

ScotiaMcLeod™

ScotiaMcLeod is the wholly-owned investment arm of Scotiabank, and part of one of Canada's largest financial organizations. ScotiaMcLeod is a leading full-service investment firm serving clients in more than 70 branches across the country. They draw on over 80 years of insight and experience to help their clients build and preserve their wealth.

First Defined Portfolio Management Co.

First Defined Portfolio Management Co. (hereafter referred to as First Trust Portfolios Canada) is the Canadian affiliate of First Trust Advisors L.P. (FTA), which is headquartered in Wheaton, Illinois, a suburb of Chicago. FTA is our U.S.-based investment manager affiliate and operates nationwide and in Canada. FTA is also registered with the Ontario Securities Commission as a non-Canadian IC/PM and provides investment advisory services to our Canadian investment funds. FTA has created over 1600 investment portfolios for the investing public in North America with assets under supervision or management in excess of \$27billion USD.

Disclaimer: Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus, which contains detailed investment information and is available from your dealer, before investing. Mutual funds are not guaranteed or insured, their values change frequently and past performance may not be repeated.

For more information contact your Advisor
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First Trust Portfolios Canada
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www.firsttrust.ca



ScotiaMcLeod™

Canadian Core Portfolio

Growth at a Reasonable Price.

First Trust
Portfolios Canada

ScotiaMcLeod™ Canadian Core Portfolio

Growth at a Reasonable Price

Measured over the long term, stocks have rewarded investors with higher returns than other asset classes. However, with the rewards of equity investing comes increased exposure to volatility and risk. The key to successful investing in equities, therefore, is to follow a disciplined process that seeks to minimize risk while still providing the best investment returns. The ScotiaMcLeod™ Canadian Core Portfolio offers you a disciplined approach based on the ScotiaMcLeod Canadian Core Guided Portfolio..

The ScotiaMcLeod Canadian Core Portfolio is based on the ScotiaMcLeod Canadian Core Guided Portfolio. The objective of the Fund is to provide a tangible vehicle that allows you to invest in Scotia Capital's equity sector strategy combined with a disciplined approach to fundamental and quantitative stock selections.

The Portfolio

The ScotiaMcLeod Canadian Core Portfolio is a diversified Canadian equity fund based on ScotiaMcLeod's Canadian Core Guided Portfolio. The Fund invests strategically across the major sectors of the Canadian equity market and is constructed using a top-down and bottom-up approach. The Fund will typically hold between 15 to 20 investments.

Key Elements:

- Sectors that are poised to outperform in each phase of the economic cycle.
- Investment universe is comprised of the largest, most established Canadian companies.
- Visible earnings and cash flow growth
- Strong or improving balance sheets
- Generally have a policy that provides for a growing stream of dividends underweight or overweight specific sectors of the economy.

Advantages

The ScotiaMcLeod Canadian Core Portfolio offers investors a unique and efficient way to leverage the dedicated investment team at ScotiaMcLeod. The Fund provides professional investment management and ongoing supervision and maintains a strategic sector allocation within the Canadian market - all important elements of a well-rounded investment program.

Features:

- **Concentration**
The concentrated number of companies held by the fund provides investors with the benefits of active management (including diversification and risk reduction) along with the potential to maximize returns from the best investment opportunities.
- **Low Turnover**
The Fund is managed to minimize turnover, potentially resulting in a reduction of taxable events that can be a normal by-product of active portfolio management
- **Transparency**
Investors will always have access to full disclosure of holdings and weightings.

Objective

The Fund's objective is to provide investors with a consistent long term rate of return by providing a diversified portfolio of industry leading Canadian issuers.

Investment Philosophy

The ScotiaMcLeod Canadian Core Portfolio employs the investment philosophy used in ScotiaMcLeod's, Canadian Guided Portfolio selection process.

1. Sector allocation is determined by the Scotia Capital Investment Strategy Committee. Decisions to underweight or overweight specific sectors of the economy are based on Scotia Capital's macro economic outlook.
2. Sector over-weights will be achieved by holding either a higher percentage or a greater number of securities within a particular sector.
3. Fundamental and quantitative analysis identifies the best companies within each sector to be included or remain in the Fund.
4. Risk is minimized by ensuring that the portfolio is well diversified across all major sectors of the Canadian equity market.

Continuous Monitoring and Review

By investing in the ScotiaMcLeod Canadian Core Portfolio mutual fund you benefit from a continuous maintenance and screening process. An ongoing review of valuation measures, profitability, earnings and price momentum occurs for all companies contained within ScotiaMcLeod's Canadian Guided Portfolio investment universe.

Establishing a well-defined set of investment criteria helps remove the emotional and psychological effect that investing sometimes cause.

A decision to invest in an individual security tends to be easier to make than a decision to sell. The ScotiaMcLeod Canadian Core Portfolio fund employs a strict sell discipline that seeks to capture gains and to avoid unnecessary losses, while at the same time limiting turnover.

The securities within the portfolio are monitored closely against a list of fundamental, quantitative and technical factors that are used to identify any positions that should be exited. Adjustments may also result from occasional rebalancing, opportunistic portfolio upgrades and extraneous events such as takeovers.

The diversified portfolio is constructed to provide a long-term consistent rate of return