

# Simplified *Prospectus*

OCTOBER 22, 2009

**COUNSEL PORTFOLIO SERVICES INC.\***  
OFFERING SERIES A, D, E, F, AND I (UNLESS OTHERWISE INDICATED) UNITS OF:

COUNSEL STRATEGIC PORTFOLIOS	COUNSEL MANAGED PORTFOLIOS
Counsel Conservative Portfolio Counsel Regular Pay Portfolio Counsel Balanced Portfolio Counsel Growth Portfolio Counsel All Equity Portfolio	Counsel Income Managed Portfolio Counsel Managed Portfolio Counsel World Managed Portfolio
COUNSEL PORTFOLIO COMPONENT FUNDS	COUNSEL SELECT FUNDS
Counsel Money Market <sup>1</sup> Counsel Fixed Income <sup>2</sup> Counsel Canadian Dividend <sup>3</sup> Counsel Canadian Value <sup>3</sup> Counsel Canadian Growth <sup>3</sup> Counsel U.S. Value <sup>3</sup> Counsel U.S. Growth <sup>3</sup> Counsel International Value <sup>3</sup> Counsel International Growth <sup>3</sup> Counsel Global Real Estate <sup>3</sup> Counsel Global Small Cap <sup>2,3</sup>	Counsel Select Canada <sup>2</sup> Counsel Select America <sup>2</sup> Counsel Select International <sup>2</sup>

No securities regulatory authority has expressed an opinion about these securities. It is an offence to claim otherwise. **The mutual funds and the securities of the mutual funds offered under this simplified prospectus are not registered with the United States Securities and Exchange Commission and they are sold in the United States only in reliance on exemptions from registration.**

\* Prior to October 22, 2009, Counsel Group of Funds Inc.

<sup>1</sup> Offering Series A, C and I units

<sup>2</sup> Offering Series A, D and I units

<sup>3</sup> Also offering Series P units



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## PART A: General Disclosure

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### INTRODUCTION

- This simplified prospectus contains selected important information to help you make an informed decision about investing in the mutual funds (individually each is a “Fund” or collectively are referred to as the “Funds”) offered and managed by Counsel Portfolio Services Inc. (“Counsel” or the “Manager”) (prior to October 22, 2009, Counsel Group of Funds Inc.).
- It is important that you select the appropriate Funds and classes in which to invest, in order to properly address your personal circumstances and investment needs.
- This simplified prospectus will help you understand your rights as an investor in the Funds.
- To make this document easier to read and understand, we have used personal pronouns throughout much of the text. References to “Counsel”, “our”, “we” or “us” generally refer to **Counsel Portfolio Services Inc.** in its capacity as manager and trustee of the Funds. References to “you” are directed to the reader as a **potential or actual investor** in the Funds.
- In this document we refer to “**financial advisors**” and “**dealers**”. The financial advisor is the individual with whom you consult for investment advice and the dealer is the company or partnership that employs your financial advisor.
- This simplified prospectus contains information about each of the Funds, the series of units, which comprise each Fund, and the risks of investing in mutual funds generally as well as the names of the firms responsible for the management of the Funds.
- This document is divided into two parts:
  - **Part A**, from pages 1 to 37, contains **general information** applicable to all of the Funds offered by Counsel.
  - **Part B**, from pages 38 to 113, contains **specific information** about each of the Funds described in this document.
- Additional information about each Fund is available in the following documents:
  - The annual information form;
  - The most recently filed audited annual financial statements;
  - Any unaudited interim financial statements filed after the annual financial statements;
  - The most recently filed annual management report of fund performance;
  - Any interim management report of fund performance filed after the annual management report of fund performance.

These documents are incorporated by reference into this simplified prospectus, which means that they legally form part of this document just as if they were printed as part of this document. You can get a copy of these documents, at your request and at no cost, by calling us toll-free at 1-877-625-9885 or from your financial advisor.

- These documents and other information about the Funds are available on Counsel's internet site at [www.counselwealth.com](http://www.counselwealth.com) and at [www.sedar.com](http://www.sedar.com), the internet site for SEDAR (System for Electronic Document Analysis and Retrieval).

## ***What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund?***

### WHAT IS A MUTUAL FUND?

- A mutual fund is a pool of money contributed by people with similar investment objectives. Investors share the fund's income, expenses, and the gains and losses the fund makes on its investments in proportion to the units they own.
- A mutual fund may own many securities of different types - stocks, bonds, securities of other mutual funds, derivatives or cash - depending on the fund's investment objectives. The values of these securities vary from day to day, reflecting changes in interest rates, economic conditions, stock market developments and individual company news. As a result, the value of a fund's units (the "unit price") will go up and down on a daily basis, and the value of your investment in a mutual fund may be more, or less, when you redeem it than when you purchased it.
- Please refer to the front cover of this simplified prospectus, or to the specific information about each of the Funds in Part B, for the series that are available for each Fund pursuant to this document. Series O units have also been created for certain Funds but are only available on an exempt distribution basis. The different series of units are described on page 10 under the heading "Purchases, Switches and Redemptions". We may offer additional series of units of the Funds in the future.
- For each Fund, if there are insufficient assets of a series to satisfy its liabilities, the remaining assets of that Fund would be used to satisfy the shortfall.
- Counsel does not guarantee that the full amount of your original investment in a Fund will be returned to you. Unlike bank accounts or guaranteed investment certificates (GICs), mutual fund units are not covered by the Canada Deposit Insurance Corporation or any other government deposit insurer. Unlike some segregated funds, there are no capital guarantees associated with mutual fund investing.
- Under exceptional circumstances, mutual funds may suspend redemptions. Please see "Redemptions" on page 16.

### WHAT ARE THE RISKS OF INVESTING IN A MUTUAL FUND?

- Mutual funds are subject to a variety of risks. These risks may cause you to lose money on your mutual fund investment. Or they may cause you not to earn as much as you otherwise would. Each mutual fund has a different set of risks depending on the way it invests and its investments. This section includes the risks of investing in the Funds offered by this simplified prospectus. For any fund-of-funds, the risks of investing in each Fund are similar to the risks of investing in the underlying funds ("Underlying Funds") it holds.
- **Commodity Risk** – A Fund may invest in companies engaged in commodity-focused industries or may invest directly, or indirectly through derivatives, in commodities. Commodity prices can fluctuate significantly in short time periods, which will have a direct or indirect impact on the value of such a Fund.

- **Company Risk** – Equity investments such as stocks and income trust investments, and fixed income investments such as bonds, carry several risks that are specific to the company that issues the investments. A number of factors may cause the price of these investments to fall. These factors include specific developments relating to the company, conditions in the market where these investments are traded, and general economic, financial and political conditions in the countries where the company operates. While these factors impact all securities issued by a company, the values of equity securities generally tend to change more frequently and vary more widely than fixed income securities. As a Fund's security price is based on the value of its investments, an overall decline in the value of equities that it holds will reduce the value of the Fund and, therefore, the value of your investment.
- **Concentration Risk** – A Fund may invest a large portion of its net assets in a small number of issuers, in a particular industry or geographic region, or may use a specific investment style, such as growth or value. A relatively high concentration of assets in or exposure to a single issuer, or a small number of issuers, may reduce the diversification of a mutual fund and may result in increased volatility in the Fund's security price. Issuer concentration may also increase the illiquidity of the Fund's portfolio if there is a shortage of buyers willing to purchase those securities.

A Fund concentrates on a style or sectors either to provide investors with more certainty about how the Fund will be invested or the style of the Fund or because a portfolio advisor believes that specialization increases the potential for good returns. If the industry or region faces difficult economic times or if the investment approach used by the Fund is out of favour, the Fund will likely lose more than it would if it diversified its investments or style. If a Fund's investment objectives or strategies require concentration, it may continue to suffer poor returns over a prolonged period of time.

- **Credit Risk** – An issuer of a bond or other fixed income investment, including asset backed securities, may not be able to pay interest or repay the principal at maturity. The risk of such a failure to pay is known as credit risk. Some issuers have more credit risk than others. Issuers with higher credit risk typically pay higher interest rates than interest rates paid by issuers with lower credit risk because higher credit risk companies expose investors to a greater risk of loss. Credit risk can increase or decline during the term of the fixed income investment.

Companies, governments and other entities, including special purpose vehicles that borrow money, and the debt securities they issue, may be assigned credit ratings by specialized rating agencies such as DBRS. The ratings are a measure of credit risk and take into account many factors, including the value of any collateral underlying a fixed income investment. Issuers with low or no ratings typically pay higher yields, but can subject investors to substantial losses. Credit ratings are often relied upon by the portfolio advisors of the Funds. A credit rating may be wrong, which can lead to losses on fixed income investments. If the market perceives that a credit risk rating is too high, then the value of the investments may decrease substantially. A downgrade in an issuer's credit rating or other adverse news regarding an issuer can reduce the value of both the fixed income investments issued by the issuer, as well as the value of the equity securities issued by that issuer.

The difference in interest rates between an issuer's bond and a government-issued bond that is identical in all respects except for the credit rating is known as the credit spread. Credit spreads widen if the market

determines that a higher return is necessary to compensate for the increased risk of owning a lower rated fixed income investment. An increase in credit spread after the purchase of a fixed income investment decreases the value of that investment.

- **Depository Receipt Risk** – Banks or other financial institutions, known as depositories, issue depository receipts that represent the value of securities issued by foreign companies. These receipts are most often known as ADRs (American Depository Receipts), GDRs (Global Depository Receipts), or EDRs (European Depository Receipts), depending on the location of the depository. Funds invest in depository receipts to indirectly own foreign securities without having to trade on the local markets. There is a risk that the value of the depository receipts may be less than the value of the foreign securities. This difference can result from several factors: fees and expenses related to the depository receipts; fluctuations in the exchange rate between the currency of the depository receipts and the currency of the foreign securities; differences in taxes between the depository receipts and the foreign securities' jurisdictions; and the impact of the tax treaty, if any, between the depository receipts and the foreign securities' jurisdictions. Also, a Fund faces the risks that depository receipts may be less liquid, that the holders of depository receipts may have fewer legal rights than if they held the foreign securities directly, and that the depository may change the terms of a depository receipt, including terminating the depository receipt, in such a way that a Fund is forced to sell at an inopportune time and be required to sell at a discounted price.
- **Derivatives Risk** – Some Funds may use derivatives. These derivatives usually take the form of a contract between two parties, the value of which is determined with reference to the market price of an asset, such as a currency, commodity or stock, or the value of an index or an economic indicator, such as a stock market index or a specified interest rate (the “**underlying interest**”).

Most derivatives are options, forwards, futures or swaps. An *option* gives the holder the right, but not the obligation, to buy or sell the underlying interest at an agreed price within a certain time period. A call option gives the holder the right to buy; a put option gives the holder the right to sell. A *forward* is an agreement to buy or sell the underlying interest for an agreed price on a future date. A *future* is similar to a forward except that futures are traded on an exchange. A *swap* is an agreement to exchange one set of payments for another set of payments.

Some derivatives are settled by one party's delivery of the underlying interest to the other party; others are settled by a cash payment representing the value of the contract.

The use of derivatives carries several risks:

- There is no guarantee that a market will exist for some derivatives, which could prevent the Fund from selling or exiting the derivative prior to the maturity of the contract. This risk may restrict the Fund's ability to realize its profits or limit its losses.
- It is possible that the counterparty to the derivative will fail to perform its obligations under the contract resulting in a loss to a Fund.
- When entering into a derivative contract, the Fund may be required to deposit funds with the counterparty. If the counterparty becomes insolvent, the Fund could lose these deposits or incur expenses to recover the deposits.

- Securities and commodities exchanges could set daily trading limits on options and futures. Such a change in rules could prevent the Fund or the counterparty from carrying out its obligations under those derivative contracts, resulting in a loss for the Fund.
- The value of a derivative may be correlated with the value of the underlying interest. There is no guarantee, however, that the value of the derivative will at all times accurately reflect the value of the underlying interest.
- Where a Fund holds a long or short position in a future whose underlying interest is a commodity, the Fund will always seek to close out its position by entering into an offsetting future prior to the first date on which the Fund might be required to make or take delivery of the commodity under the futures contract. There is no guarantee the Fund will be able to do so, with the possible result that the Fund is forced to make or take delivery of the commodity.
- Some Funds may use derivatives to reduce certain risks associated with investments in foreign markets, currencies or in specific securities. Using derivatives for these purposes is called *hedging*. Hedging may not be effective in preventing losses. Hedging may also reduce the opportunity for gain if the value of the hedged investment rises, because the derivative could incur an offsetting loss. Hedging may also be costly or difficult to implement.
- **Emerging Markets Risk** – Emerging markets have the risks described under foreign currency risk and foreign markets risk. In addition, they are more likely to experience political, economic and social instability and may be subject to corruption or have lower business standards. Instability may result in the expropriation of assets or restrictions on payment of dividends, income or proceeds from the sale of a fund's securities. In addition, accounting and auditing standards and practices may be less stringent than those of developed countries resulting in limited availability of information relating to a fund's investments. Further, emerging market securities are often less liquid and custody and settlement mechanisms in emerging market countries may be less developed resulting in delays and the incurring of additional costs to execute trades of securities.
- **Foreign Currency Risk** – The net asset value of a Fund is calculated in Canadian dollars. Most foreign investments are purchased in currencies other than the Canadian dollar. As a result, the value of those investments will be affected by the value of the Canadian dollar relative to the value of the foreign currency. If the Canadian dollar rises in value relative to the other currency but the value of the investment otherwise remains constant, the value of the investment in Canadian dollars will have fallen. Similarly, if the value of the Canadian dollar has fallen relative to the foreign currency, the value of the Fund's investment will have increased. Some of the Funds may use derivatives such as options, futures, forward contracts, swaps and customized types of derivatives to hedge against losses caused by changes in exchange rates. Please see the “**Investment Strategies**” section of each Fund description in Part B of this simplified prospectus.
- **Foreign Markets Risk** – The value of an investment in a foreign issuer depends on general global economic factors and specific economic and political factors relating to the country or countries in which the foreign issuer operates. The regulatory environment in some foreign countries may be less stringent than in Canada, including legal and financial reporting requirements. There may be more or less information available with respect to foreign companies. The legal systems of some foreign countries may not adequately

protect investor rights. Stock markets in foreign countries may have lower trading volumes and sharper price corrections. Some or all of these factors could make a foreign investment more or less volatile than a Canadian investment.

- **Illiquidity Risk** – A Fund may hold up to 15% or more of its net assets in illiquid securities. A security is illiquid if it cannot be sold at an amount that at least approximates the amount at which the security is valued. Illiquidity can occur if the securities have sale restrictions, if the securities do not trade through normal market facilities, if there is limited demand for the securities, if markets are or become volatile, or for other reasons. Illiquid securities are more difficult to sell and a Fund may be forced to accept a discounted price.
- **Income Trust Risk** – Income trusts generally have the same risks that are associated with equity investments. Funds that invest in real estate trusts, royalty trusts, business trusts and income trusts may be exposed to the risk that as a holder of trust units, a Fund (and ultimately its investors), could be held liable for all claims and obligations not satisfied by the trust. Many provinces have enacted legislation to protect investors from some of this potential liability. In addition, some investment trusts include provisions in their contractual agreements that effectively relieve investors of such obligations. Changes to Canadian tax law have reduced the tax effectiveness of certain income trusts. Further changes to the tax treatment of income trusts are possible.
- **Interest Rate Risk** – Interest rates may rise during the term of a fixed income investment. If interest rates rise, then the value of that fixed income investment generally will fall. Conversely, if interest rates fall, the value of the investment generally will increase.
- **Large Transaction Risk** – The units of Underlying Funds are bought by other mutual funds, investment funds or segregated funds, including the Funds, and/or Counsel. Independently or collectively, these other parties may from time to time purchase, hold or redeem a large proportion of an Underlying Fund's securities.

A large purchase of the Underlying Fund's units will create a relatively large cash position in that Fund's portfolio. The presence of this cash position may negatively impact the performance of the Fund, and the investment of this cash position may result in significant incremental trading costs, which are borne by all of the investors in the Fund.

Conversely, a large redemption of the Underlying Fund's securities may require the Fund to sell portfolio investments so that it can pay the redemption proceeds. This sale may result in significant incremental trading costs, which are borne by all of the investors in the Fund and it may accelerate or increase the payment of capital gains distributions or capital gains dividends to these investors. In addition, the operating expense ratio of the Underlying Funds could increase as a result of a large transaction because there are fewer assets upon which to amortize certain fixed costs of the Underlying Funds.

- **Legislation Risk** – Securities, tax, and other regulators make changes to legislation, rules, and administrative practice. Those changes may have an adverse impact on the value of a fund.
- **Portfolio Advisor Risk** – All Funds are dependent on their portfolio advisor or sub-advisor to select individual securities of companies or of Underlying Funds. Balanced funds and asset allocation funds are also dependant on their portfolio advisor or sub-advisor to decide what proportion of a Fund's assets

to invest in each asset class. Funds are subject to the risk that poor security selection or asset allocation decisions will cause a Fund to underperform relative to other funds with similar investment objectives.

- **Prepayment Risk** – Certain fixed income securities, including mortgage-backed or other asset backed securities, can be prepaid before maturity. If a pre-payment is unexpected or it occurs faster than predicted, the fixed income security may pay less income and its value may decrease.
- **Securities Lending, Repurchase and Reverse Repurchase Transaction Risk** – Each of Counsel Managed Portfolio, Counsel Regular Pay Portfolio, Counsel Select America and Counsel Fixed Income are eligible to enter into securities lending, repurchase and reverse repurchase transactions in accordance with NI 81-102 after providing investors with 60 days’ notice of their intention to do so. Counsel World Managed Portfolio, Counsel Income Managed Portfolio, Counsel Canadian Dividend, Counsel Canadian Value, Counsel Canadian Growth, Counsel U.S. Value, Counsel U.S. Growth, Counsel International Value, Counsel International Growth, Counsel Global Real Estate and Counsel Global Small Cap are eligible to enter into these transactions without further notice. In a *securities lending transaction*, the Fund lends its securities through an authorized agent to another party (often called a “**counterparty**”) in exchange for a fee and a form of acceptable collateral. In a *repurchase transaction*, the Fund sells its securities for cash through an authorized agent while at the same time it assumes an obligation to repurchase the same securities for cash (usually at a lower price) at a later date. In a *reverse repurchase transaction*, the Fund buys securities for cash while at the same time it agrees to resell the same securities for cash (usually at a higher price) at a later date. We have set out below some of the general risks associated with securities lending, repurchase and reverse repurchase transactions:
  - When entering into securities lending, repurchase and reverse repurchase transactions, the Fund is subject to the credit risk that the counterparty may default under the agreement and the Fund would be forced to make a claim in order to recover its investment.
  - When recovering its investment on a default, a Fund could incur a loss if the value of the securities loaned (in a securities lending transaction) or sold (in a repurchase transaction) has increased in value relative to the value of the collateral held by the Fund.
  - Similarly, a Fund could incur a loss if the value of the securities it has purchased (in a reverse repurchase transaction) decreases below the amount of cash paid by such Fund to the counterparty.
- **Series Risk** – Each Fund offers more than one series. If one series is unable to pay its expenses or satisfy its liabilities, then the assets of the other series of the Fund will be used to pay the expenses or satisfy the liability. We use our best efforts to manage the Funds so that this does not happen.
- **Small Company Risk** – A Fund may make investments in equities and sometimes fixed income securities issued by smaller capitalization companies. These investments are generally riskier than investments in larger companies for several reasons. Smaller companies are often relatively new and may not have an extensive track record. This lack of history makes it difficult for the market to place a proper value on these companies. Some of these companies do not have extensive financial resources and, as a result, they may be unable to react to events in an optimal manner. In addition, securities issued by smaller companies are sometimes less liquid, meaning there is less demand for the securities in the marketplace at a price deemed fair by sellers.

