

Nature of Fund

Private pooled investment trust

Qualifying Investors

Current clients of QV Investors under existing management agreements

Custodian/Auditor/Counsel

1. RBC Dexia, Custodian
2. KPMG, Auditor
3. Osler, Hoskin & Harcourt LLP, Counsel

Investment Objective

The QV Global Equity Fund will provide investors with a superior total rate of return by investing in common shares of non-Canadian companies. The fund will invest predominantly in companies having a market cap in excess of \$1.0 billion US.

The Fund invests to exceed the average long term return on equity of Canadian corporations. The Global Equity Fund will be benchmarked for performance against the MSCI World (C\$).

Investor Profile

The Global Fund is suitable for investors having a tolerance for medium volatility and a long-term investment horizon.

Investment Strategy

QV focuses on investing in companies with proven track records, competent management teams, competitive products, resources and services and of superior financial quality. The ability to pay and increase dividend distributions is an essential requirement.

The investment strategy employs “bottom-up” analysis, the assessment of business franchises, the judgment of managers and the measurement of the inherent ability of a business to earn a sustainable return. The strategy gives serious consideration to the overall factors influencing the global outlook and value for the business. The goal is to build a diversified portfolio of the best large companies outside of Canada.

The Global Equity Fund expects to complement the corporate selection process by selecting companies on the underlying value and by maintaining long term holding periods, thus allowing company managers to develop their businesses. The Global Equity Fund is expected to complement and diversify Canadian based equity portfolios however; this is not a limiting requirement.

Investment Guidelines

Cash Reserves

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|----------------------|--|
| 1. Credit quality: | Canada Treasury Bills or Corporate Notes of R-1 rating (DBRS) |
| 2. Issuer: | Maximum 40% in Corporate Notes |
| 3. Term to maturity: | Less than one year |
| 4. Commitment: | 3 to 5% in normal investment conditions; may increase to 10%; in exceptional circumstances the Reserve may increase to 20% given the appropriate Investment Committee review |

Equity Investments

The securities in the fund must meet the following market and capitalization criteria:

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|--------------------------|---|
| 1. Market: | Securities traded on a major recognized stock exchange |
| 2. Private Issuers: | Excluded |
| 3. Number of holdings: | A minimum of 20 holdings and a maximum of 40 holdings |
| 4. Minimum cap size: | Greater than U\$1.0 Billion |
| 5. Accounting standards: | Companies reporting in an acceptable accounting standard |
| 6. Industry commitment: | Limit of 25% in any one GICS sector |
| 7. Individual weights: | Minimum at 1% and maximum at 6% of the total equity portfolio |
| 8. Single holdings: | Less than 9% of the market capitalization of any one company |
| 9. Country exposure: | Limited to 15% in any single country except for the USA |

Policy Table

Policy	Minimum	Maximum
Cash/T-bills [^]	0%	20%
Canadian Companies	0%	0%
Global Companies	80%	100%

* See Cash Reserves: Commitment section

Benchmark

MSCI World Index (C\$)

Portfolio Manager

Leighton Pullen, supported by Darren Dansereau, subject to the oversight of the QV Investors Investment Committee.

Management Fees

Private Client Fees - 100 bps based on weekly valuations paid out monthly
 Royal Trust Fees - Approximately 25 – 35 bps
 Institutional Fees - Negotiable