

## Fund Information

Inception Date	December 1994
IFSC Category	Canadian Bond
Plan Eligibility:	RRSP Yes
	Non-Registered Yes
Management Fee / MER *	2.25% / 2.38% *

## Segregated Fund Investment Objective

The objective of this segregated fund is to invest all of its assets in the Canada Life Fixed Income Fund (Laketon), a pooled fund managed by Laketon Investment Management Ltd., or another substantially similar underlying fund.

## Investor Profile (of underlying fund)

Suited to the investor whose objectives are income and growth over the medium term.

## Investment Objective (of underlying fund)

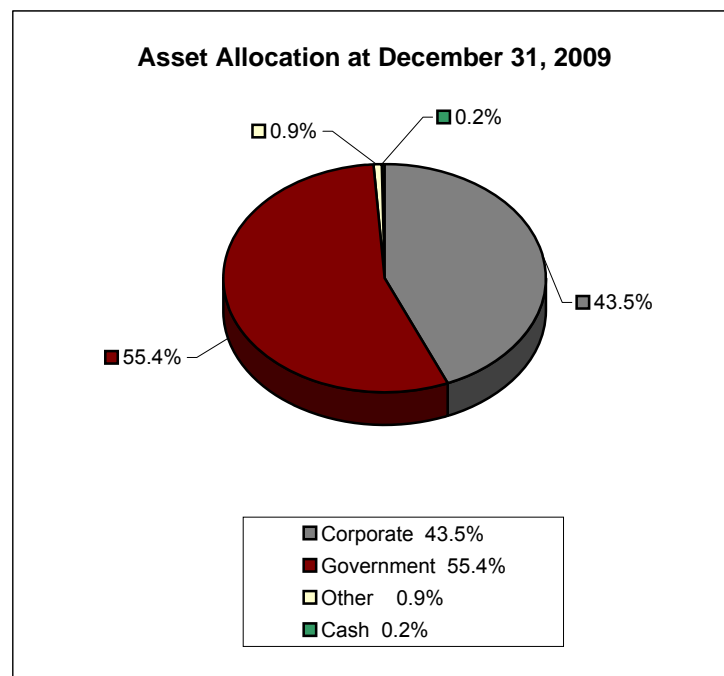
The objective is to provide income, capital preservation and modest capital appreciation, primarily through investments in Canadian fixed-income securities.

## Investment Strategy (of underlying fund)

- An active bond management style is used to add value through yield curve management, sector allocation and security selection using a high quality portfolio composed of government, provincial, and corporate bonds and mortgage-backed securities.
- A conservatively managed fund with a view to medium-term growth.

## FaithLife Financial Benchmark

DEX Universe Bond Index \*\*



## Top 10 Holdings of the Underlying Fund as at Dec. 31, 2009

Government of Canada	4.00%	06-01-16	15.1%
Canada Housing Trust	3.55%	09-15-13	12.3%
Province of Ontario	6.50%	03-08-29	9.5%
Province of Quebec	6.25%	06-01-32	4.6%
Government of Canada	5.75%	06-01-29	4.2%
Government of Canada	3.50%	06-01-20	4.2%
Province of Manitoba	6.30%	03-05-31	3.0%
Sun Life Financial Inc.	5.12%	06-26-18 -Callable	2.8%
JPMorgan Chase & Co.	3.88%	09-08-15	2.6%
Bank of Nova Scotia	4.99%	03-27-18 - Callable	2.6%

**Top 10 Total Percentage of Fund 60.8%**

## Fund Risks

<input checked="" type="checkbox"/> General	<input type="checkbox"/> Special Equities	<input type="checkbox"/> Currency	<input type="checkbox"/> Market
<input type="checkbox"/> Securities Lending	<input checked="" type="checkbox"/> Interest Rate	<input checked="" type="checkbox"/> Derivative	<input checked="" type="checkbox"/> Credit
<input checked="" type="checkbox"/> Underlying Fund	<input type="checkbox"/> Foreign Market	<input type="checkbox"/> Sovereign	<input type="checkbox"/> Index

The following table shows the simple returns for the monthly periods and the historical annual compound total return of the FORTRESS Canadian Bond Fund, compared to the performance of the DEX Universe Bond Index to September 30, 2010.