## ORGANIZATION AND MANAGEMENT OF THE FUNDS

<p><b>Manager</b></p> <p>Counsel Portfolio Services Inc. (prior to October 22, 2009, Counsel Group of Funds Inc.)          2680 Skymark Avenue          Seventh Floor          Mississauga, Ontario          L4W 5L6          tel: 1-877-625-9885          fax: 1-905-625-6184          email: info@counselwealth.com          www.counselwealth.com</p>	<p>Counsel manages the overall business of each of the Funds, including selecting the portfolio sub-advisory team for each Fund's portfolio, arranging for and providing each Fund with accounting and administration services and promoting sales of each Fund's securities through independent financial advisors in each province (except Quebec) and territories of Canada.</p>
<p><b>Trustee</b></p> <p>Counsel Portfolio Services Inc.          Mississauga, Ontario</p>	<p>Each Fund is organized as a mutual fund trust. When you invest in a Fund, you are buying units of the trust. The trustee holds actual title to the property (cash and securities) of each Fund on your behalf.</p>
<p><b>Portfolio Advisors</b></p> <p>Each Fund retains one portfolio advisor and, in some cases, one or more portfolio sub-advisors. Please refer to each Fund's "<b>Fund Details</b>" section in Part B of this simplified prospectus for more information.</p>	<p>In its capacity as manager, Counsel has ultimate responsibility for the portfolio advisory services provided to the Funds. Counsel is the portfolio advisor for all of the Funds. Some of the Funds use portfolio sub-advisors appointed by Counsel for a portion or their entire portfolio. Please see "<b>Fund Details</b>" in Part B.</p> <p>Under securities law, we are required to advise you that where portfolio advisory services are provided by an advisor or a portfolio sub-advisor located outside of Canada, it may be difficult to enforce any legal rights against them because all or a substantial portion of their assets are likely to be outside of Canada. Certain portfolio sub-advisors located outside Canada are not fully subject to the requirements of Canadian securities legislation including proficiency, capital, insurance, record keeping, segregation of funds and securities, and statements of account and portfolio.</p>
<p><b>Custodian</b></p> <p>Canadian Imperial Bank of Commerce          Toronto, Ontario</p>	<p>The custodian has custody of the securities in each Fund's portfolio.</p>
<p><b>Registrar</b></p> <p>Mackenzie Financial Corporation          Toronto, Ontario</p>	<p>The registrar keeps track of the owners of units of each Fund, processes purchase, switch and redemption orders, issues investor account statements and issues annual tax reporting information.</p>
<p><b>Auditor</b></p> <p>Deloitte &amp; Touche LLP          Toronto, Ontario</p>	<p>The auditor audits the annual financial statements of the Funds and provides an opinion on whether or not the annual financial statements are fairly presented in accordance with Canadian Generally Accepted Accounting Principles.</p>

## ORGANIZATION AND MANAGEMENT OF THE FUNDS (CONT'D)

**Independent Review Committee**

The mandate of the Independent Review Committee (“IRC”) is to review, and provide input on our written policies and procedures that deal with conflict of interest matters in respect of a Fund, and to review and, in some cases, approve conflict of interest matters. This includes reviewing a Fund’s holdings, purchases and sales of securities of companies related to Counsel. The IRC may also approve certain mergers involving the Funds and any change of the auditor of the Funds. Investor approval will not be obtained in these circumstances, but you will be sent a written notice at least 60 days before the effective date of any such merger or change of auditor.

Each member of the IRC is independent of Counsel, the Funds and any party related to Counsel. The IRC also acts as the IRC for mutual funds sponsored by Mackenzie Financial Corporation. The IRC prepares, at least annually, a report of its activities for investors. The IRC report is available on our website at [www.counselwealth.com](http://www.counselwealth.com) or you may request a copy, at no cost to you, by contacting us at [info@counselwealth.com](mailto:info@counselwealth.com).

Additional information about the IRC, including the names of its members, is available in the annual information form.

***Fund-of-Funds***

Under NI 81-102, a mutual fund (the “**Top Fund**”) may directly (or indirectly by using a derivative instrument) invest some or all of its assets in another mutual fund (the “**Underlying Fund**”). Each of the Funds may from time to time invest in an Underlying Fund. Counsel Select America, Counsel Fixed Income, Counsel U.S. Value, Counsel U.S. Growth, Counsel International Value, Counsel International Growth, Counsel Canadian Value, Counsel Canadian Growth, Counsel Canadian Dividend, Counsel Global Real Estate and Counsel Global Small Cap may be an Underlying Fund for a Top Fund. The portfolio advisor may vote the securities of an Underlying Fund that are owned by a Top Fund when the Underlying Fund is not managed by Counsel. If an Underlying Fund is managed by Counsel or one of its associates or affiliates, the portfolio advisor for the Top Fund will not vote the securities of the Underlying Fund but will instead decide if it is in the best interests of the Top Fund investors for them to vote on the matter individually. Generally, for routine matters, the portfolio advisor will decide that it is not in the best interests of the Top Fund investors for them to vote individually. However, if the portfolio advisor decides that it is in the best interests of Top Fund investors for them to vote, then the portfolio advisor will ask each Top Fund investor for instructions on how to vote that investor’s proportionate share of the Underlying Fund securities owned by the Top Fund and will vote accordingly. The portfolio advisor will only vote the proportion of the Underlying Fund securities for which it has received instructions.

## Purchases, Switches and Redemptions

### SERIES OF UNITS

Each Fund has an unlimited number of series of Units and may issue an unlimited number of Units of each series. The Funds may offer new series at any time. There are currently seven series of units that are offered for sale under this document, namely, Series A, C, D, E, F, I and P units, and their respective availability is as listed on the front cover of this document and in Part B for each Fund. Series O units have also been created for the Funds but are only offered on an exempt distribution basis. The series offered under this simplified prospectus are:

<b>Series A Units:</b>	For any investor investing a minimum of \$1,000 in a Fund.
<b>Series C Units of Counsel Money Market:</b>	<p>Series C units of Counsel Money Market may only be purchased by investors making investments into the Counsel Advisor Directed Rebalancing (“ADR”) service. By signing the Counsel ADR Client Agreement when you purchase Series C units of Counsel Money Market, you have instructed us, upon settlement of your purchase, to automatically redeem your units of the Fund and purchase units of your chosen Funds according to your target allocations. Please refer to page 17 for a full description of the Counsel ADR.</p> <p>The minimum initial investment in Series C units of Counsel Money Market is \$1,000.</p>
<b>Series D, E and F Units:</b> <b>As a group, we call these series the “Altus Series”.</b>	<p>For investors investing and maintaining, in aggregate, a minimum of \$75,000 in one or more Funds, who are enrolled in a dealer sponsored fee-for-service or wrap program and, for Series D and F, who are subject to an asset-based fee rather than commissions on each transaction payable to that dealer for the dealer’s ongoing financial planning and advice.</p> <p>The negotiable advisory or asset-based fees (plus GST) payable by investors to their dealers in connection with these Series D and F arrangements will be deducted periodically (either monthly or quarterly) by Counsel from the investor’s account and remitted directly to the investor’s dealer – see the “<b>Series D and F (Advisory or Asset-Based Fee)</b>” section in the “<b>Fees and Expenses Payable Directly By You</b>” table beginning on page 25 for more information.</p> <p>You can meet this minimum amount by combining investments in Funds made by you and members of your immediate family (parents, spouse and children). Counsel may waive the minimum investment level for Altus Series for employees of Counsel and its affiliates. Counsel may waive the minimum investment level to purchase Altus Series units for investors who are expected to exceed the minimum investment within a period of time acceptable to Counsel.</p> <p>Series D, E and F vary in respect of the management fees paid to Counsel and trailing commissions paid to the dealer. Series D are priced with no trailing commissions and the lowest management fee for the Altus Series. Series E units are priced with a regular trailing commission and the highest management fee for the Altus Series. Series F are priced with a reduced trailing commission and a lower management fee than Series E. See “<b>Fees and Expenses</b>” on page 22. In each case, dealers who sell Altus Series units have entered into an agreement with Counsel to accept these pricing options. You are entitled to negotiate the pricing option with your dealer.</p>

**Series I Units:**

**We also call this series the “Private Client Series”.**

For investors who have invested a minimum of \$500,000 (including, in the case of individuals, spousal investments) in the Funds and who have entered into a Series I Client Agreement with Counsel. Counsel may waive the minimum investment level for institutional accounts that are expected to exceed the minimum investment within a period of time acceptable to Counsel. Investors generally are required to pay a negotiable advisory or asset-based fee (plus GST) to their dealer. Counsel will redeem Series I units of the Funds from the investor’s account for an amount equal to that fee and remit the proceeds to the dealer. See the **“Series I (Advisory or Asset-Based Fee)”** section in the **“Fees and Expenses Payable Directly by You”** table beginning on page 25.

**Series P Units:**

The purchase of Series P units is permitted strictly to investors in the IPC Private Wealth Program.

Although the money which you and other investors pay to purchase units of any series is tracked on a series by series basis in your Fund’s administration records, the assets of all series of your Fund are combined into a single pool to create one portfolio for investment purposes.

The minimum initial investment in Series A units of a Fund and Series C units of Counsel Money Market is \$1,000. Additional investments must be at least \$100. However, if you buy units through a pre-authorized chequing plan, each additional investment must be at least \$50. If your investment has been received but the documentation on your purchase is incomplete, we will invest your money in Series A units of Counsel Money Market so that you will earn daily interest until all documentation is received in good order. Your investment, including interest, will then be switched into the Funds you have selected without any additional charge, at the security price of the Fund on the switch date.

The purchase of Series D and F units is generally only permitted with confirmation from your dealer that you are enrolled in an eligible fee-for-service or wrap program, that you meet the minimum investment level to purchase Series D and F units, as described above, and your dealer has entered into an agreement with Counsel relating to the distribution of Series D and F units.

The purchase of Series E units is generally only permitted with confirmation from your dealer that you meet the minimum investment level to purchase Series E units, as described above, and your dealer has entered into an agreement with Counsel relating to the distribution of Series E units. We are able to reduce our management fee rate on Series D, E and F units because our costs are lower and because investors who purchase Series D and F units will usually have entered into a separate agreement to pay asset-based fees to their dealer organization for their individual investment program. If we become aware that you are no longer eligible to hold Series D, E or F units, we may switch your Series D, E or F units into Series A units of the same Fund.

Counsel may waive the minimum investment level to purchase Series D, E and F units for investors who are expected to exceed the minimum investment within a period of time acceptable to Counsel.

Counsel may also waive the minimum investment level to purchase Series D, E and F units for employees of Counsel and its affiliates, IPC Investment Corporation and IPC Securities Corporation.

Series I units are available to and are designed for certain high net worth and institutional investors who are entitled to reduced management fees and operating expenses because of the lower costs of servicing

large dollar investments in our Funds. We will provide Series I unitholders with 30 days' prior written notice of any applicable change in the minimum investment amounts or other conditions of purchase for Series I units.

To qualify to purchase Series I units, you must also enter into a Series I Client Agreement with Counsel, which will specify the management fee applicable to your account. Counsel intends to have Series I arrangements with other companies which offer mutual funds, segregated funds or other pooled investments.

The purchase of Series P units is only permitted with confirmation from your dealer that you are enrolled in the IPC Private Wealth Program and your dealer has entered into an agreement with Counsel relating to the distribution of Series P units. We are able to eliminate our management fee because investors who purchase Series P units will have entered into a separate agreement to pay asset-based fees for the IPC Private Wealth Program. We are also able to reduce operating expenses for Series P units because of the lower costs of servicing large dollar investments in our Funds.

If you wish to benefit from the lower fees offered and you are eligible to purchase Altus Series or Private Client Series units, you must notify Counsel through your dealer. You should make a specific request to purchase Altus Series or Private Client Series units or change your existing units to Altus Series or Private Client Series units through your dealer. Counsel does not monitor account holdings to determine whether you qualify for Altus Series or Private Client Series units and does not review orders received for Series A units to determine whether those orders should have been placed for Altus Series or Private Client Series units, even if you already own Altus Series or Private Client Series units.

If the market value of your investment in the Altus Series or Private Client Series units falls below the specified minimum investment requirement because you redeem units, Counsel may switch your investment into Series A units of the same Fund after giving you 30 days' prior notice. You should discuss investing additional money in your account with your financial advisor during the notice period so that the status of your investment can be maintained. We will not ask for an increase to the specified minimum investment amount if the value of your Altus Series or Private Client Series units has fallen below that level as a result of a decline in the unit price rather than a redemption of your units.

Counsel may change the terms of eligibility for prospective investors in the various series of units at any time.

#### **PURCHASES/SWITCHES/REDEMPTIONS: GENERALLY**

You may purchase, switch (redeem units of one Fund and purchase units of another Fund) or redeem units of a Fund only through your financial advisor. The financial advisor you select is your agent, to provide you with investment recommendations to meet your own risk/return objectives and to place orders to purchase, switch, or redeem units on your behalf. Counsel is not liable for the recommendations given to you by your financial advisor and we are entitled to rely on electronic or other instructions that a financial advisor or dealer provides to us without verifying your instructions.

You purchase, switch and redeem Fund units at their current net asset value per unit ("NAV") as determined for each series.

The NAV of each series of units of each Fund is calculated after the close of business on each business day. A “**business day**” is any day that the Toronto Stock Exchange (“TSX”) is open for trading or such other time as Counsel determines appropriate. On each business day, a separate NAV for each series of units of each Fund is calculated in the following manner:

- **adding** up the series’ proportionate share of the cash, portfolio securities and other assets of the Fund;
- **subtracting** the liabilities applicable to that series of securities (which includes the series’ proportionate share of common liabilities, plus liabilities directly attributable to the series); and
- **dividing** net assets by the total number of securities of that series owned by investors.

All requests received by Counsel prior to 4:00 p.m. (EST) on a business day for purchases, switches or redemptions of units of a series of a Fund will be executed that same business day using that business day’s NAV for the applicable series. Requests received by Counsel after 4:00 p.m. (EST) on a business day will be executed on the following business day using the following business day’s NAV for the applicable series. Counsel may process orders at an earlier time if the TSX closes for trading earlier on a particular day. (Orders received after that earlier closing time are processed on the next business day.)

Please see “**Fees and Expenses**” beginning on page 22 and “**Dealer Compensation**” beginning on page 28 for more information.

## PURCHASES

You may buy units of a Fund by completing an order form and providing it to your dealer. Counsel must receive the appropriate documentation and money within three business days of receiving your purchase order (one business day for Counsel Money Market). Counsel is entitled to reject any purchase order, but we can only do so within one business day of receiving it. If we reject an order, we will return immediately to your dealer any monies we have received from you in connection with that order.

## PURCHASING SERIES A AND C UNITS

Series A units of a Fund and Series C units of Counsel Money Market may be purchased through three different purchase options:

- **Sales Charge Option** – You pay a negotiable fee to your dealer at the time you purchase units of a Fund.
- **Deferred Charge Option** – No fee is payable by you to your dealer at the time of purchase. However, a fee may be payable at the time of sale if you redeem your Series A units of a Fund and Series C units of Counsel Money Market during the first six years from the date of purchase.
- **Low Deferred Charge Option** – No fee is payable by you to your dealer at the time of purchase. However, a fee may be payable at the time of sale if you redeem your Series A units of a Fund and Series C units of Counsel Money Market during the first three years from the date of purchase.

Your choice of purchase option affects the sales charges you, or we, will pay to your dealer, if any, and the amount of sales commissions and other compensation that is paid to your dealer.

See “**Fees and Expenses Payable Directly By You**” beginning on page 25 and “**Dealer Compensation**” on page 28 for more information.

If you do not choose a purchase option when you buy Series A units of a Fund and Series C units of Counsel Money Market, you will be automatically deemed to have chosen the deferred charge option.

#### PURCHASING ALTUS SERIES/SERIES D, E AND F UNITS

There are no sales or deferred charges payable on the purchase of Series D, E and F units. Instead, for Series D and F units, you agree in consultation with your financial advisor to pay advisory or asset-based fees (plus GST) to your dealer under its “**fee for service**” or “**wrap account**” program. We will deduct the advisory or asset-based fee periodically (either monthly or quarterly) from your account by redeeming units of a Fund designated by you in advance and we will remit the fee (plus GST) directly to your dealer. The redemption will be a taxable transaction to you. See the “**Income Tax Considerations For Investors**” section beginning on page 33 for more information. There are no such advisory or asset-based fees for Series E units. However, the management fee rate is greater than for Series D and F units. See the “**Series D and F (Advisory or Asset-Based Fee)**” section in the “**Fees and Expenses Payable Directly By You**” table beginning on page 32 for more information.

#### PURCHASING SERIES I AND P UNITS

There are no sales or deferred charges payable on the purchase of Series I and P units. Instead, for Series I units, you agree to pay a negotiable advisory or asset-based fee (plus GST) to your dealer. Counsel will redeem Series I units of the Funds from your account for an amount equal to that fee and remit the proceeds to your dealer. See the “**Series I (Advisory or Asset-Based Fee)**” section in the “**Fees and Expenses Payable Directly by You**” table beginning on page 25.

#### SWITCHES

You can switch your investment among the series of a Fund or from any of the Funds to another Fund through your dealer. If you switch from one series to another series of a Fund, it is not a taxable transaction to you because you will still own securities of the same Fund. If you switch from a Fund to another Fund, there will be a redemption of the units of the Fund you own and a purchase of the units of the new Fund. The redemption will be a taxable transaction to you. See “**Income Tax Considerations for Investors**” on page 33. If you switch within the same purchase option, you will not pay deferred charges on these switches and your new units will have the same deferred charge schedule as your old units. A switch fee may apply. See “**Switch Fees**” in the “**Fees and Expenses Payable Directly By You**” table beginning on page 25.

