

December 12, 2011

December 2011 Announcement of Underlying Fund Replacements in the Meritage Portfolios®

Further to important portfolio manager change announcements by underlying funds held in the Meritage Portfolios®, National Bank Securities Inc. undertook a thorough due diligence process in collaboration with Aon Hewitt to evaluate the impact of these developments.

As a result of the analysis, a decision was made to replace the AGF International Stock Class by the PH&N Overseas Equity Fund, because of the portfolio management change, among other reasons. The PH&N Overseas Equity Fund is managed by Jennifer Witterick at Sky Investment Counsel.

The McLean Budden American Equity Fund will be replaced by the Dynamic American Value Fund, managed by David Fingold, and the McLean Budden International Equity Fund will be replaced by the Manulife World Investment Fund co-managed by David Ragan and Jim Hall at Mawer Investment Management. The review demonstrated that the new portfolio management teams assigned to manage the McLean Budden funds have not been at the helm of these funds for three consecutive years as prescribed by the Meritage Potfolios® Fund Selection process.

For similar reasons, the Dynamic Value Fund of Canada will be replaced by the Manulife Canadian Investment Fund, managed by Jim Hall, at Mawer Investment Management. At the same time, and further to a thorough review of investment style complementarities within the Meritage Portfolios®, the Mackenzie Saxon Small Cap Fund will be replaced by the Dynamic Power Small Cap Fund, managed by Alexander Lane.

These replacements will take place on or about January 23, 2012.

The following Meritage Portfolios® will be affected by these changes:

- Meritage Conservative Portfolio
- Meritage Moderate Portfolio
- Meritage Balanced Portfolio
- Meritage Growth Portfolio
- Meritage Growth Class Portfolio
- Meritage Equity Portfolio
- Meritage Equity Class Portfolio
- Meritage Canadian Equity Portfolio
- Meritage Canadian Equity Class Portfolio
- Meritage International Equity Portfolio
- Meritage American Equity Portfolio

The underlying funds' weights in the Meritage Portfolios® will not change following this announcement.

Funds in the Meritage Portfolios® are selected using a quantitative approach known as the Select Rating System®. In order to ensure better objectivity in the selection process of the underlying funds in which the Meritage Portfolios® invest, National Bank Securities funds cannot be included in the portfolios. Moreover, the fund selection and monitoring process for the Meritage Portfolios® is reviewed and validated by Aon Hewitt.

The 14 Meritage Portfolios® were built to suit the needs of investors with varying risk tolerance levels and investment horizons. They offer a complete investment solution with optimal diversification across asset classes, regions, market capitalizations and management styles in an integrated fund-of-funds structure.

Each portfolio is a blend of some of the best funds in the industry. From over 5,000 funds available to investors, 23 were carefully selected based on their potential return, sustained performance over time and the synergy of their portfolio managers' investment approaches. The value of assets under management in the Meritage Portfolios® currently amounts to more than \$1.4 billion. Further information is available at www.meritageportfolios.com.

Meritage Portfolio® (the "Portfolios") are managed by National Bank Securities Inc., a subsidiary of National Bank of Canada. References to National Bank Securities are to National Bank Securities Inc. Commissions, trailing commissions, management fees and expenses all may be associated with investments in the Portfolios. Please read the prospectus of the Portfolios before investing. The Portfolios securities are not insured by the Canada Deposit Insurance Corporation or by any other government deposit insurer. The Portfolios are not guaranteed, their values change frequently and past performance may not be repeated. "Meritage Portfolios®" and the Meritage Portfolios logo are trade-marks of National Bank of Canada. References to National Bank Securities are to National Bank Securities Inc. All trade-marks and logos of the mutual funds companies are their property. National Bank Securities Inc. is an authorized user. Fidelity Investments is a registered trade-mark of FMR LLC. ® CI Investments and the CI Investments design are trade-marks of CI Investments Inc. "Dynamic" is a registered trade-mark of Dundee Corporation. "Dynamic Funds" and "Invest with Advice" are trade-marks of Dundee Corporation. TD Asset Management Inc. is a wholly owned subsidiary of The Toronto-Dominion Bank. The TD logo is a trade-mark of The Toronto-Dominion Bank. Invesco and all associated trade-marks are trade-marks of Invesco Holding Company Limited, used under licence. Trimark and all associated trade-marks are trade-marks of Invesco Canada Ltd. © Invesco Canada Ltd., 2011. The AGF logo and "What are you doing after work?" are trade-marks of AGF Management Limited and are used under licence.