Portfolio
Meritage Moderate Income Portfolio
Meritage Balanced Income Portfolio
Meritage Growth Income Portfolio
Meritage Equity Income Portfolio

(collectively, the “Portfolios”)

The simplified prospectus dated September 25, 2007, as amended by amendment no. 1 dated October 31, 2007 (the “Simplified Prospectus”) respecting the mutual fund securities of the Portfolios, is amended as follows.

All capitalized terms not defined herein have the respective meanings set out in the Simplified Prospectus.

Change of Manager and Distributor

As announced in October 2007, National Bank Financial Group is proceeding with its plan to consolidate the activities of Altamira Investment Services Inc., the manager of the Portfolios, and Altamira Financial Services Ltd., with those of National Bank Securities Inc., the manager of the National Bank Mutual Funds and Omega Funds.

Accordingly, on or about November 1, 2008, it is proposed that Altamira Investment Services Inc. will merge with Altamira Financial Services Ltd. and National Bank Securities Inc., and the resulting company will be named National Bank Securities Inc. The merger is subject to regulatory approval.

As a result of the merger, National Bank Securities Inc. will assume responsibility for the management of the Portfolios and for the management and distribution of the Altamira Funds, while maintaining its activities as manager and distributor of the National Bank Mutual Funds and Omega Funds.

Change of Head Office of Manager

As part of the process of integrating the Altamira business into National Bank, effective May 20, 2008, the head office of Altamira Investment Services Inc. has moved from Toronto to Montreal. Accordingly, the address of the manager of the Portfolios is now 1100 University, 10th Floor, Montreal, Quebec, H3B 2G7.

Purchaser's Statutory Rights

Securities legislation in some provinces gives you the right to withdraw from an agreement to buy mutual funds within two business days of receiving the Simplified Prospectus, or to cancel your purchase within forty-eight hours after receiving confirmation of your order.

Securities legislation in some provinces and territories also allows you to cancel an agreement to buy mutual fund units or shares and get your money back, or to make a claim for damages, if the Simplified Prospectus, annual information form or financial statements misrepresent any facts about the Fund. These rights must usually be exercised within certain time limits.

For more information, refer to the securities legislation of your province or territory or consult your lawyer.

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