Series C of Counsel Money Market is designed to assist you in making investments into the Counsel ADR. By signing the Counsel ADR Client Agreement when you purchase units of the Fund, you have instructed us, upon settlement of your purchase, to automatically switch your Series C units of Counsel Money Market and purchase units of your chosen Funds according to your target allocations. Please refer to page 17 for a full description of the Counsel ADR.

You are permitted to make switches among purchase options in accordance with Counsel’s policies and procedures. **However, if you do this, you may incur additional sales or deferred charges.** To avoid these

charges, units you bought under the sales charge option should be switched for other units to be purchased under the sales charge option. Similarly, units you bought under the deferred charge option should be switched for other units to be purchased under the deferred charge option and units you bought under the low deferred charge option should be switched for other units to be purchased under the low deferred charge option. **You may not switch units you bought under the deferred charge option to other units to be purchased under the low deferred charge option and you may not switch units bought under the low deferred charge option to other units to be purchased under the deferred charge option.** For units purchased under the deferred charge option, you may wish to switch your free redemption units to sales charge option units of a Fund in order not to lose that entitlement since free redemption units cannot be carried forward to succeeding years. Counsel will make an automatic switch of the free redemption units to the sales charge option provided it receives proper instructions. Please refer to “**Automatic Switch Program**” on page 20. Your dealer is paid a higher trailing commission on sales charge units. Please refer to “**Matured Unit Switches**” on page 21 and “**Trailing Commissions**” on page 29.

If you are switching from units that you bought under the low deferred charge option or the deferred charge option to units under the sales charge purchase option of any Fund, a deferred charge may be payable on the switch. If you are switching from units under the low deferred charge option or the deferred charge option, you will be required to pay a deferred charge on these units if you redeem them within three years or six years, respectively. See the “**Fees and Expenses**” table on page 22.

#### SHORT-TERM TRADING

Counsel has adopted policies and procedures to detect and deter inappropriate short-term trading and excessive short-term trading.

An **inappropriate short-term trade** is defined as a combination of a purchase and redemption (including switches between Funds) within 90 days that Counsel believes is detrimental to Fund investors and which may take advantage of certain Funds with securities priced in other time zones or illiquid securities that trade infrequently.

**Excessive short-term trading** is a combination of purchases and redemptions (including switches between Funds) which occur within 30 days so frequently that Counsel believes the trading is detrimental to Fund investors.

All trades determined by Counsel to be inappropriate short-term trades will be subject to a 2% fee. All trades determined by Counsel to be part of a pattern of excessive short-term trading will be subject to a 1% fee. The fees charged will be paid to the applicable Funds.

Counsel may take such additional action as it considers appropriate to prevent further similar activity by the investor. These actions may include the delivery of a warning to the investor, placing the investor/account on a watch list to monitor his or her trading activity and the subsequent refusal of further trades by the investor if the investor continues to attempt such trading activity and/or closure of the investors' account.

In determining whether a short-term trade is inappropriate or excessive, Counsel will consider relevant criteria including:

- bona fide changes in investor circumstances or intentions;
- unanticipated financial emergencies;
- the nature of the Fund;
- past trading patterns; and
- a de minimus threshold of \$10,000.

The following types of redemptions (including switches) will be exempt from short-term trading fees:

- from money market or similar funds;
- from an Underlying Fund by a Top Fund in a Fund-of-Funds program;
- rebalancing of your holdings with Counsel ADR, excluding client-initiated manual rebalancings;
- rebalancing of your holdings with Series P units under the IPC Private Wealth Program;
- for systematic plans;
- redemptions of units received on the reinvestment of income or other distributions; and
- redemptions of units to pay management fees for Series I units and asset-based fees to your dealer for Series D and F units.

In making these judgments Counsel seeks to act in a manner that it believes is consistent with the best interests of its investors. The interests of Fund investors and the Fund's ability to manage its investments may be adversely affected by inappropriate or excessive short-term trading because, among other things, these types of trading activities can dilute the value of Fund securities, can interfere with the efficient management of the Funds' portfolios and can result in increased brokerage and administrative costs.

While Counsel will actively take steps to monitor, detect and deter inappropriate and excessive short-term trading, it cannot ensure that such trading activity will be completely eliminated.

For example, certain financial institutions may offer alternative investment products to the public that are comprised in whole, or in part, of units of the Funds. These institutions may open accounts with Counsel on behalf of multiple investors whose identity and trading activity is not normally recorded on our transfer agent system.

**Counsel reserves the right to restrict, reject or cancel, without any prior notice, any purchase or exchange order, including transactions that are deemed to represent inappropriate or excessive short-term trading.**

## REDEMPTIONS

You may redeem all or any portion of your investment in a Fund on any business day by contacting your financial advisor and providing instructions to proceed with a redemption order or, if you have already made arrangements with your dealer, by electronic means through your dealer. The unit price which you will receive for your redemption order is based on the Fund's NAV next calculated after your redemption order has been received in good order.

Under exceptional circumstances we may be unable to process your redemption order of a Fund. This would most likely occur if market trading has been suspended on stock exchanges, options exchanges

or futures exchanges on which more than 50% by value of the Fund's assets are listed and if the Fund's portfolio securities cannot be traded on any other exchange that represents a reasonably practical alternative to that Fund. During these periods securities of the Fund will also not be issued or switched. If the Fund is an Underlying Fund, securities of the corresponding Top Fund will also not be redeemed, issued or switched if more than 50% by value of the Top Fund's Underlying Funds' assets are listed on an exchange and cannot be traded on any other exchange that represents a reasonably practical alternative.

You may be required to pay a deferred charge on your Series A units of a Fund and Series C units of Counsel Money Market purchased under the low deferred charge option if you redeem them within three years, and on your Series A or C units purchased under the deferred charge option if you redeem them within six years. The deferred charge is based on a percentage of the purchase amount and declines at the rates shown under “**Deferred Charge Option**” and “**Low Deferred Charge Option**” in the “**Fees and Expenses Payable Directly By You**” table on page 25.

If you are an investor holding Series A units of a Fund or Series C units of Counsel Money Market purchased under the deferred charge option, you can redeem the following amounts every year without paying a deferred charge (the “**free redemption units**”):

- up to 10% of the number of Series A units of a Fund and Series C units of Counsel Money Market which you owned as of December 31 of the previous calendar year other than reinvested units (“**Annual Free Redemption Units**”); **plus**
- up to 10% of the number of Series A units of a Fund and Series C units of Counsel Money Market that you purchase in the current calendar year before the redemption order; **less**
- any cash distributions from the Fund that you received in the current year.

Low deferred charge units are not eligible as free redemption units. You cannot carry forward any unused portion of the free redemption units to another year. If you are redeeming Series A units of the Fund and/or Series C units of Counsel Money Market that were switched from another Fund, please note that Counsel's deferred charge rate is based on the purchase date of units in the original Fund. Please refer to the simplified prospectus and annual information form of the Funds originally purchased to determine whether you are eligible.

If we change the terms of the free redemption units program we will give you 60 days' prior notice.

Due to the costs relating to administering smaller accounts, Counsel may, at any time, cause you to redeem your Series A units of a Fund if the total value of those units falls below \$1,000. Counsel will provide you with 30 days' prior notice during which time you may make further purchases to increase the value of your units to prevent that sale.

## **Optional Services**

### **COUNSEL ADVISOR DIRECTED REBALANCING**

Counsel Advisor Directed Rebalancing (“ADR”) is an automatic portfolio rebalancing service that allows you to invest in any number of Funds with specific target fund allocations selected by you, creating your own customized portfolio of investments. Counsel will then rebalance these holdings from time to time

by redeeming units of the Fund(s) you own that have exceeded the specific target fund allocations selected by you and purchasing units of those Fund(s) whose target allocations are below your specified target fund allocations. The rebalancing will be based on your chosen frequency and rebalancing range to make sure that your portfolio mix is allocated in line with your initial target instructions.

All Funds in all series except Series I and P, are eligible for this service. You may also hold securities of other Funds within the same account, and keep them separate from the funds you wish to comprise your rebalancing portfolio.

To participate in the Counsel ADR, you must complete and sign a Counsel ADR Client Agreement, created specifically for this rebalancing service. By completing the form, you are authorizing Counsel to monitor your portfolio and to rebalance it at intervals selected by you (together with the help of your advisor), which can be quarterly, semi-annually, or annually.

In order to facilitate investing in this service, we have created Series C units of Counsel Money Market. When you enroll in the service, you will have the option of using Series C units of Counsel Money Market to direct your investment into your selected funds upon the activation of your portfolio rebalancing service. Series C units of Counsel Money Market are available for purchase under the sales charge option, the deferred charge option and the low-deferred charge option, to coincide with your preferred purchase option for the Funds that will comprise your portfolio.

Your rebalancing service is activated once we receive the signed Counsel ADR Client Agreement. If your purchase was into Series C units of Counsel Money Market, those units will automatically be switched (at no cost) and allocated amongst the various Funds you have elected to include in your advisor directed portfolio.

Series C of Counsel Money Market is only available for investment to facilitate portfolio construction using Counsel ADR. If you invest in Series C of Counsel Money Market and have not submitted the Counsel ADR Client Agreement specifying your target fund allocations and rebalancing preferences within 30 days, your investment will be automatically switched to Series A units (based on your purchase option) of Counsel Money Market.

Rebalancing will occur, at the intervals you specify, provided the current fund allocations are outside a range of anywhere between 2% and 10% (you select the rebalancing range, which must be in increments of 0.5%) above or below your stated target allocation at the time you enroll in the service. Your portfolio will be rebalanced to within the tolerance range you have selected and not to the target allocation.

If you redeem all of your investments in a fund that was part of your target fund allocation without providing Counsel with an amended Counsel ADR Client Agreement, then, at the time of your next scheduled rebalancing, we will rebalance the remaining funds in your portfolio and proportionately reallocate your investments amongst the same funds in your initial target fund allocation (including the redeemed fund).

You always retain the option of changing your target allocation, rebalancing ranges or rebalancing frequency of your portfolio upon further written instructions to Counsel or through your dealer using an Amendment Form to the Counsel ADR Client Agreement. You may also request a manual rebalancing

of your portfolio outside of the scheduled automatic rebalancing period at any time. Be advised that in some cases a manual rebalancing may trigger short-term trading fees. Please see page 15 for details of our short-term trading policy.

There are no separate fees for this program. Any applicable mutual fund charges will apply. There is no minimum investment requirement in Counsel ADR as long as the Fund's minimum is met.

All of the terms and conditions of the service are on the Counsel ADR Client Agreement which is available from your dealer.

Rebalancing will be effected by redeeming units, which will be a taxable transaction to you. See the "Income Tax Considerations For Investors" section beginning on page 33 for more information.

#### COUNSEL PRE-AUTHORIZED CHEQUING PLAN

You can make regular purchases of units of the Funds, except Series P units, through a pre-authorized chequing plan. You can invest weekly, bi-weekly, semi-monthly, monthly, bi-monthly, quarterly, semi-annually or annually. Each investment must be at least \$50. Ask your financial advisor for an authorization form to start the plan. There is no administrative charge for this service.

When you enroll in a pre-authorized chequing plan, your dealer will send you a complete copy of the Fund's current simplified prospectus and any amendments to the simplified prospectus, or a customized copy of the simplified prospectus and any amendments that apply only to the Fund(s) you have purchased.

Your dealer will only annually send you an updated renewal copy of the simplified prospectus and any amendments if you have requested them. You can get copies of these documents at [www.counselwealth.com](http://www.counselwealth.com) or at [www.sedar.com](http://www.sedar.com), from your dealer, by calling us toll-free at 1-877-625-9885 or by e-mailing us at [info@counselwealth.com](mailto:info@counselwealth.com).

You have a statutory right to withdraw from an initial purchase of the Funds under the pre-authorized chequing plan, but you do not have a statutory right to withdraw from subsequent purchases of the Funds under the pre-authorized chequing plan. However, you will continue to have all other statutory rights under securities law, including a misrepresentation right, as described under "**What are Your Legal Rights?**", whether or not you have requested a renewal simplified prospectus.

You may change or terminate your participation in a pre-authorized chequing plan at any time before a scheduled investment date as long as we receive at least two business days' notice.

#### COUNSEL SYSTEMATIC WITHDRAWAL PLAN

You can also set up a systematic withdrawal program if you have at least \$5,000 in your account. You can choose when to withdraw (weekly, bi-weekly, semi-monthly, monthly, bi-monthly, quarterly, semi-annually or annually) and how much to redeem each time. There is no administrative charge for this program. The program is not available for Series P units and for some types of registered tax plans. **Please understand that regular withdrawals could eventually eliminate your entire investment if you do not make additional purchases or switches in your account.**

## AUTOMATIC SWITCH PROGRAM

Counsel's Automatic Switch Program allows you to periodically and systematically move money from one Fund (other than Series P units) (the "**Starting Fund**") to another Fund (other than Series P units) (the "**Target Fund**"), within the same account or a different account. You may switch an amount of your choice to another Fund on a weekly, bi-weekly, semi-monthly, monthly, bi-monthly, quarterly, semi-annual and annual basis and you may make changes to: the Target Fund; the frequency of the switch; and the amount switched, upon three (3) business days' written notice to Counsel. Counsel will automatically sell units of the Starting Fund and use the proceeds to buy units of the Target Fund within the same series and under the same purchase option. Short-term trading fees do not apply to units switched through this service, however, you may have to pay a negotiable switch fee to your financial advisor. If you hold your units in a non-registered account, you may realize a capital gain or loss. Capital gains are taxable. Where the selected switch date is not a business day, the switch will be moved to the next following eligible business day.

This program can also be used to switch your annual free redemption Units (which are only free redemption units earned as of December 31 of the previous calendar year, other than reinvested units) from deferred charge option units to sales charge option units of a Fund, prior to the expiry of your deferred charge schedule, provided we receive new investment instructions to do so. Annual Free Redemption Units do not include free units earned on purchases made in the current calendar year before the redemption order. Your dealer is paid a higher trailing commission on sales charge option units. Please see "Redemptions" beginning on page 16 for more information on free redemption units.

## DOLLAR COST AVERAGING SERVICE

Counsel's Dollar Cost Averaging ("**DCA**") service is a systematic way for you to invest in a Fund or Funds over time. On a weekly, bi-weekly or monthly basis over a six (6) or twelve (12) month period ("**DCA Period**"), equal amounts (based on your initial instructions which you may change at a later date) will be switched by redeeming units of the Starting Fund from time to time and purchasing units of the Target Fund(s).

Systematic switches under the DCA service will take place between the same purchase options, namely, Series C purchase option, deferred charge option or low deferred charge option (see "Switches" on page 14).

The Starting Fund for the DCA service is Counsel Money Market (excluding Series C units Counsel Money Market). Counsel will activate the DCA service once it receives a completed DCA form. Counsel may permit other mutual funds and certain deposit products to be the Starting Fund for purposes of the DCA service (as indicated on the DCA form). By completing the DCA form you authorize Counsel to redeem your units of the Starting Fund on the frequency and in the amount you specify and purchase units of the Target Fund(s) you select.

Your scheduled switches will be made at the applicable net asset value per unit on the transaction date (see "Purchases/Switches/Redemptions: Generally" on page 12).

At the end of the DCA Period, any distributions paid and reinvested in units of the Starting Fund (see "**Automatic Reinvestment of Distributions**" on page 21) will automatically be switched by the DCA

system into units of the Target Fund according to the Target Fund's code. Each Fund has a numerical code assigned to it ("**Fund Code**"). These Fund Codes are used to facilitate electronic transaction processing according to industry standards. If you have more than one Target Fund, the switch will be made to the Target Fund with the lowest Fund Code. If you have more than one DCA and the DCA Periods overlap, the reinvested units of the Starting Fund will be switched into units of the Target Fund(s) at the end of the latest DCA Period.

You can terminate the DCA service at any time by contacting Counsel or your financial advisor and requesting that we stop the DCA service. You may also request from your financial advisor that, upon termination of the DCA service, all of your applicable units of the Starting Fund be switched into another Fund.

#### MATURED UNIT SWITCHES

Under the matured unit switch program, at each calendar year end, we will switch any unused free redemption units and your Matured Units into sales charge option units of the same Fund. Your dealer is paid a higher trailing commission on sales charge option units. Ask your financial advisor for an authorization form for this program. There is no administrative charge for this service. "**Matured Units**" means units purchased on a deferred sales charge basis that are no longer subject to a deferred charge because the deferred charge schedule has expired.

#### AUTOMATIC REINVESTMENT OF DISTRIBUTIONS

From time to time, your Fund may pay distributions to you. We will automatically reinvest those distributions to purchase additional units for you in the same Fund. You pay no sales charge when these units are bought. You can also set up a program to have these reinvested units switched into another Fund or switched from deferred charge option to sales charge option of the same or another Fund (other than Series P units). Your dealer is paid a higher trailing commission on sales charge option units including these reinvested units.

If you would prefer to receive your Fund distributions in cash, please write to us instructing us whether to pay you by cheque or by direct deposit to your bank account. If you bought units under the deferred charge option, please note that cash distributions from a Fund reduce your free redemption units. For further details, please see "**Free Redemption Units**" as set out in Section 7 and "**How to Redeem Units**" in the annual information form.

You cannot receive cash distributions on units held in Counsel-sponsored registered tax plans; these distributions must be reinvested in additional units of the Fund.

#### COUNSEL REGISTERED TAX PLANS

You can open a registered tax plan offered by Counsel through your dealer. We currently offer registered retirement savings plans ("**RRSPs**"), registered retirement income funds ("**RRIFs**"), life income funds ("**LIFs**"), locked-in retirement accounts ("**LIRAs**") (and locked-in retirement savings plans ("**LRSPs**"), locked-in retirement income funds ("**LRIFs**"), prescribed retirement income funds ("**PRIFs**"), restricted life income funds ("**RLIFs**"), restricted locked-in savings plans ("**RLSPs**") and tax-free savings accounts ("**TFSAs**").

Each Fund will pay an administration fee to the trustee of the Counsel registered tax plans that invest in the Funds.

The trustee of our registered tax plans is M.R.S. Trust Company, an affiliate of Counsel.

Please see “Income Tax Consideration for Investors” on page 33.

## ***Fees and Expenses***

The following table lists the fees and expenses that you may have to pay if you invest in a Fund. You may have to pay some of these fees and expenses directly. Alternatively, a Fund may have to pay some of these fees and expenses directly which will, therefore, reduce the value of your investment in a Fund.