## Annual Compound Returns:

	1-month	3-month	6-month	1-Year	2-Year	3-Year	4-Year	5-Year	10-Year	Since Inception
FORTRESS Canadian Bond Fund	0.5%	2.6%	5.1%	5.1%	6.7%	5.0%	3.5%	3.3%	4.4%	5.5%
Benchmark	0.7%	3.2%	6.2%	7.3%	8.8%	7.4%	5.9%	5.5%	6.7%	7.8%

\* HST will be factored in beginning July 1, 2010

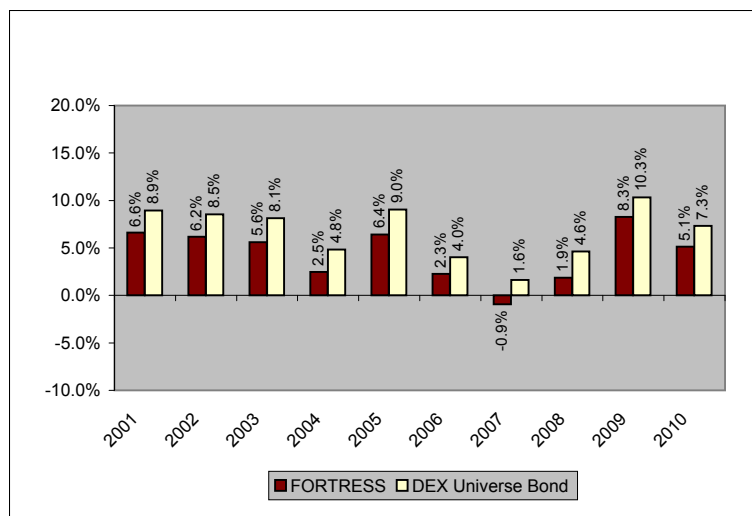
\*\* DEX Universe Bond Index -- designed to be a broad measure of the Canadian investment-grade fixed income market. Prior to October 22, 2007, the DEX Universe Bond Index was named Scotia Capital Universe Bond Index.

The performance data shown reflects changes in unit values and assumes that all income/realized net gains are retained by the Fund in the periods shown and are reflected in higher unit values of the Fund. It does not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns.

**Past results are not indicative of future performance of the Fund.**

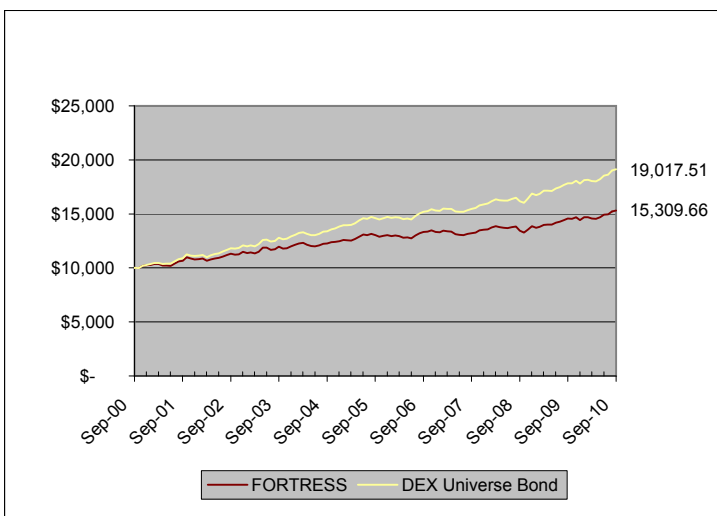
**Year-by-Year Returns as of September 30, 2010**

The Year-by-Year Returns chart shows the annual performance of the Fund, compared to the performance of the DEX Universe Bond Index. It illustrates how the Fund's performance has changed from year to year.



**Overall Past Performance as of September 30, 2010**

The Overall Past Performance graph shows the growth of a hypothetical \$10,000 investment in the FORTRESS Canadian Bond Fund, compared to that of the DEX Universe Bond Index over the past 10 years.



**Financial Highlights:**

**The Fund's Net Asset Value per Unit**

	2005	2006	2007	2008	2009
Net asset value at Dec. 31 of year shown	137.35	140.42	142.34	146.01	151.88

**Ratios and Supplemental Data**

	2005	2006	2007	2008	2009
Net assets (000's) <sup>(1)</sup>	\$9,346	\$12,204	\$11,693	\$13,853	\$15,555
Number of units outstanding <sup>(1)</sup>	68,045	86,911	82,151	94,881	102,416
Management expense ratio <sup>(2)</sup>	2.44%	2.44%	2.42%	2.38%	2.38%
Portfolio turnover rate <sup>(3)</sup>	120.60%	75.30%	145.67%	146.40%	7.00%

The Financial Highlights tables (left) show selected key financial information about the FORTRESS Funds and are intended to help you understand the Fund's financial performance for the past 5 years. This information is derived from the Fund's audited financial statements.

<sup>(1)</sup> As at December 31st of the year shown.

<sup>(2)</sup> The Management expense ratio is based on total expenses for the year shown, including the expenses of the underlying fund, expressed as an annualized percent of daily average net assets during the year, and includes GST.

<sup>(3)</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio adviser manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

If you would like to obtain either the Fund's semi-annual unaudited or annual audited financial statements, or a detailed description of the Fund's investment policy, please send your request in writing to *Member Services, FaithLife Financial, 470 Weber Street North, Waterloo, Ontario N2J 4G4*.

**Any amount that is allocated to a segregated fund is invested at the risk of the contractholder and may increase or decrease in value.**