<b>FEES AND EXPENSES PAYABLE BY THE FUNDS</b>					
	<b>Annual Management Fee Rate by Series (%)<sup>1,2</sup></b>				
<b>Management Fees</b>	<b>A</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>
<b>Counsel Strategic Portfolios</b>					
Counsel Conservative Portfolio	2.40%	–	1.15%	1.85%	1.50%
Counsel Regular Pay Portfolio	2.50%	–	1.20%	2.20%	1.56%
Counsel Balanced Portfolio	2.70%	–	1.20%	2.10%	1.60%
Counsel Growth Portfolio	2.70%	–	1.30%	2.30%	1.75%
Counsel All Equity Portfolio	2.70%	–	1.40%	2.35%	1.85%
<b>Counsel Managed Portfolios</b>					
Counsel Income Managed Portfolio	2.50%	–	1.22%	2.22%	1.72%
Counsel Managed Portfolio	2.50%	–	1.30%	2.30%	1.80%
Counsel World Managed Portfolio	2.70%	–	1.40%	2.39%	1.89%
<b>Counsel Portfolio Component Funds</b>					
Counsel Money Market	1.00%	0.75%	–	–	–
Counsel Fixed Income	2.00%	–	1.15%	–	–
Counsel Global Small Cap	2.50%	–	1.50%	–	–
Counsel Canadian Dividend	2.04%	–	1.11%	1.91%	1.51%
Counsel Canadian Value	2.10%	–	1.12%	2.00%	1.57%
Counsel Canadian Growth	2.26%	–	1.20%	2.16%	1.68%
Counsel U.S. Value	2.10%	–	1.10%	2.00%	1.54%
Counsel U.S. Growth	2.30%	–	1.22%	2.20%	1.77%
Counsel International Value	2.21%	–	1.27%	2.08%	1.68%

*Continued...*

**FEES AND EXPENSES PAYABLE BY THE FUNDS (CONT'D)**

	Annual Management Fee Rate by Series (%) <sup>1,2</sup>				
Management Fees	A	C	D	E	F
Counsel International Growth	2.31%	–	1.28%	2.18%	1.78%
Counsel Global Real Estate	2.32%	–	1.32%	2.22%	1.76%
Counsel Select Funds					
Counsel Select Canada	2.50%	–	1.50%	–	–
Counsel Select America	2.50%	–	1.50%	–	–
Counsel Select International	2.50%	–	1.50%	–	–

- 1 The management fee for Series I units of the Funds is negotiable by the investor and is payable directly to Counsel. The management fee rate will vary from investor to investor but it will not exceed the Series D management fee rate and, in the case of Counsel Money Market, it will not exceed an annual rate of 0.70%. Series I management fees can be paid by cheque or by the redemption of Series I units held by the investor. Operating expenses related to Series I units will be charged to that series.
- 2 There is no management fee for Series P units of the Funds. Instead, an investor enters into an agreement to participate in the IPC Private Wealth Program and agrees to pay certain asset-based fees, which may require the redemption of Series P units held by the investor. Operating expenses related to Series P units will be charged to that series.

We may authorize a reduction in the management fee, which we charge to the Funds with respect to any particular investor's units of a Fund. The Fund will pay an amount equal to the reduction of management fees to the investor as a special distribution ("management expense distributions"). The level of reduction in the management fee rate is negotiable between the investor and Counsel and usually will be based on the size of the investor's account and the extent of Fund services required by the investor. At a minimum, the investor must hold \$500,000 of investments with Counsel in order to be considered for such reduction. Please refer to "Fees, Expenses and Management Expense Reductions" in the annual information form for the Funds.

## Operating Expenses

Each series of a Fund pays any operating expenses that are specifically attributable to that series and its proportionate share of the Fund's expenses that are common to all series. Operating expenses will be allocated among the series of units in a fair and equitable manner for the services used by those series. These expenses are charged separately from the management fee for all Funds. There will be no duplication of expenses payable by the Funds as a result of their investments in Underlying Funds. Management expense ratios are calculated separately for each series of units of the Funds and include management fees and operating expenses.

A Fund's operating expenses include, without limitation:

- the costs related to registrar, transfer agency and pricing, which are the costs incurred to process purchases and sales of units of the Fund and to calculate the Fund's unit price;
- accounting and book-keeping fees, which are fees paid to maintain the Fund's accounting records, and record all inflows and outflows of cash, expenses and any matter that impacts the financial position of the Fund;
- audit and legal fees and expenses;
- safekeeping and custodial fees;
- administration costs and trustee services relating to Counsel registered tax plans;
- the costs of prospectuses, financial reporting, and other types of communications that Counsel is required to prepare for the Fund so that the Fund complies with all applicable laws;
- regulatory filing and other fees, including those incurred by Counsel;
- applicable taxes, such as GST;
- interest and bank charges; and
- all fees and expenses of the Funds' Independent Review Committee.

Each Fund pays its own brokerage commissions for portfolio transactions and related transaction fees and adds this to the cost base or subtracts this from the sale proceeds.

We will give unitholders 60 days' written notice of any change to the basis of the calculation of the fees or expenses that are charged to a Fund by an arm's length party that could result in an increase in charges, or the introduction of a fee or expense to be charged to a Fund by an arm's length party that could result in an increase in charges.

Each member of the IRC is currently entitled to receive an annual retainer of \$7,500 (\$11,000 for the Chair) and \$500 for each meeting of the IRC attended. Members shall also be entitled to be reimbursed for all reasonable expenses incurred in the performance of their duties, including travel and accommodation expenses. For the period ended March 31, 2009, IRC members received from the Funds annual fees and meeting fees in the amount of \$20,397.00.

*Continued...*

**Fund-of-Funds**

Where Top Funds invest in Underlying Funds, the fees and expenses payable in connection with the management of the Underlying Fund are in addition to those payable by the Top Fund. However, there will be no duplication in the payment of management fees in these circumstances. There will also be no sales fees or deferred charges payable by a Top Fund with respect to the purchase or redemption by it of securities of an Underlying Fund or which would duplicate a fee payable by an investor in the Underlying Fund or by the Underlying Fund itself.

**FEES AND EXPENSES PAYABLE DIRECTLY BY YOU****Sales Charge Option**

If you purchase units under the sales charge option, you will pay a sales charge at the time of purchase. The sales charge is paid to your dealer.

Only Series A units of the Funds and Series C units of Counsel Money Market are available under the sales charge option. The maximum sales charge for Series A units and Series C units of Counsel Money Market is 5% of the purchase amount. There are no sales charges payable on Series D, E, F, I or P units. Series D and F investors generally will be required to pay their dealer a negotiable advisory or asset-based fee in addition to the Series D and F management fees payable by the Fund. The Funds will not pay sales charges if they purchase units of any other Fund. Sales charges are negotiable with your dealer.

**Deferred Charge Option**

If you purchase Series A units of a Fund and Series C units of Counsel Money Market under the deferred charge option, you pay a deferred charge at the following rates based on a percentage of the purchase amount if you redeem your Series A units of a Fund and Series C units of Counsel Money Market during the time periods specified.

<b>Period after Purchase</b>	<b>Deferred Charge Rate</b>
First year	6.00%
Second year	5.50%
Third year	5.00%
Fourth year	4.50%
Fifth year	4.00%
Sixth year	3.50%
Thereafter	nil

Up to 10% of your investment in Series A units of a Fund and Series C units of Counsel Money Market may be redeemed in each calendar year without a deferred charge. Units representing this amount are called your free redemption units. This right is not cumulative if you do not use it in the calendar year that it is earned. Please see “**Redemptions**” beginning on page 16 for more information on free redemption units.

Series D, E, F, I and P units cannot be purchased under the deferred charge option.

**FEES AND EXPENSES PAYABLE DIRECTLY BY YOU (CONT'D)****Low Deferred Charge Option**

If you purchase Series A units of a Fund and Series C units of Counsel Money Market under the low deferred charge option, you pay a deferred charge at the following rates based on a percentage of the purchase amount if you redeem your Series A units of a Fund and Series C units of Counsel Money Market during the time periods specified.

<b>Period After Purchase</b>	<b>Low Deferred Charge Rate</b>
First year	3.00%
Second year	2.50%
Third year	2.00%
Thereafter	Nil

Series D, E, F, I and P units cannot be purchased under the low deferred charge option.

**Series D and F  
(Advisory or Asset-Based Fee)**

Series D and F investors generally will be required to pay their dealer a negotiable advisory or asset-based fee in addition to the Series D and F management fees payable by the Fund.

The negotiable advisory or asset-based fee rate that you will be charged will be specified by you and your financial advisor up to the maximum annual rate of 1.00%. Any change to the advisory or asset-based fee rate to be charged shall be effective for the next calculation of fees after we receive written notice of the change from your financial advisor.

Advisory or asset-based fees are calculated on the final business day of each period (which shall either be monthly or quarterly as determined by Counsel) based on the average daily market value of your investment in Series D and F units of each Fund over that particular period. We will deduct the fees, as well as applicable GST charges, from your account by selling (redeeming) units of a Fund that you have designated in advance. Counsel will then remit the advisory or asset-based fees (plus GST) directly to your dealer. If you have not designated a Fund from which to deduct the fees, or if the Fund does not have sufficient units, units will be sold from the Fund with the highest market value in your account. If you hold units in a non-registered account, then you may realize a capital gain or loss when your units are sold.

If you decide to terminate your investment in Series D or F units prior to the last business day of the monthly or quarterly period applicable to your account, then we will calculate any outstanding fees as of the redemption date and we will deduct the fees prior to processing the redemption.

**FEES AND EXPENSES PAYABLE DIRECTLY BY YOU (CONT'D)****Series I (Advisory or Asset-Based Fee)**

Series I investors generally will be required to pay their dealer a negotiable advisory or asset-based fee (plus GST) in addition to the Series I management fees payable by the investors directly to Counsel. The negotiable advisory or asset-based fee rate that you will be charged will be specified by you and your financial advisor. Any change to the advisory or asset-based fee rate to be charged shall be effective for the next calculation of fees after we receive written notice of the change from your financial advisor.

Advisory or asset-based fees are calculated and accrued on a daily basis and invoiced either monthly or quarterly. You will pay the advisory or asset-based fee (plus GST) by allowing Counsel to redeem Series I units from your account for an amount equal to that fee. Counsel will then remit the proceeds to your dealer. If you hold units in a non-registered account, then you may realize a capital gain or loss when your units are sold.

If you decide to terminate your investment in Series I units, then we will calculate any outstanding advisory or asset-based fees as of the redemption date and we will deduct the fees prior to processing the redemption.

**Switch Fee**

0 – 2% of the amount you switch between the Funds, negotiable with your dealer in the circumstances described in the section “**Dealer Compensation – Sales Commissions**” on page 28.

**Inappropriate Short-Term Trading Fee**

A fee of 2% of the amount switched or redeemed will be charged by a Fund for inappropriate short-term trading. Inappropriate short-term trading is defined as trading within a short period of time (less than 90 days) that Counsel believes is detrimental to Fund investors and which occurs in certain Funds with securities priced in other time zones or illiquid securities which trade infrequently.

**Excessive Short-Term Trading Fee**

A fee of 1% of the amount switched or redeemed will be charged by a Fund if you invest in a Fund for less than 30 days and your trading is part of a pattern of short-term trading that Counsel believes is detrimental to Fund investors.

The short-term trading fees will be paid to the Funds.

**For further information about Counsel’s policies on inappropriate short-term trading and excessive short-term trading, please read “Short-Term Trading” on page 15.**

**Dishonoured Cheque Fee**

\$20 per NSF cheque.

## IMPACT OF SALES CHARGES

The following table shows the maximum sales charges that you would pay under the different purchase options available to you if you:

- (i) made an investment of \$1,000 in Series A units of a Fund or Series C units of Counsel Money Market;
- (ii) paid the maximum sales charge of 5% under the sales charge option;
- (iii) held that investment for one, three, five or ten years; and
- (iv) redeemed your investment immediately before the end of each period.

	At time of Purchase	1 Year	3 Years	5 Years	10 Years
Sales Charge Option <sup>(1)</sup>	\$50	–	–	–	–
Deferred Charge Option <sup>(2)(3)(4)</sup>	–	\$60	\$50	\$40	–
Low Deferred Charge Option <sup>(2)(3)</sup>	–	\$30	\$20	–	–
No Load Option	–	–	–	–	–

- (1) Based on a maximum sales charge rate of 5% generally. There are no sales charges to purchase Series D, E, F, I or P units. However, Series D and F investors generally will be required to pay an advisory or asset-based fee rather than commissions on each transaction.
- (2) Series D, E, F, I and P units cannot be purchased under the low deferred charge option or the deferred charge option.
- (3) The deferred charge rates are shown under “Fees and Expenses Payable Directly By You” and are based upon the purchase amount of your investment.
- (4) Up to 10% of your investment in Series A units of a Fund and Series C units of Counsel Money Market purchased under the deferred charge option may be redeemed in each calendar year without a deferred charge.

## Dealer Compensation

### SALES COMMISSIONS

- If you buy Series A units of the Funds or Series C units of Counsel Money Market under the sales charge option, you pay your dealer a sales commission at the time of purchase. The maximum amount of the commission for Series A units or Series C units of Counsel Money Market is 5% of the amount you invest. The sales commission is negotiable with your financial advisor and payable to your dealer.
- There is no sales charge to purchase Series D, E, F or P units. However, if you purchase Series D or F units you will generally be required to pay your dealer an advisory or asset-based fee in addition to the Series D or F management fee payable by the Fund. Advisory or asset-based fees (plus GST) will be deducted periodically (either monthly or quarterly) from your account by redeeming units of a Fund designated by you in advance. Counsel will then remit the fee (plus GST) directly to your dealer. There are no advisory or asset-based fees for Series E units. See the “Series D and F (Advisory or Asset-Based Fee)” section in the “Fees and Expenses Payable Directly By You” table beginning on page 25 for more information.
- There are no sales charges to purchase Series I units, however, you will generally be required to pay your dealer an advisory or asset-based fee (plus GST) in addition to the Series I management fees you pay directly to Counsel. Counsel will redeem Series I units of the Funds from your account for an amount

equal to that fee and remit the proceeds to your dealer. See the “Series I (Advisory or Asset-Based Fee)” section in the “Fees and Expenses Payable Directly by You” table beginning on page 25.

- If you buy Series A units of the Funds or Series C units of Counsel Money Market under the deferred charge option, Counsel pays your dealer a commission of 5% of the amount you invest. That commission is not negotiable. Series D, E, F, I and P units cannot be purchased under the deferred charge option.
- If you buy Series A units of the Funds or Series C units of Counsel Money Market under the low deferred charge option, Counsel pays your dealer a commission of 2.5% of the amount you invest. That commission is not negotiable. Series D, E, F, I and P units cannot be purchased under the low deferred charge option.
- These commissions are not paid when (i) you switch between the Funds and your new Fund units are issued under the same purchase option as your previous Fund units or (ii) when you switch from units bought under the deferred charge option or the low deferred charge option to units to be purchased under the sales charge option. In those cases, a switch fee of up to 2% of the amount you switch may be charged, and retained, by your dealer.
- The commissions listed above will be paid when you switch from units bought under the sales charge option to units to be purchased under either the deferred charge option or the low deferred charge option, including switches within a Fund.
- No sales commissions are paid when you receive units from your reinvested Fund dividends or distributions.

#### TRAILING COMMISSIONS

Counsel pays dealers a trailing commission at the end of each month or quarter as a percentage of the value of units of the series of the Fund in each account held by the dealer’s clients as set out in the following tables.

Series A, E, and F trailing commissions are paid out of the management fees collected by Counsel.

No trailing commissions are paid for Series C units of Counsel Money Market, or for Series D, I and P units of the Funds.

## TRAILING COMMISSION ANNUAL RATE

	Series A					Series E	Series F
	Sales Charge Option	Deferred Charge Option		Low Deferred Charge Option			
Counsel Select America	1.00%	Year 1-6 Thereafter	0.50% 1.00%	Year 1-3 Thereafter	0.50% 1.00%	–	–
Counsel Money Market	0.25%	Year 1-6 Thereafter	0.25% 0.25%	Year 1-3 Thereafter	0.125% 0.25%	–	–
Counsel Select Canada	1.00%	Year 1-6 Thereafter	0.50% 1.00%	Year 1-3 Thereafter	0.50% 1.00%	–	–
Counsel Select International	1.00%	Year 1-6 Thereafter	0.50% 1.00%	Year 1-3 Thereafter	0.50% 1.00%	–	–
Counsel Fixed Income	0.50%	Year 1-6 Thereafter	0.25% 0.50%	Year 1-3 Thereafter	0.25% 0.50%	–	–
Counsel Global Small Cap	1.00%	Year 1-6 Thereafter	0.50% 1.00%	Year 1-3 Thereafter	0.50% 1.00%	–	–
Counsel Conservative Portfolio	0.70%	Year 1-6 Thereafter	0.35% 0.70%	Year 1-3 Thereafter	0.35% 0.70%	0.70%	0.35%
Counsel Regular Pay Portfolio	1.00%	Year 1-6 Thereafter	0.50% 1.00%	Year 1-3 Thereafter	0.50% 1.00%	1.00%	0.40%
Counsel Balanced Portfolio	1.00%	Year 1-6 Thereafter	0.50% 1.00%	Year 1-3 Thereafter	0.50% 1.00%	1.00%	0.40%
Counsel Growth Portfolio	1.00%	Year 1-6 Thereafter	0.50% 1.00%	Year 1-3 Thereafter	0.50% 1.00%	1.00%	0.45%
Counsel All Equity Portfolio	1.00%	Year 1-6 Thereafter	0.50% 1.00%	Year 1-3 Thereafter	0.50% 1.00%	1.00%	0.50%
Counsel Managed Portfolio	1.00%	Year 1-6 Thereafter	0.50% 1.00%	Year 1-3 Thereafter	0.50% 1.00%	1.00%	0.50%
Counsel World Managed Portfolio	1.00%	Year 1-6 Thereafter	0.50% 1.00%	Year 1-3 Thereafter	0.50% 1.00%	1.00%	0.50%
Counsel Income Managed Portfolio	1.00%	Year 1-6 Thereafter	0.50% 1.00%	Year 1-3 Thereafter	0.50% 1.00%	1.00%	0.50%
Counsel U.S. Value	1.00%	Year 1-6 Thereafter	0.50% 1.00%	Year 1-3 Thereafter	0.50% 1.00%	1.00%	0.50%
Counsel U.S. Growth	1.00%	Year 1-6 Thereafter	0.50% 1.00%	Year 1-3 Thereafter	0.50% 1.00%	1.00%	0.50%
Counsel International Value	1.00%	Year 1-6 Thereafter	0.50% 1.00%	Year 1-3 Thereafter	0.50% 1.00%	1.00%	0.50%
Counsel International Growth	1.00%	Year 1-6 Thereafter	0.50% 1.00%	Year 1-3 Thereafter	0.50% 1.00%	1.00%	0.50%

Continued...

**TRAILING COMMISSION ANNUAL RATE (CONT'D)**

	Series A					Series E	Series F
	Sales Charge Option	Deferred Charge Option		Low Deferred Charge Option			
Counsel Canadian Value	1.00%	Year 1-6 Thereafter	0.50% 1.00%	Year 1-3 Thereafter	0.50% 1.00%	1.00%	0.50%
Counsel Canadian Growth	1.00%	Year 1-6 Thereafter	0.50% 1.00%	Year 1-3 Thereafter	0.50% 1.00%	1.00%	0.50%
Counsel Canadian Dividend	1.00%	Year 1-6 Thereafter	0.50% 1.00%	Year 1-3 Thereafter	0.50% 1.00%	1.00%	0.50%
Counsel Global Real Estate	1.00%	Year 1-6 Thereafter	0.50% 1.00%	Year 1-3 Thereafter	0.50% 1.00%	1.00%	0.50%

We may change the terms of the trailing commission program or cancel it at anytime.

**OTHER KINDS OF DEALER COMPENSATION**

Counsel pays for marketing materials that we give to dealers to help support their sales efforts. These materials include reports and commentaries on securities, the markets, Funds and the services we offer investors.

Counsel may share with dealers up to 50% of their costs in marketing the Funds or in providing educational information about mutual funds generally. For example, we may pay a portion of the costs of a dealer in advertising the availability of the Fund through the financial advisors of the dealer. We may also pay part of the costs of a dealer in running a seminar to inform you about the Fund or generally about the benefits of investing in mutual funds. We may also pay for part of the costs of a dealer for a sales communication, conference or seminar that provides educational information about tax or estate planning, based on an exemptive relief from certain securities regulations regarding sales practices, provided we fulfill certain conditions.

Counsel may pay up to 10% of the costs of some dealers to hold educational seminars or conferences for their financial advisors to teach them about, among other things, new developments in the mutual fund industry, financial planning or new financial products. The dealer makes all decisions about where and when the conference is held and who can attend.

Counsel also arranges conferences for financial advisors where Counsel informs them about new developments in our Funds, our products and services, mutual fund industry matters, financial planning, and investing in securities. We invite dealers to send their financial advisors to our conferences, but the dealer decides which financial advisors attend the conference. The financial advisors must pay their own travel, accommodation and personal expenses of attending our seminars.

Counsel may pay the registration fees of financial advisors of a dealer to attend a conference, seminar or course held by a third party about, among other things, new developments in the mutual fund industry, financial planning, investing in securities, or mutual funds generally. The dealer decides which financial advisor(s) attend(s).

Counsel may also pay up to 10% of the costs of an industry association to hold a conference, seminar or course about new developments in the mutual fund industry, financial planning, investing in securities, or mutual funds generally. The dealer decides which financial advisor(s) attend(s).

Counsel may also provide dealers non-monetary benefits of a promotional nature and of minimal value and may engage in business promotion activities that result in dealers receiving non-monetary benefits.

#### DISCLOSURE OF EQUITY INTERESTS

Counsel is a direct subsidiary of IPC Portfolio Services Inc. (“**IPCPSI**”), which is in turn an indirect subsidiary of Investment Planning Counsel Inc. (“**IPCI**”) and IPCI is in turn a majority-owned subsidiary of IGM Financial Inc. (“**IGM**”). IGM is a financial services company listed on the TSX. IGM is a majority-owned subsidiary of Power Financial Corporation (“**Power**”). Great-West Lifeco Inc. (“**GWL**”) is also a majority-owned subsidiary of Power. IGM’s activities are principally carried out through IPCI, Mackenzie Financial Corporation and Investors Group Inc. As at October 2, 2009, IGM has an equity interest in IPCI of approximately 91.44%. Other indirect wholly-owned or majority-owned subsidiaries of IGM, who are therefore affiliated with Counsel and who as dealers may hold, sell and/or recommend units of the Funds, include: IPC Securities Corporation, Investors Group Securities Inc. and M.R.S. Securities Services Inc. (each an investment dealer) and IPC Investment Corporation, Investors Group Financial Services Inc., M.R.S. Inc. and M.R.S. Correspondent Corporation (each a mutual fund dealer). Each of the Investors Group companies are wholly-owned by Investors Group Inc. Each of the M.R.S. companies are wholly-owned, directly or indirectly, by Mackenzie. Each of the IPC companies are wholly-owned or majority-owned by IPCI. GWL’s activities are principally carried out through its subsidiaries, The Great-West Life Assurance Company, London Life Insurance Company and The Canada Life Assurance Company. Other indirectly-owned subsidiaries of GWL who are therefore affiliated with Counsel and who as dealers may hold, sell and/or recommend units of the Funds include Quadrus Investment Services Ltd. (a mutual fund dealer). Each investment dealer and mutual fund dealer referenced are collectively “**participating dealers**”. From time to time, representatives of any of the participating dealers may own, directly or indirectly, shares of IGM, GWL or Power. As at October 2, 2009, the aggregate equity interests of IPCI owned directly and indirectly by representatives and their respective associates, of IPC Securities Corporation was 0.16%, and of IPC Investment Corporation was 8.25%. As at October 2, 2009, the aggregate percentage of equity interests of IPCI owned directly and indirectly by representatives and their respective associates of the participating dealers was 8.25%.

Counsel anticipates that an equity ownership program will be implemented in the near future which will allow qualifying financial advisors (other than financial advisors who are also senior management of IPCI) and their respective associates (each a “Qualifying Financial Advisor”) of IPC Securities Corporation and IPC Investment Corporation to purchase directly or indirectly an equity interest in IPCPSI. As at October 2, 2009, no Qualifying Financial Advisor owns directly or indirectly an equity interest in IPCPSI. As at October 2, 2009, the aggregate equity interests of IPCPSI owned indirectly by representatives and their respective associates through their equity interests in IPCI, was 0.16% for IPC Securities Corporation and 8.25% for IPC Investment Corporation. The aggregate equity interests of IPCPSI owned indirectly by representatives and their respective associates of the participating dealers at such time was 8.25%.

Counsel provides portfolio management and portfolio sub-advisory services to IPC Securities Corporation for the IPC Private Wealth Program, through which Series P units of the Funds are sold. Counsel receives an asset-based fee from IPC Securities Corporation for its services. Other than the proposed

equity ownership program and the IPC Private Wealth Program, Counsel has no special agreements or arrangements with respect to these dealers and these dealers will receive commissions and charge fees to investors who purchase units of the Funds through them in the same manner as any unrelated dealer.

### ***Dealer Compensation From Management Fees***

During our financial period ended March 31, 2009, Counsel paid total cash compensation (sales commissions, trailing commissions and other kinds of cash compensation) to dealers who distributed units of Funds representing approximately 41% of the total management fees which we received from all of our funds in that year. Effective October 1, 2008, the Funds changed the financial year-end from September 30 to March 31. Accordingly, the Funds had a six-month transition year ending March 31, 2009.

### ***Income Tax Considerations For Investors***

This section provides a general summary of the federal income tax considerations applicable to the Funds and to an investor who is an individual (other than a trust) resident in Canada who holds units as capital property. This summary is not intended to be legal advice or tax advice. We have tried to make this discussion easy to understand. As a result, it may not be technically precise, or cover all the tax consequences that may apply. You should consult your own tax advisor about your personal circumstances when you consider purchasing, switching or redeeming units of a Fund. The summary is based on the current provisions of the *Income Tax Act* (Canada) (“Tax Act”), regulations under the Tax Act, the proposals for specific amendments to the Tax Act, the regulations that have been publicly announced by the Minister of Finance (Canada) before the date hereof and our understanding of the current published administrative practices and assessing policies of the Canada Revenue Agency. Except for the foregoing, this summary does not take into account or anticipate any change in law, whether by legislative, regulatory, administrative or judicial action. Furthermore, this summary does not take into account provincial, territorial, or foreign income tax legislation or considerations.

This summary is based on the assumption that each of the Funds is or will be a “mutual fund trust”, as defined in the Tax Act, and is expected to so qualify at all material times. In our view, this is a reasonable assumption.

#### **HOW THE FUNDS ARE TAXED**

Mutual funds can earn income in a number of ways:

- They can earn income in the form of interest, dividends or income from the investments they make and can be deemed to earn income on investments in certain foreign entities.
- They can realize a capital gain (loss) by selling an investment for more (less) than its adjusted cost base (“ACB”). A mutual fund that invests in foreign denominated units must calculate its ACB and proceeds of disposition in Canadian dollars based on the conversion rate on the date the units were purchased and sold, as applicable. As a result, a mutual fund may realize capital gains and losses due to changes in the value of the foreign currency relative to the Canadian dollar.
- They can realize gains or losses from their use of derivatives. These gains or losses may be treated as income gains or losses (i.e., like interest) or as capital gains or losses depending on the circumstances.

Generally, gains and losses realized from the use of cash-settled futures, forwards and certain other derivatives will be treated as income and losses rather than capital gains and losses, unless the derivative was used for a specific hedging purpose.

In certain circumstances, capital losses may be denied or suspended and, therefore, may be unavailable to shelter capital gains. For example, a capital loss realized by a Fund may be suspended (and thus unavailable to shelter capital gains) if, during the period that begins 30 days before and ends 30 days after the date on which the capital loss was realized, the Fund acquires property that is, or is identical to, the particular property on which the loss was realized. This will be particularly relevant where a Fund invests in Underlying Funds.

Each Fund will be subject to tax under Part I of the Tax Act on its net income, including net taxable capital gains, not paid or payable to its investors as at the end of each calendar year, after taking into consideration any loss carry-forwards and any capital gains refund. Each Fund intends to pay to investors enough of its income and capital gains each year so that it will not be liable for income tax under Part I of the Tax Act.

Income or loss is calculated in Canadian dollars for a Fund as a whole. All of a Fund's deductible expenses, including management fees, deductible expenses common to all series of a Fund and deductible expenses specific to a particular series of a Fund, will be deducted in calculating the Fund's income. Income of a Fund derived from foreign sources may be subject to foreign withholding taxes which may, within certain limits, be deducted from income of the Fund.

## HOW YOU ARE TAXED ON A FUND INVESTMENT

How you are taxed on an investment in the Funds depends on whether you hold the investment inside or outside a registered tax plan.

### IF YOU OWN THE FUNDS OUTSIDE A REGISTERED TAX PLAN

#### *Distributions*

You must include in your income for a taxation year, the taxable portion of all distributions (including management expense distributions) paid or payable (collectively, "paid") to you from a Fund during the year, in Canadian dollars, whether these amounts were paid to you in cash or reinvested in additional units. The amount of reinvested distributions is added to the ACB of your units to reduce your capital gain or increase your capital loss when you later redeem. This ensures that you do not pay tax on the amount again at a later date.

Distributions paid by a Fund may consist of capital gains, dividends (i.e., eligible and/or non-eligible dividends from a taxable Canadian corporation), foreign source income, other income and/or a return of capital.

Dividends may be eligible for the enhanced gross-up and dividend tax credit. Capital gains distributions will be treated as taxable capital gains, one half of which will generally be included in calculating your income. A Fund may make designations in respect of its foreign source income so that you will be able to claim any foreign tax credits allocated to you by the Fund.

You may receive return of capital distributions from your Fund. You will not be taxed on a return of capital, but it will reduce the ACB of your units. If the ACB of your units is reduced to less than zero, you will be deemed to realize a capital gain to the extent of the negative amount of the ACB and the ACB will be increased by the amount of this deemed capital gain. Distributions from Counsel Regular Pay Portfolio and Counsel Income Managed Portfolio are most likely to include returns of capital.

When you buy units of a Fund just before the record date of a distribution, you will receive the distribution and be subject to tax on the taxable portion of the distribution, if any, even though the Fund may have earned the related income or realized the related gains before you owned the units.

The higher the portfolio turnover rate of any Fund in a year, the greater the chance that you will receive a capital gains distribution. There is not necessarily a relationship between a portfolio turnover rate and the performance of a Fund.

Please refer to the Distributions Policy in the Fund Details section of each Fund in Part B of this simplified prospectus for information on the frequency of Fund distributions and the timing of those distributions.

### Sales and redemption charges and fees

A sales charge paid on the purchase of units is not deductible in computing your income but is added to the ACB of your units. A redemption charge paid on the redemption of units is not deductible in computing your income but effectively reduces the proceeds of disposition of your units.

Management fees paid on Series I units will not be deductible in computing your income. You should consult your own tax advisor regarding the deductibility of fees paid to your dealer on Series D, F and P units.

Canada Revenue Agency has issued an opinion with respect to mutual funds similar to the Funds which provides that the change of units of one series of a mutual fund trust to another series of the same mutual fund trust will not result in a disposition for tax purposes. Assuming that the same principles apply to the Funds, the change of units of one series of a Fund into units of another series of the same Fund should not result in the realization of a capital gain or loss to the investor.

Any switch, other than those described above, will be treated in the same way as a redemption of your units, as outlined below.

### Redemptions

You will realize a capital gain (loss) if you redeem any of your units in a Fund. Your capital gain (loss) generally will be the amount by which the net asset value of the units exceeds (is less than) the ACB of those units. You may deduct redemption charges and other expenses of redemption when calculating your capital gain (loss). Generally, one-half of your capital gain is included in your income for tax purposes and one-half of your capital loss can be deducted against your taxable capital gains.

Some Funds may have particular investors who own a significant amount of the Fund as described under “**Large Transaction Risk**” on page 6. This type of large transaction may result in more accrued gains to be recognized that could increase the distribution of a Fund.

If a Fund experiences a large number of redemptions or switches, it may be required to liquidate more assets than it otherwise would have done. This may result in the realization of more of the Fund's accrued capital gains and thus result in larger capital gains distributions. See “**Large Transaction Risk**” on page 6.

### Calculating Your ACB

Your ACB must be determined separately for each series of units that you own in each Fund. The total ACB of your units of a series of a Fund is generally equal to:

- the total of all amounts paid to purchase your units, including any sales charges paid by you at the time of purchase
- plus**
- the amount of any reinvested distributions
- less**
- the return of capital component of distributions
- less**
- the ACB of any units you have previously redeemed.

The ACB of a unit of a series of a Fund will be the average of the ACB of all units of the same series in that Fund owned by you including units received on the reinvestment of distributions or received as rebates. Any sales charge you paid in respect of a purchase of units will be included in the cost of your units for these purposes. For example, suppose you own 500 units of a Fund with an ACB of \$10 each (a total of \$5,000). Suppose you then purchase another 100 units of the same series of the Fund for an additional \$1,200, including a sales charge. Your total cost is \$6,200 for 600 units so that your new ACB of each unit of the series of the Fund is \$6,200 divided by 600 units or \$10.33 per unit.

### Alternative Minimum Tax

Distributions of taxable dividends and capital gains, and capital gains realized on the disposition of units may increase your liability for alternative minimum tax.

### Tax Statements

If applicable, we will send a tax statement to you each year identifying the taxable portion of the distributions that you received from each Fund and any amounts that were a return of capital. You should keep detailed records of the purchase cost, sales charges and distributions related to your units in order to calculate their ACB. You may wish to consult a tax advisor to help you with these calculations.

## **IF YOU OWN THE FUNDS INSIDE A REGISTERED TAX PLAN**

Units of the Funds are or are expected to be qualified investments for registered tax plans such as RRSPs, RRFs, LIFs, LRSPs, LIRAs, LRIFs, PRIFs, RLIFs, RLSPs, registered educational savings plans (“RESPs”), deferred profit sharing plans (“DPSPs”), registered disability savings plans (“RDSPs”), and TFSAs.

You will generally not pay tax on distributions paid by a Fund if those Fund units are held in a registered tax plan. Nor will you be subject to tax on capital gains from redeeming or switching units, as long as you do not make a withdrawal from the registered tax plan.

You will generally be taxed at your personal tax rate if you withdraw money from your registered tax plan (other than a TFSA), or in certain circumstances, an RESP or RDSP.

You should consult with your own tax advisor as to whether units of the Funds would be prohibited investments under the Tax Act if held in your TFSA. You should consult your own tax advisor for full particulars of the tax implications of establishing, amending and terminating registered tax plans. It is the responsibility of investors in these plans to determine the consequences to them under relevant tax legislation. The Funds and Counsel assume no liability to you as a result of making registered tax plans available for investment.

### ***What are Your Legal Rights?***

Securities legislation in some provinces gives you the right to withdraw from an agreement to buy securities of a mutual fund within two business days of receiving the simplified prospectus, or to cancel your purchase within 48 hours of receiving confirmation of your order.

Securities legislation in some provinces and territories also allows you to cancel an agreement to buy units of a mutual fund units 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 mutual 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.

## PART B: Specific Information About Each of the Mutual Funds Described In This Document

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### GENERALLY

Part B provides specific fund descriptions of the Funds in this simplified prospectus. It supplements the general information concerning those Funds which is contained in Part A.

This **Introduction to Part B** explains most of the terms and assumptions which appear in this Part B and the information common to many of the Funds, so that we do not have to repeat that information for each Fund.

### ***Similarities to Mutual Funds Sponsored by the Portfolio Advisors***

The investment objectives and investment strategies of the Funds other than the Strategic and Managed Portfolios are in most cases similar to the objectives and strategies of existing mutual funds sponsored by the applicable portfolio sub-advisors. Although these Funds have similar objectives and strategies, and in most cases will have investment portfolios managed by the same individuals, the performance of the Funds and the corresponding funds sponsored by a portfolio sub-advisor will not be identical. This is because not all of the investments of the two groups of Funds will be the same in all respects, the investments will be acquired at different times, in different amounts and at different prices, and each Fund will have different levels of purchases and redemptions from time to time, necessitating different portfolio transactions.

### ***What Does the Fund Invest In?***

#### INVESTMENT OBJECTIVES AND STRATEGIES

Each Fund's Part B describes the Fund's **investment objectives and investment strategies**. The investment objectives can only be changed with the consent of the investors in the Fund at a meeting called for that purpose. The investment strategies explain how the Fund intends to achieve its investment objectives. As manager of the Fund, we may change the investment strategies from time to time but will give Fund investors notice of our intention to do so if it would be a material change as defined in National Instrument 81-106 – Investment Fund Continuous Disclosure (“**NI 81-106**”). Under NI 81-106, a change in the business, operations, or affairs of a Fund is considered to be a “**material change**” if a reasonable investor would consider it important in deciding whether to purchase or continue to hold securities of the Fund.

#### USE OF DERIVATIVES BY THE FUNDS

Some of the Funds may use derivatives such as options, futures, forward contracts, swaps or customized types of derivatives to “**hedge**” against losses caused by changes in stock prices or exchange rates. Derivatives may also be used as a substitute investment for a stock or a stock market, which is known as a “**non-hedging**” investment. When a Fund uses derivatives for hedging or non-hedging purposes, it will only do so as permitted by Canada's securities regulations.

If a Fund intends to use derivatives as part of its investment strategy, we have indicated in the Fund's description of investment strategies whether the derivatives will be used for hedging purposes, non-hedging purposes or both. Please also refer to the explanation of risks which accompany the use of derivatives, under "What are the Risks of Investing in a Mutual Fund?" on page 2.

#### THE INVESTMENT PROCESS FOR THE COUNSEL STRATEGIC AND MANAGED PORTFOLIOS

Assessing the appropriate level of risk and properly diversifying your investments are critical components to a successful investment strategy. The Counsel Portfolios use a selection of investments aimed at providing the best return for your given level of risk. As a portfolio of assets, each Counsel Portfolio views investments not in isolation but on the basis of how that investment can be expected to influence the risk and return of the whole portfolio. Counsel Managed Portfolio, Counsel World Managed Portfolio and Counsel Income Managed Portfolio each use a tactical asset allocation approach which is described in their Part B specific fund descriptions. Counsel Conservative Portfolio, Counsel Regular Pay Portfolio, Counsel Balanced Portfolio, Counsel Growth Portfolio and Counsel All Equity Portfolio each use a strategic asset allocation approach which is described below. By delivering either tactical or strategic asset allocation, the objective of Counsel Strategic and Managed Portfolios is to help you achieve your financial goals while reducing risk.

- **Investor Needs and Risk Assessment** – To direct you to the portfolio that best suits your needs, your financial advisor will assist you in identifying your investment objectives, as well as your personal tolerance level to risk. To aid in this endeavour, Counsel provides a risk assessment questionnaire designed to probe your time horizon, growth and income requirements, and tolerance for risk. You can ask your financial advisor for further information. Based on your responses to the questionnaire, you are directed to one of the Counsel Portfolios best suited to your needs.
- **Asset Class Allocation** – Each of the Counsel Portfolios has been constructed by Counsel to correspond to a specific category of growth and income needs and risk tolerance. For each of Counsel Conservative Portfolio, Counsel Regular Pay Portfolio, Counsel Balanced Portfolio, Counsel Growth Portfolio and Counsel All Equity Portfolio, Counsel has retained a third party provider of portfolio modelling services to provide asset class and capital market inputs to Counsel for use in its analysis. Counsel has assigned a target allocation to the major asset classes: equities, fixed income, and cash, commensurate with the specific objectives of the Counsel Portfolio. Target allocations are then further divided by type within the major asset classes, as appropriate.
- **Fund Selection** – In order to gain market exposure consistent with the targeted allocations, each of Counsel Conservative Portfolio, Counsel Regular Pay Portfolio, Counsel Balanced Portfolio, Counsel Growth Portfolio and Counsel All Equity Portfolio invests in a number of other mutual funds, referred to as Underlying Funds. Through its network of portfolio sub-advisors, as well as the expertise of the Funds' portfolio advisors, Counsel offers access to a broad array of investment mandates and distinctive approaches to both equity and fixed income investing. With the assistance of an asset allocation consulting firm independent of Counsel, Counsel analyzes the return/risk characteristics of the available funds. Counsel has constructed distinct portfolios that are diversified by asset class, investment style,

geography, and company size to match the allocations corresponding to each portfolio's objectives. The Underlying Funds in which the Funds invest may be changed from time to time as well as the percentage holding in each Underlying Fund without notice to you so long as such changes are consistent with the Fund's investment objective.

- **Ongoing Monitoring and Rebalancing** – Left unchecked, market fluctuations can cause the investments in Counsel Portfolios to stray from their desired asset class allocation weightings. The portfolio advisor monitors the allocation of each portfolio, and the investments of each portfolio are rebalanced as required. Similarly, the portfolio advisor regularly reviews the broad array of investment options to determine whether any changes to allocations for each portfolio, including any fund substitutions, are required. The Counsel Portfolios are re-optimized at least annually to determine asset and sub-asset class target weights as well as Underlying Fund target weights. The Underlying Funds are reviewed each business day to determine if it is appropriate to use existing cash flows to rebalance investments in the Underlying Funds that are most underweight relative to targets, or by paying out redemptions in the Counsel Portfolios by selling the Underlying Funds that are most overweight.

#### SECURITIES LENDING, REPURCHASE AND REVERSE REPURCHASE TRANSACTIONS

Securities lending, repurchase and reverse repurchase transactions earn additional income for mutual funds. That income comes from the fees paid by the transaction counterparty and interest paid on the cash or securities held as collateral. Each of Counsel Managed Portfolio, Counsel Select America, Counsel Regular Pay Portfolio and Counsel Fixed Income may engage in securities lending, repurchase and reverse repurchase transactions after giving investors 60 days' notice of its intention to do so. Counsel World Managed Portfolio, Counsel Income Managed Portfolio, Counsel U.S. Value, Counsel U.S. Growth, Counsel International Value, Counsel International Growth, Counsel Canadian Value, Counsel Canadian Growth, Counsel Canadian Dividend, Counsel Global Real Estate and Counsel Global Small Cap are permitted to enter into these transactions without further notice. Those transactions are described on page 7 of this prospectus.

On any securities lending, repurchase and reverse repurchase transaction, the Funds must:

- deal only with counterparties who meet generally accepted creditworthiness standards and who are unrelated to the Fund's portfolio advisor, manager or trustee as defined in NI 81-102;
- hold collateral equal to a minimum 102% of the market value of the portfolio securities loaned (for securities lending transactions), sold (for repurchase transactions) or purchased (for reverse repurchase transactions);
- adjust the amount of the collateral on each business day to ensure the value of the collateral relative to the market value of the portfolio securities loaned, sold or purchased remains at or above the minimum 102% limit; and
- limit the aggregate value of all portfolio securities loaned or sold through securities lending and repurchase transactions to no more than 50% of the total assets of the Fund (without including the collateral for loaned securities and cash for sold securities).

## ***What are the Risks of Investing in this Fund?***

The **general investment risks** which apply to investing in mutual funds, including our Funds, are set out on page 2 of Part A. The **specific fund risks** for each Fund are set out under the sub-heading “**What are the Risks of Investing in the Fund?**” for each Fund described in this Part B. Those risks are based upon the Fund’s investment objectives and strategies and describe the material risks of investing in that Fund under normal market conditions when considering the Fund’s portfolio as a whole, not each individual investment within the portfolio. **You should discuss the risks of investing in the Fund with your financial advisor before making an investment in the Fund.**

## ***Who Should Invest in this Fund?***

This section will help you decide whether a Fund is right for you. **This information is only a guide.** In this section, we state what type of investor should consider an investment in the Fund. For example, an investor may want to grow their capital over the long term or want to protect their investment and earn income. An investor may wish to invest outside a registered plan or may wish to invest in a specific region or industry.

We also assign Fund risk ratings to each Fund using the methodology recommended by the Fund Risk Classification Task Force of the Investment Funds Institute of Canada (“IFIC”) to determine the risk ratings of the Funds. The methodology includes both quantitative and qualitative considerations. The IFIC Task Force concluded that the most comprehensive, easily understood form of quantitative risk in this context is historical volatility risk as measured by the standard deviation of fund performance. **You should know that other types of risk, both measurable and non-measurable exist. Also, just as historical performance may not be indicative of future returns, a Fund’s historical volatility may not be indicative of its future volatility.**

Here are the IFIC risk rating categories:

- **Very low** – for Funds with a level of risk that is typically associated with investments in money market funds;
- **Low** – for Funds with a level of risk that is typically associated with investments in Canadian fixed income funds;
- **Below average** – for Funds with a level of risk that is typically associated with investments in asset allocation funds, balanced funds, and certain equity funds;
- **Average** – for Funds with a level of risk that is typically associated with investments in equity portfolios that are broadly diversified among a number of large capitalization Canadian and/or international equity securities;
- **Above average** – for Funds with a level of risk that is typically associated with investments in equity funds that may concentrate their investments in specific regions of the world or in specific sectors of the economy; and
- **High** – for Funds with a level of risk that is typically associated with investments in equity funds that may concentrate their investments in specific regions of the world or in specific sectors of the economy where there is a substantial risk of loss.

A Fund may be suitable for you as an individual component within your entire portfolio, even if the Fund's risk rating is higher or lower than your personal risk tolerance level. When you and your financial advisor are choosing investments, you should consider your *whole* portfolio, investment objectives, time horizon and your personal risk tolerance level.

### ***Distribution Policy***

This section explains when a Fund pays distributions. Distributions will generally be paid by a Fund only to the extent necessary to ensure that the Fund does not pay income tax. However, Counsel retains the discretion to make other distributions from time to time in any calendar year. By limiting distributions, the Fund will preserve more of its capital for future investment and will minimize the annual tax liability of its investors. Unless you otherwise direct, in writing, all distributions will be automatically reinvested without charge in additional units of the same series of the Fund.

### ***Fund Expenses Indirectly Borne By Investors***

Each Fund pays its own operating expenses, which reduces the Fund's investment return on your units. Each Fund section in Part B contains an example of the amount of expenses which would be payable by the Fund (for each series of the Fund's units) on a \$1,000 investment, assuming that the Fund earns a constant 5% per year and the management expense ratios for each series of units remain the same as the past year, for the complete 10 years shown in the example. Where Counsel has waived a portion of its management fees or absorbed some of the Fund's operating expenses during the past financial year, the MER would have been higher had it not done so and, consequently, that would have increased the Fund expenses indirectly borne by you. The fees and expenses which you pay directly, and which are not included in the Fund's management expense ratios, are described in the "Fees and Expenses" section of Part A beginning on page 22.

The example table will help you to compare the cumulative costs of investing in the Fund with the similar costs of investing in other mutual funds. Please remember that it is only an example and that the Fund's actual expenses will vary each year.

**COUNSEL CONSERVATIVE PORTFOLIO – Fund Details**

Type of Fund	Canadian Balanced
Start Date	January 15, 2002
Securities Offered/Start Date	Mutual fund trust units: Series A: January 15, 2002                      Series F: January 19, 2004 Series D: February 13, 2006                  Series I: March 1, 2006 Series E: February 13, 2006
Registered Tax Plan Status	Units of Counsel Conservative Portfolio are qualified investments for registered tax plans.
Portfolio Advisor	Counsel Portfolio Services Inc. (Mississauga, Ontario)

**What Does the Fund Invest In?***Investment Objectives*

- Counsel Conservative Portfolio seeks to achieve a balance between income and capital growth with a moderate level of investment risk.
- The Fund invests in securities of a variety of Canadian, U.S. and international equity and fixed income mutual funds.
- The fundamental investment objective of Counsel Conservative Portfolio cannot be changed without obtaining prior approval of unitholders at a meeting called for that purpose.

*Investment Strategies*

- The Fund invests up to 100% of its assets in securities of other mutual funds using strategic asset allocation as its principal investment strategy. The Fund's asset class weightings will generally be 50-70% in fixed income securities and 30-50% in equity securities.
- The Underlying Funds in which the Fund invests may be managed by Counsel.
- The Fund may invest up to 49% of its assets directly in foreign securities or in underlying mutual funds that invest primarily in foreign securities.
- As of the date of this document, the Fund was investing in securities of the following mutual funds:

<b>Underlying Fund</b>	<b>Target Allocation</b>	<b>Investment Strategies and/or Style</b>
Counsel Fixed Income	60%	Fixed income
Counsel Canadian Value	5.5%	Canadian value equities
Counsel Canadian Growth	5.5%	Canadian growth equities
Counsel U.S. Value	0-5.25%*	U.S. value equities
Counsel U.S. Growth	0-5.25%*	U.S. growth equities
Counsel International Value	5.25%	International value equities
Counsel International Growth	5.25%	International growth equities

## COUNSEL CONSERVATIVE PORTFOLIO (Continued)

Underlying Fund	Target Allocation	Investment Strategies and/or Style
Counsel Global Real Estate	4%	Global real estate
Counsel Global Small Cap	4%	Global small cap
Counsel Select America	0-10.5%*	U.S. equities

\* The portfolio advisor expects to gradually increase the target allocation for Counsel U.S. Value and Counsel U.S. Growth from 0% to 5.25% each by directing any new investments in Counsel Conservative Portfolio to these two Funds, while gradually eliminating the target allocation for Counsel Select America from 10.5% to 0% as units in Counsel Conservative Portfolio are redeemed.

- As portfolio advisor, Counsel may add or remove mutual funds from this list or otherwise vary the mix of investments at any time and without notice to you depending upon prevailing market conditions so long as such changes are consistent with the Fund's investment objective.
- The different portfolio management styles and areas of expertise of the Underlying Funds' portfolio sub-advisors and/or portfolio managers should lead to an element of diversification in the Fund's portfolio. However, as the Underlying Funds' portfolio sub-advisors and/or portfolio managers are independent of one another, there may be some overlap in specific securities, industry sectors, countries or investment themes as applicable, from time to time.
- The Fund may invest in short-term debt securities or cash for operational purposes including maintaining liquidity to accommodate redemption requests and to rebalance assets between the Underlying Funds.
- The Fund does not itself use derivatives. The Underlying Funds may use derivatives as a part of their investment strategies. Similarly, the Fund itself does not engage in securities lending, repurchase and reverse repurchase transactions. The Underlying Funds may enter into these transactions as part of their investment strategies. For further information on these transactions and derivatives use, please see the "Introduction to Part B" in this simplified prospectus.
- For further information on the Underlying Funds, please see the applicable fund specific pages contained in this simplified prospectus.

### **What are the Risks of Investing in the Fund?**

- The risks of investing in this Fund are similar to the risks of investing in the Underlying Funds it holds. The Fund uses an asset allocation strategy and is expected to fluctuate in value within a narrower range than broadly diversified equity funds, but more widely than fixed income funds. The Fund invests either directly or through securities of its Underlying funds, in equities and fixed income securities and invests a significant proportion of its assets in foreign markets, giving rise to foreign markets and currency risk. These and other risks are described starting on page 2. The following chart shows which risks apply to this Fund.

## COUNSEL CONSERVATIVE PORTFOLIO (Continued)

Commodity	✓	Income Trust	✓
Company	✓	Interest Rate	✓
Concentration	✓	Large Transaction	✓
Credit	✓	Legislation	✓
Depository Receipt	✓	Portfolio Advisor	✓
Derivatives	✓	Prepayment	✓
Emerging Markets		Securities Lending, Repurchase and Reverse Repurchase Transaction	✓
Foreign Currency	✓		
Foreign Markets	✓		
Illiquidity	✓	Series	✓
		Small Company	✓

**Who Should Invest in this Fund?**

- You should consider this Fund if you want exposure to Canadian, U.S. and international equity and fixed income securities and are investing for the medium to long term.
- You should consider this Fund if you have a below average tolerance for risk.

**Distribution Policy**

- Counsel Conservative Portfolio will make distributions out of net income and net realized capital gains, if any, annually in December of each year. Counsel retains the discretion to make other distributions from time to time in any calendar year.

**Fund Expenses Indirectly Borne by Investors**

- Estimated cumulative expenses payable by each series of units of the Fund for each \$1,000 investment (see “Introduction to Part B” for an explanation of the assumptions used in this example) for the time periods shown:

Series	For 1 Year	For 3 Years	For 5 Years	For 10 Years
Series A units	27.06	85.31	149.52	340.36
Series D units	13.12	41.36	72.50	165.02
Series E units	20.71	65.27	114.41	260.43
Series F units	16.50	52.02	91.19	207.57
Series I units	1.03	3.23	5.66	12.89

**COUNSEL REGULAR PAY PORTFOLIO – Fund Details**

Type of Fund	Canadian Income Balanced
Start Date	January 19, 2004
Securities Offered/Start Date	Mutual fund trust units: Series A: January 19, 2004      Series F: January 19, 2004 Series D: February 13, 2006      Series I: March 1, 2006 Series E: February 13, 2006
Registered Tax Plan Status	Units of Counsel Regular Pay Portfolio are qualified investments for registered tax plans.
Portfolio Advisor	Counsel Portfolio Services Inc. (Mississauga, Ontario)
Portfolio Sub-Advisor	The portfolio is managed using a multi-manager process. See “Investment Strategies” below.

**What Does the Fund Invest In?***Investment Objectives*

- Counsel Regular Pay Portfolio seeks to provide a regular stream of income with the potential for modest long-term capital growth.
- The Fund invests, either directly or through securities of other mutual funds, primarily in Canadian and U.S. higher-yielding fixed income securities, income trusts, convertible securities, mortgage-backed securities and money market instruments. The Fund also invests in Canadian and foreign common and preferred equity securities.
- The fundamental investment objective of Counsel Regular Pay Portfolio cannot be changed without obtaining prior approval of unitholders at a meeting called for that purpose.

*Investment Strategies*

- The Fund may invest in any type or quality of fixed income security, income trust, equity security, mortgage-backed security or money market instrument.
- The Fund may invest up to 30% of its assets directly in foreign securities or in underlying mutual funds that invest primarily in foreign securities.
- The Underlying Funds in which the Fund invests may be managed by Counsel.
- The Fund’s portfolio sub-advisors and Underlying Funds are selected and may be changed by Counsel at its sole discretion. The names of the portfolio sub-advisors and Underlying Funds, a brief description of their investment strategies, as well as the target allocations of the Fund’s assets to each are set out in the following table.

## COUNSEL REGULAR PAY PORTFOLIO (Continued)

Portfolio Sub-Advisors and Underlying Funds	Target Allocation	Mandate	Investment Strategies and/or Style
Acuity Investment Management Inc., Toronto, Ontario	50%	Income	Acuity's investments are primarily in Canadian fixed income and equity securities which, in the opinion of Acuity, have prospects of steady interest, dividend and/or distribution payouts, the ability to sustain these payouts for a reasonable period of time into the future and a favourable price in relation to payout expectations. Acuity may also invest in foreign securities, usually foreign corporate and government bonds.
RBC Canadian Dividend Fund	30%	Canadian dividend	The Fund seeks regular dividend income, which benefits from the preferential tax treatment given to dividend income, modest long-term capital growth by investing primarily in Canadian equity securities with above average dividend yield.
Counsel U.S. Value	0-2.5%*	U.S. value equities	Please see the applicable fund pages in this simplified prospectus for details regarding this Fund's investment strategies.
Counsel U.S. Growth	0-2.5%*	U.S. growth equities	Please see the applicable fund pages in this simplified prospectus for details regarding this Fund's investment strategies.
Counsel International Value	2.5%	International value equities	Please see the applicable fund pages in this simplified prospectus for details regarding this Fund's investment strategies.
Counsel International Growth	2.5%	International growth equities	Please see the applicable fund pages in this simplified prospectus for details regarding this Fund's investment strategies.
Counsel Global Real Estate	10%	Global real estate	Please see the applicable fund pages in this simplified prospectus for details regarding this Fund's investment strategies.
Counsel Select America	0-5%*	U.S. equities	Please see the applicable fund pages in this simplified prospectus for details regarding this Fund's investment strategies.

\* The portfolio advisor expects to gradually increase the target allocation for Counsel U.S. Value and Counsel U.S. Growth from 0% to 2.5% each by directing any new investments in Counsel Regular Pay Portfolio to these two Funds, while gradually eliminating the target allocation for Counsel Select America from 5% to 0% as units in Counsel Regular Pay Portfolio are redeemed.

- The Fund's asset mixes, target allocations and investments in particular Underlying Funds may change without notice to you depending upon prevailing market conditions so long as such changes are consistent with the fundamental investment objective.
- The different portfolio management styles and areas of expertise of the sub-advisor(s) and the Underlying Funds' portfolio sub-advisors and/or portfolio managers should lead to an element of diversification in the

## COUNSEL REGULAR PAY PORTFOLIO (Continued)

Fund's portfolio. However, as the sub-advisor(s) and the Underlying Funds' portfolio sub-advisors and/or portfolio managers are independent of one another, there may be some overlap in specific securities, industry sectors, countries or investment themes as applicable, from time to time.

- The Fund may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in stock prices, interest rates or foreign exchange rates. The Fund may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets, to gain exposure to other currencies, to seek to generate additional income, and/or for any other purpose considered appropriate by the Fund's portfolio advisor, provided that the use of the derivative is consistent with the Fund's investment objective. For further information on these transactions and derivatives use, please see the "Introduction to Part B" in this simplified prospectus.
- The Underlying Funds may enter into derivatives and securities lending transactions as part of their investment strategies.
- The Fund may invest in short-term debt securities or cash for operational purposes including maintaining liquidity to accommodate redemption requests, to rebalance assets between the Underlying Funds and portfolio sub-advisors, and for defensive purposes such as when market conditions are not favourable.
- For further information on the Counsel-managed Underlying Funds, please see the applicable fund pages contained in this simplified prospectus. Please see the simplified prospectus and other information about the other Underlying Funds on the internet site of SEDAR at [www.sedar.com](http://www.sedar.com).

### **What are the Risks of Investing in the Fund?**

- The risks of investing in this Fund are similar to the risks of investing in the Underlying Funds it holds. The Fund invests either directly or through securities of its Underlying Funds, in fixed income and in equity securities, including companies involved in real estate and small companies. The stocks of these types of companies are subject to significant changes in value and may be illiquid. The Fund also invests a portion of its assets outside of Canada, giving rise to foreign markets and currency risk. These and other risks are described starting on page 2. The following chart shows which risks apply to this Fund.

Commodity	✓	Income Trust	✓
Company	✓	Interest Rate	✓
Concentration	✓	Large Transaction	✓
Credit	✓	Legislation	✓
Depository Receipt	✓	Portfolio Advisor	✓
Derivatives	✓	Prepayment	✓
Emerging Markets		Securities Lending, Repurchase and Reverse Repurchase Transaction	✓
Foreign Currency	✓		
Foreign Markets	✓		
Illiquidity	✓	Series	✓
		Small Company	✓

COUNSEL REGULAR PAY PORTFOLIO *(Continued)***Who Should Invest in this Fund?**

- You should consider this Fund if you are seeking a diversified fund with the potential for modest long-term capital growth, and you are comfortable with the risks associated with equity and fixed income investments.
- The Fund is suitable for investors with a below average tolerance for risk and who are seeking a regular source of income.

**Distribution Policy**

- The Fund intends to pay a monthly distribution to unitholders. The monthly distribution amount will be determined by Counsel and may be adjusted periodically. Distributions in excess of your share of the Fund's income and capital gains will be treated as a return of capital. Distributions from Counsel Regular Pay Portfolio will likely include returns of capital. Returns of capital are not taxable to you, but will reduce the adjusted cost base of the related units. If the adjusted cost base of your units is reduced to less than zero, you will be deemed to have realized a capital gain equal to the negative amount and your adjusted cost base will be increased to nil.
- Cash distributions will reduce the net asset value of the Fund which will, in turn, reduce the Fund's ability to generate future income.
- Counsel retains the discretion to make other distributions from time to time in any calendar year.

**Fund Expenses Indirectly Borne by Investors**

- Estimated cumulative expenses payable by each series of units of the Fund for each \$1,000 investment (see "Introduction to Part B" for an explanation of the assumptions used in this example) for the time periods shown.

Series	For 1 Year	For 3 Years	For 5 Years	For 10 Years
Series A units	27.37	86.28	151.22	344.23
Series D units	13.02	41.04	71.93	163.73
Series E units	23.78	74.97	131.40	299.10
Series F units	16.91	53.32	93.45	212.72
Series I units	0.72	2.26	3.96	9.02

**COUNSEL BALANCED PORTFOLIO – Fund Details**

Type of Fund	Global Balanced
Start Date	January 15, 2002
Securities Offered/Start Date	Mutual fund trust: units Series A: January 15, 2002      Series F: January 19, 2004 Series D: February 13, 2006      Series I: March 1, 2006 Series E: February 13, 2006
Registered Tax Plan Status	Units of Counsel Balanced Portfolio are qualified investments for registered tax plans.
Portfolio Advisor	Counsel Portfolio Services Inc. (Mississauga, Ontario)

**What Does the Fund Invest In?***Investment Objectives*

- Counsel Balanced Portfolio seeks to achieve a balance between income and long-term capital growth.
- The Fund invests in securities of a variety of Canadian, U.S. and international equity and fixed income mutual funds.
- The fundamental investment objective of Counsel Balanced Portfolio cannot be changed without obtaining prior approval of unitholders at a meeting called for that purpose.

*Investment Strategies*

- The Fund invests up to 100% of its assets in securities of other mutual funds using strategic asset allocation as its principal investment strategy. The Fund's asset class weightings will generally be 30 to 50% in fixed income securities and 50 to 70% in equity securities.
- The Underlying Funds in which the Fund invests may be managed by Counsel.
- As at the date of this document, the Fund was investing in securities of the following mutual funds:

<b>Underlying Fund</b>	<b>Target Allocation</b>	<b>Investment Strategies and/or Style</b>
Counsel Fixed Income	40%	Fixed income
Counsel Canadian Value	8%	Canadian value equities
Counsel Canadian Growth	8%	Canadian growth equities
Counsel U.S. Value	0-7.5%*	U.S. value equities
Counsel U.S. Growth	0-7.5%*	U.S. growth equities
Counsel International Value	7.5%	International value equities
Counsel International Growth	7.5%	International growth equities
Counsel Global Real Estate	6%	Global real estate
Counsel Global Small Cap	8%	Global small cap
Counsel Select America	0-15%*	U.S. equities

## COUNSEL BALANCED PORTFOLIO (Continued)

- \* The portfolio advisor expects to gradually increase the target allocation for Counsel U.S. Value and Counsel U.S. Growth from 0% to 7.5% each by directing any new investments in Counsel Balanced Portfolio to these two Funds, while gradually eliminating the target allocation for Counsel Select America from 15% to 0% as units in Counsel Balanced Portfolio are redeemed.
- As portfolio advisor, Counsel may add or remove mutual funds from this list or otherwise vary the mix of investments at any time and without notice to you depending upon prevailing market conditions so long as such changes are consistent with the Fund's investment objective.
- The different portfolio management styles and areas of expertise of the Underlying Funds' portfolio sub-advisors and/or portfolio managers should lead to an element of diversification in the Fund's portfolio. However, as the Underlying Funds' portfolio sub-advisors and/or portfolio managers are independent of one another, there may be some overlap in specific securities, industry sectors, countries or investment themes as applicable, from time to time.
- The Fund may invest in short-term debt securities or cash for operational purposes including maintaining liquidity to accommodate redemption requests and to rebalance assets between the Underlying Funds.
- The Fund does not itself use derivatives. The Underlying Funds may use derivatives as a part of their investment strategies. Similarly, the Fund itself does not engage in securities lending, repurchase and reverse repurchase transactions. The Underlying Funds may enter into these transactions as part of their investment strategies. For further information on these transactions and derivatives use, please see the "Introduction to Part B" in this simplified prospectus.
- For further information on the Underlying Funds, please see the applicable fund specific pages contained in this simplified prospectus.

**What are the Risks of Investing in the Fund?**

- The risks of investing in this Fund are similar to the risks of investing in the Underlying Funds it holds. The Fund uses an asset allocation strategy and is expected to fluctuate in value within a narrower range than broadly diversified equity funds, but more widely than fixed income funds. The Fund, through its Underlying Funds, invests in fixed income and in equity securities, including companies involved in real estate and small companies. The stocks of these types of companies are subject to significant changes in value and may be illiquid. The Fund also invests a portion of its assets outside of Canada, giving rise to foreign markets and currency risk. These and other risks are described starting on page 2. The following chart shows which risks apply to this Fund.

Commodity	✓	Income Trust	
Company	✓	Interest Rate	✓
Concentration	✓	Large Transaction	✓
Credit	✓	Legislation	✓
Depository Receipt	✓	Portfolio Advisor	✓
Derivatives	✓	Prepayment	✓
Emerging Markets		Securities Lending, Repurchase and Reverse Repurchase Transaction	✓
Foreign Currency	✓	Series	✓
Foreign Markets	✓	Small Company	✓
Illiquidity	✓		

COUNSEL BALANCED PORTFOLIO *(Continued)***Who Should Invest in this Fund?**

- You should consider this Fund if you are seeking a balance between equity and fixed income securities in your portfolio and are investing for the long term.
- You should consider this Fund if you can accept some variability of returns and have a below average tolerance for risk.

**Distribution Policy**

- Counsel Balanced Portfolio will make distributions out of net income and net realized capital gains, if any, annually in December of each year. Counsel retains the discretion to make other distributions from time to time in any calendar year.

**Fund Expenses Indirectly Borne by Investors**

- Estimated cumulative expenses payable by each series of units of the Fund for each \$1,000 investment (see “Introduction to Part B” for an explanation of the assumptions used in this example) for the time periods shown:

Series	For 1 Year	For 3 Years	For 5 Years	For 10 Years
Series A units	27.57	86.92	152.36	346.80
Series D units	13.84	43.62	76.46	174.05
Series E units	23.47	74.00	129.70	295.23
Series F units	17.53	55.26	96.85	220.46
Series I units	1.13	3.55	6.23	14.18

**COUNSEL GROWTH PORTFOLIO – Fund Details**

Type of Fund	Global Balanced Equity
Start Date	January 15, 2002
Securities Offered/Start Date	Mutual fund trust: units Series A: January 15, 2002      Series F: January 19, 2004 Series D: February 13, 2006      Series I: March 1, 2006 Series E: February 13, 2006
Registered Tax Plan Status	Units of Counsel Growth Portfolio are qualified investments for registered tax plans.
Portfolio Advisor	Counsel Portfolio Services Inc. (Mississauga, Ontario)

**What Does the Fund Invest In?***Investment Objectives*

- Counsel Growth Portfolio seeks to achieve long-term capital growth.
- The Fund invests in securities of a variety of Canadian, U.S. and international equity and fixed income mutual funds.
- The fundamental investment objective of Counsel Growth Portfolio cannot be changed without obtaining prior approval of unitholders at a meeting called for that purpose.

*Investment Strategies*

- The Fund invests up to 100% of its assets in securities of other mutual funds using strategic asset allocation as its principal investment strategy. The Fund's asset class weightings will generally be 70 to 85% in equity securities and 15 to 30% in fixed income securities.
- The Underlying Funds in which the Fund invests may be managed by Counsel.
- As at the date of this document, the Fund was investing in securities of the following mutual funds:

<b>Underlying Fund</b>	<b>Target Allocation</b>	<b>Investment Strategies and/or Style</b>
Counsel Fixed Income	20%	Fixed income
Counsel Canadian Value	10.5%	Canadian value equities
Counsel Canadian Growth	10.5%	Canadian growth equities
Counsel U.S. Value	0-9%*	U.S. value equities
Counsel U.S. Growth	0-9%*	U.S. growth equities
Counsel International Value	9%	International value equities
Counsel International Growth	9%	International growth equities
Counsel Global Real Estate	8%	Global real estate

## COUNSEL GROWTH PORTFOLIO (Continued)

Underlying Fund	Target Allocation	Investment Strategies and/or Style
Counsel Global Small Cap	15%	Global small cap
Counsel Select America	0-18%*	U.S. equities

\* The portfolio advisor expects to gradually increase the target allocation for Counsel U.S. Value and Counsel U.S. Growth from 0% to 9% each by directing any new investments in Counsel Growth Portfolio to these two Funds, while gradually eliminating the target allocation for Counsel Select America from 18% to 0% as units in Counsel Growth Portfolio are redeemed.

- As portfolio advisor, Counsel may add or remove mutual funds from this list or otherwise vary the mix of investments at any time and without notice to you depending upon prevailing market conditions so long as such changes are consistent with the Fund's investment objective.
- The different portfolio management styles and areas of expertise of the Underlying Funds' portfolio sub-advisors and/or portfolio managers should lead to an element of diversification in the Fund's portfolio. However, as the Underlying Funds' portfolio sub-advisors and/or portfolio managers are independent of one another, there may be some overlap in specific securities, industry sectors, countries or investment themes as applicable, from time to time.
- The Fund may invest in short-term debt securities or cash for operational purposes including maintaining liquidity to accommodate redemption requests and to rebalance assets between the Underlying Funds.
- The Fund does not itself use derivatives. The Underlying Funds may use derivatives as a part of their investment strategies. Similarly, the Fund itself does not engage in securities lending, repurchase and reverse repurchase transactions. The Underlying Funds may enter into these transactions as part of their investment strategies. For further information on these transactions and derivatives use, please see the "Introduction to Part B" in this simplified prospectus.
- For further information on the Underlying Funds, please see the applicable fund specific pages contained in this simplified prospectus.

### **What are the Risks of Investing in the Fund?**

- The risks of investing in this Fund are similar to the risks of investing in the Underlying Funds it holds. The Fund uses an asset allocation strategy and is expected to fluctuate in value within a narrower range than broadly diversified equity funds, but more widely than fixed income funds. The Fund, through its Underlying Funds, invests in fixed income and in equity securities, including companies involved in real estate and small companies. The stocks of these types of companies are subject to significant changes in value and may be illiquid. The Fund also invests a portion of its assets outside of Canada, giving rise to foreign markets and currency risk. These and other risks are described starting on page 2. The following chart shows which risks apply to this Fund.

## COUNSEL GROWTH PORTFOLIO (Continued)

Commodity	✓	Income Trust	
Company	✓	Interest Rate	✓
Concentration	✓	Large Transaction	✓
Credit	✓	Legislation	✓
Depository Receipt	✓	Portfolio Advisor	✓
Derivatives	✓	Prepayment	✓
Emerging Markets		Securities Lending, Repurchase and Reverse Repurchase Transaction	✓
Foreign Currency	✓		
Foreign Markets	✓		
Illiquidity	✓	Series	✓
		Small Company	✓

**Who Should Invest in this Fund?**

- You should consider this Fund if you want exposure to Canadian, U.S. and International equity and fixed income securities and are seeking long-term capital appreciation.
- You should consider this Fund if you can accept some variability of returns and have a below average tolerance for risk.

**Distribution Policy**

- Counsel Growth Portfolio will make distributions out of net income and net realized capital gains, if any, annually in December of each year. Counsel retains the discretion to make other distributions from time to time in any calendar year.

**Fund Expenses Indirectly Borne by Investors**

- Estimated cumulative expenses payable by each series of units of the Fund for each \$1,000 investment (see “Introduction to Part B” for an explanation of the assumptions used in this example) for the time periods shown:

Series	For 1 Year	For 3 Years	For 5 Years	For 10 Years
Series A units	29.01	91.45	160.28	364.85
Series D units	14.97	47.18	82.69	188.23
Series E units	25.73	81.11	142.16	323.60
Series F units	19.27	60.75	106.48	242.38
Series I units	1.23	3.88	6.80	15.47

**COUNSEL ALL EQUITY PORTFOLIO – Fund Details**

Type of Fund	Global Equity
Start Date	January 15, 2002
Securities Offered/Start Date	Mutual fund trust units: Series A: January 15, 2002                      Series F: January 19, 2004 Series D: February 13, 2006                      Series I: March 1, 2006 Series E: February 13, 2006
Registered Tax Plan Status	Units of Counsel All Equity Portfolio are qualified investments for registered tax plans.
Portfolio Advisor	Counsel Portfolio Services Inc. (Mississauga, Ontario)

**What Does the Fund Invest In?***Investment Objectives*

- Counsel All Equity Portfolio seeks to achieve long-term capital appreciation.
- The Fund invests in securities of a variety of Canadian, U.S. and international equity mutual funds.
- The fundamental investment objective of Counsel All Equity Portfolio cannot be changed without obtaining prior approval of unitholders at a meeting called for that purpose.

*Investment Strategies*

- The Fund invests up to 100% of its assets in securities of other mutual funds using strategic asset allocation as its principal investment strategy.
- The Underlying Funds in which the Fund invests may be managed by Counsel.
- As at the date of this document, the Fund was investing in securities of the following mutual funds:

Underlying Fund	Target Allocation	Investment Strategies and/or Style
Counsel Canadian Value	13%	Canadian value equities
Counsel Canadian Growth	13%	Canadian growth equities
Counsel U.S. Value	0-11%*	U.S. value equities
Counsel U.S. Growth	0-11%*	U.S. growth equities
Counsel International Value	11%	International value equities
Counsel International Growth	11%	International growth equities
Counsel Global Real Estate	10%	Global real estate
Counsel Global Small Cap	20%	Global small cap
Counsel Select America	0-22%*	U.S. equities

\* The portfolio advisor expects to gradually increase the target allocation for Counsel U.S. Value and Counsel U.S. Growth from 0% to 11% each by directing any new investments in Counsel All Equity Portfolio to these two Funds, while gradually eliminating the target allocation for Counsel Select America from 22% to 0% as units in Counsel All Equity Portfolio are redeemed.

## COUNSEL ALL EQUITY PORTFOLIO (Continued)

- As portfolio advisor, Counsel may add or remove mutual funds from this list or otherwise vary the mix of investments at any time and without notice to you depending upon prevailing market conditions so long as such changes are consistent with the Fund's investment objective.
- The different portfolio management styles and areas of expertise of the Underlying Funds' portfolio sub-advisors and/or portfolio managers should lead to an element of diversification in the Fund's portfolio. However, as the Underlying Funds' portfolio sub-advisors and/or portfolio managers are independent of one another, there may be some overlap in specific securities, industry sectors, countries or investment themes as applicable, from time to time.
- The Fund may invest in short-term debt securities or cash for operational purposes including maintaining liquidity to accommodate redemption requests and to rebalance assets between the Underlying Funds.
- The Fund does not itself use derivatives. The Underlying Funds may use derivatives as a part of their investment strategies. Similarly, the Fund itself does not engage in securities lending, repurchase and reverse repurchase transactions. The Underlying Funds may enter into these transactions as part of their investment strategies. For further information on these transactions and derivatives use, please see the "Introduction to Part B" in this simplified prospectus.
- For further information on the Underlying Funds, please see the applicable fund specific pages contained in this simplified prospectus.

**What are the Risks of Investing in the Fund?**

- The risks of investing in this Fund are similar to the risks of investing in the Underlying Funds it holds. The Fund, through its Underlying Funds, invests in equity securities, which are more volatile than other types of securities like fixed income securities, including in companies involved in real estate and small companies. The stocks of these types of companies are subject to significant changes in value and may be illiquid. The Fund also invests a portion of its assets outside of Canada, giving rise to foreign markets and currency risk. These and other risks are described starting on page 2. The following chart shows which risks apply to this Fund.

Commodity	✓	Income Trust	
Company	✓	Interest Rate	✓
Concentration	✓	Large Transaction	✓
Credit	✓	Legislation	✓
Depository Receipt	✓	Portfolio Advisor	✓
Derivatives	✓	Prepayment	✓
Emerging Markets		Securities Lending, Repurchase and Reverse Repurchase Transaction	✓
Foreign Currency	✓	Series	✓
Foreign Markets	✓	Small Company	✓
Illiquidity	✓		

COUNSEL ALL EQUITY PORTFOLIO *(Continued)***Who Should Invest in this Fund?**

- You should consider this Fund if you are seeking long-term capital appreciation and you are comfortable with the risks associated with equity investments.
- You should consider this Fund if you can accept some variability of returns and have an average tolerance for risk.

**Distribution Policy**

- Counsel All Equity Portfolio will make distributions out of net income and net realized capital gains, if any, annually in December of each year. Counsel retains the discretion to make other distributions from time to time in any calendar year.

**Fund Expenses Indirectly Borne by Investors**

- Estimated cumulative expenses payable by each series of units of the Fund for each \$1,000 investment (see “Introduction to Part B” for an explanation of the assumptions used in this example) for the time periods shown:

Series	For 1 Year	For 3 Years	For 5 Years	For 10 Years
Series A units	30.24	95.32	167.08	380.32
Series D units	16.09	50.73	88.92	202.41
Series E units	26.34	83.04	145.56	331.33
Series F units	20.40	64.30	112.71	256.56
Series I units	1.33	4.20	7.36	16.76

**COUNSEL INCOME MANAGED PORTFOLIO – Fund Details**

Type of fund	Canadian Tactical Asset Allocation
Start Date	January 26, 2007
Securities Offered/Start Date	Mutual fund trust units: Series A: January 26, 2007 Series D: January 26, 2007 Series E: January 26, 2007 Series F: January 26, 2007 Series I: January 26, 2007
Registered Tax Plan Status	The units of Counsel Income Managed Portfolio are qualified investments for registered tax plans.
Portfolio Advisor	Counsel Portfolio Services Inc. (Mississauga, Ontario)
Portfolio Sub-Advisor	The portfolio is managed using a multi-manager process. See “Investment Strategies” below.

**What Does the Fund Invest In?***Investment Objectives*

- Counsel Income Managed Portfolio seeks to provide a consistent level of income with the potential for long-term capital growth.
- The Fund invests either directly or through securities of other mutual funds, primarily in Canadian fixed income securities, income trusts, convertible securities, mortgage-backed securities, as well as common and preferred shares. The Fund may also invest in U.S. and global debt and equity securities.
- The fundamental investment objective of the Fund cannot be changed without obtaining prior approval of unitholders at a meeting called for that purpose.

*Investment Strategies*

- Counsel Income Managed Portfolio is managed using a tactical asset allocation approach between fixed income and equity investments and either of these asset classes may range from approximately 20% to 80% of the Fund’s portfolio. The investment allocations to each asset class of this Fund will be monitored on an ongoing basis and, if necessary, adjusted to remain consistent with the investment objective.
- Thornmark Asset Management Inc. (“Thornmark”) has been retained by Counsel to provide asset allocation advice to Counsel. Thornmark will determine and assign the Fund’s target allocations to the income and growth, bonds and Canadian dividend mandates. The allocations are then implemented by Counsel at its discretion by adjusting the allocations to the various portfolio sub-advisors and Underlying Funds.
- The Fund’s portfolio sub-advisors and Underlying Funds are selected and may be changed by Counsel in its sole discretion. The names of the portfolio sub-advisors and Underlying Funds, a brief description of their investments, as well as target allocations of the Fund’s assets to each are set out in the following table.

## COUNSEL INCOME MANAGED PORTFOLIO (Continued)

Portfolio Sub-Advisors and Underlying Funds	Target Allocation	Mandate	Investment Strategies and/or Style
Thornmark Asset Management Inc., Toronto, Ontario	25 to 35%	Income & Growth	Pursuant to the Fund's investment strategy, the portfolio sub-advisor seeks to provide long-term growth through capital appreciation and income by tactically allocating assets primarily to Canadian and U.S. equity investments (including real estate investment trusts ("REITs"), royalty and income trusts and similar investments), bonds and cash. Derivative strategies may be used to augment income and/or hedge security, market and exchange rate risk. Other securities may be held from time to time and investments may be made in non-Canadian securities.
TD Canadian Bond Fund	20 to 50%	Bonds	The Fund seeks to earn a high rate of interest income through investments in high-quality bonds and debentures issued principally by Canadian borrowers in Canadian dollars. Securities may consist of debt obligations of, or guaranteed by, Canadian federal, provincial or municipal governments, Canadian chartered banks, Canadian loan or trust companies or Canadian corporations. The Fund's portfolio advisor believes using rigorous bottom-up security selection in regard to the macroeconomic environment will add value and enhance long-term performance while at the same time reducing risk. Generally, the Fund employs a "buy-and-hold" strategy.
RBC Canadian Dividend Fund	20 to 50%	Canadian dividend	The Fund seeks regular dividend income, which benefits from the preferential tax treatment given to dividend income, modest long-term capital growth by investing primarily in Canadian equity securities with above average dividend yield.

- The Fund may invest in short-term debt securities or cash for operational purposes including maintaining liquidity to accommodate redemption requests, to rebalance assets between the Underlying Funds and portfolio sub-advisors, and for defensive purposes such as when market conditions are not favourable.
- The different portfolio management styles and areas of expertise of the sub-advisor(s) and the Underlying Funds' portfolio sub-advisors and/or portfolio managers should lead to an element of diversification in the Fund's portfolio. However, as the sub-advisor(s) and the Underlying Funds' portfolio sub-advisors and/or portfolio managers are independent of one another, there may be some overlap in specific securities, industry sectors, countries or investment themes as applicable, from time to time.

## COUNSEL INCOME MANAGED PORTFOLIO (Continued)

- The portfolio sub-advisors' investment style may result in a higher portfolio turnover rate than less actively managed funds. Portfolio investments will be sold, and the proceeds reinvested, when the portfolio securities no longer meet expectations of continued gains. High portfolio turnover rates can increase portfolio costs and may also increase the likelihood that you will receive taxable capital gains from the Fund. There is no proven relationship between a high turnover rate and the performance of a mutual fund.
- The Fund may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest rates or exchange rates. The Fund may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets, to gain exposure to other currencies, to seek to generate additional income, and/or for any other purpose considered appropriate by the Fund's portfolio advisor provided that the use of the derivative is consistent with the Fund's investment objective. For further information on these transactions and derivatives use, please see the "Introduction to Part B" in this simplified prospectus.
- The Underlying Funds may enter into derivatives and securities lending transactions as part of their investment strategies.
- The Fund may engage in securities lending, repurchase and reverse repurchase transactions to earn additional income for the Fund. These transactions will only be made with parties that are considered creditworthy and as described in the "Introduction to Part B" on page 38.
- Please see the simplified prospectus and other information about the Underlying Funds on the internet site of SEDAR at [www.sedar.com](http://www.sedar.com).

**What are the Risks of Investing in the Fund?**

- The assets of the Fund and/or its Underlying Funds are invested in fixed income securities and in dividend-paying equity securities. The risks associated with fixed income and equity investing are described starting on page 4. The following chart shows which risks apply to this Fund.

Commodity	✓	Income Trust	✓
Company	✓	Interest Rate	✓
Concentration	✓	Large Transaction	✓
Credit	✓	Legislation	✓
Depository Receipt	✓	Portfolio Advisor	✓
Derivatives	✓	Prepayment	✓
Emerging Markets		Securities Lending, Repurchase and Reverse Repurchase Transaction	✓
Foreign Currency	✓		
Foreign Markets	✓		
Illiquidity	✓	Series	✓
		Small Company	✓

COUNSEL INCOME MANAGED PORTFOLIO *(Continued)***Who Should Invest in this Fund?**

- You should consider this Fund if you are seeking income and some long-term growth and have a below average tolerance for risk.

**Distribution Policy**

- The Fund intends to pay a monthly distribution to unitholders. The monthly distribution amount will be determined by Counsel and may be adjusted periodically. Distributions in excess of your share of the Fund's income and capital gains will be treated as a return of capital. Distributions from Counsel Income Managed Portfolio will likely include returns of capital. Returns of capital are not taxable to you, but will reduce the adjusted cost base of the related units. If the adjusted cost base of your units is reduced to less than zero, you will be deemed to have realized a capital gain equal to the negative amount and your adjusted cost base will be increased to nil.
- Cash distributions will reduce the net asset value of the Fund which will, in turn, reduce the Fund's ability to generate future income.
- Counsel retains the discretion to make other distributions from time to time in any calendar year.

**Fund Expenses Indirectly Borne by Investors**

- Estimated cumulative expenses payable by each series of units of the Fund for each \$1,000 investment (see "Introduction to Part B" for an explanation of the assumptions used in this example) for the time periods shown:

Series	For 1 Year	For 3 Years	For 5 Years	For 10 Years
Series A units	27.37	86.28	151.22	344.23
Series D units	13.22	41.68	73.06	166.31
Series E units	23.88	75.29	131.97	300.39
Series F units	18.55	58.49	102.51	233.35
Series I units	0.62	1.94	3.40	7.74

**COUNSEL MANAGED PORTFOLIO – Fund Details**

Type of fund	Tactical Balanced
Start Date	May 21, 1999
Securities Offered/Start Date	Mutual fund trust units: Series A: May 21, 1999 Series D: February 13, 2006 Series E: February 13, 2006 Series F: February 13, 2006 Series I: March 1, 2006
Registered Tax Plan Status	The units of Counsel Managed Portfolio are qualified investments for registered tax plans.
Portfolio Advisor	Counsel Portfolio Services Inc. (Mississauga, Ontario)
Portfolio Sub-Advisor	The portfolio is managed using a multi-manager process. See “Investment Strategies” below.

**What Does the Fund Invest In?***Investment Objectives*

- Counsel Managed Portfolio seeks to maximize long-term investment returns through income and capital gains by investing primarily in Canadian debt and equity securities.
- The fundamental investment objective of Counsel Managed Portfolio cannot be changed without obtaining prior approval of unitholders at a meeting called for that purpose.

*Investment Strategies*

- The Fund is managed using a tactical asset allocation approach to create a diversified portfolio by investing in five different asset classes - international equities, Canadian dividend-paying equities, Canadian mid cap equities, Canadian small cap equities and fixed income. Consistent with its tactical asset allocation approach, it is expected that the Fund’s asset class weightings will range between approximately 30% - 80% in equity securities and 20% - 70% in fixed income securities. The investment allocations to each asset class of this Fund are monitored and, if necessary, adjusted to remain consistent with the investment objective.
- The Fund may also invest up to 30% of its assets in foreign securities. Foreign investments will usually be international and U.S. equities.
- Thornmark Asset Management Inc. (“Thornmark”) has been retained by Counsel to provide asset allocation advice to Counsel. Thornmark will determine and assign the Fund’s target allocations to international equity, Canadian dividend-paying equities, Canadian mid cap equities, Canadian small cap equities and fixed income asset classes. The allocations are then implemented by Counsel at its discretion by adjusting the allocations to the various portfolio sub-advisors.

## COUNSEL MANAGED PORTFOLIO (Continued)

- The Fund's portfolio sub-advisors are selected by Counsel in its sole discretion. The names of portfolio sub-advisors and a brief description of their investment strategies, as well as target allocations of the Fund's assets to the portfolio sub-advisors are set out in the following table. Counsel may change the allocation available to each portfolio sub-advisor at any time without notice to you.

Portfolio Sub-Advisors	Target Allocation	Mandate	Investment Strategies and/or Style
Cumberland Private Wealth Management Inc., Toronto, Ontario	0% to 25%	Risk review	Cumberland makes risk management decisions based upon an equity concentration review process. As part of the process, Cumberland reviews the actual holdings of the other portfolio sub-advisors that are responsible for global equities and fixed income and identifies concentrations in specific sections of the economy, specific investment characteristics and specific economic exposures. Cumberland invests its allocation in securities of various asset classes to reduce the risk and/or increase returns in a manner consistent with the overall target asset allocation. Cumberland's investment style is conservative, risk averse and disciplined using a combination of top down and bottom up analysis.
Acuity Investment Management Inc., Toronto, Ontario	No less than 5%	Fixed income	Acuity invests in a diversified portfolio of Canadian fixed income and equity securities which have prospects of steady interest, dividend and/or distribution payouts, and the ability to sustain these payouts for a reasonable period of time into the future and are a favourable price in relation to payout expectations.
Acuity Investment Management Inc., Toronto, Ontario	No less than 5%	Canadian mid cap	Acuity's investments are primarily in Canadian equity securities. Acuity uses a value-conscious growth approach to investing, seeking companies with viable business models derived from sustainable competitive advantages.
Howson Tattersall Investment Counsel, Toronto, Ontario	No less than 5%	Canadian small cap	Howson Tattersall invests primarily in equity securities of small capitalization Canadian corporations listed on the Toronto Stock Exchange. Howson follows a value investment style that emphasizes security of capital.
Leon Frazer & Associates Inc., Toronto, Ontario	No less than 5%	Canadian dividend	Leon Frazer invests primarily in large capitalization Canadian securities for the purpose of deriving dividend income, protecting the value of investments and achieving long-term capital appreciation. A dividend income valuation approach is applied.

## COUNSEL MANAGED PORTFOLIO (Continued)

Portfolio Sub-Advisors	Target Allocation	Mandate	Investment Strategies and/or Style
Mawer Investment Management Ltd., Calgary, Alberta	No less than 5%	International growth equities	The Mawer investment team invests primarily in international equity securities to achieve long-term capital growth and to provide a reasonable rate of return. Mawer's investments will be made primarily in countries outside North America including Europe, Asia, Latin America, Australia and Africa. The amount invested in any one country will vary depending upon the economic investment, market outlook, and opportunities in each area. Mawer will primarily invest in equities and may diversify amongst equity and debt securities, currencies, industries and countries to increase the safety of the principal and to increase the growth and liquidity of the investments.

- The different portfolio sub-advisor styles and areas of expertise should lead to an element of diversification in the Fund's portfolio. However, as the portfolio sub-advisors are independent of one another, there may be some overlap in specific securities, industry sectors, countries or investment themes as applicable, from time to time.
- The Fund may invest in short-term debt securities or cash for operational purposes including maintaining liquidity to accommodate redemption requests, to rebalance assets between the portfolio sub-advisors, and for defensive purposes such as when market conditions are not favourable.
- The Fund may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest rates or exchange rates. The Fund may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets, to gain exposure to other currencies, to seek to generate additional income, and/or for any other purpose considered appropriate by the Fund's portfolio advisor, provided that the use of the derivative is consistent with the Fund's investment objective. For further information on these transactions and derivatives use, please see the "Introduction to Part B" in this simplified prospectus.
- The portfolio sub-advisors' investment styles may result in a higher portfolio turnover rate than less actively managed funds. Portfolio investments will be sold, and the proceeds reinvested, when the portfolio securities no longer meet expectations of continued gains. High portfolio turnover rates can increase portfolio costs and may also increase the likelihood that you will receive taxable capital gains from the Fund. There is no proven relationship between a high turnover rate and the performance of a mutual fund.
- The Fund may engage in securities lending, repurchase and reverse repurchase transactions to earn additional income for the Fund after giving investors 60 days' notice of its intention to do so. These transactions will only be made with parties that are considered creditworthy and as described in the "Introduction to Part B" on page 38.

### **What are the Risks of Investing in the Fund?**

- The Fund uses an asset allocation strategy and is expected to fluctuate in value within a narrower range than broadly diversified equity funds, but more widely than fixed income funds. The Fund invests in fixed

## COUNSEL MANAGED PORTFOLIO (Continued)

income and in equity securities, including small companies. The stocks of these types of companies are subject to significant changes in value and may be illiquid. The Fund also invests a portion of its assets outside of Canada, giving rise to foreign markets and currency risk. These and other risks are described starting on page 2. The following chart shows which risks apply to this Fund.

Commodity	✓	Income Trust	
Company	✓	Interest Rate	✓
Concentration	✓	Large Transaction	
Credit	✓	Legislation	✓
Depository Receipt	✓	Portfolio Advisor	✓
Derivatives	✓	Prepayment	✓
Emerging Markets		Securities Lending, Repurchase and Reverse Repurchase Transaction	
Foreign Currency	✓		
Foreign Markets	✓		
Illiquidity	✓	Series	✓
		Small Company	✓

**Who Should Invest in this Fund?**

- You should consider this Fund if you are seeking capital gains over the long term from your investment and you are comfortable with the risks associated with equity and fixed income investments.
- You should consider this Fund if you can accept some variability of returns and you have an average tolerance for risk.

**Distribution Policy**

- Counsel Managed Portfolio will make distributions out of net income and net realized capital gains, if any, annually in December of each year. Counsel retains the discretion to make other distributions from time to time in any calendar year.

**Fund Expenses Indirectly Borne by Investors**

- Estimated cumulative expenses payable by each series of units of the Fund for each \$1,000 investment (see “Introduction to Part B” for an explanation of the assumptions used in this example) for the time periods shown:

Series	For 1 Year	For 3 Years	For 5 Years	For 10 Years
Series A units	28.29	89.18	156.32	355.83
Series D units	14.04	44.27	77.59	176.63
Series E units	24.81	78.20	137.06	311.99
Series F units	19.48	61.39	107.61	244.95
Series I units	0.62	1.94	3.40	7.74

**COUNSEL WORLD MANAGED PORTFOLIO – Fund Details**

Type of fund	Global Tactical Asset Allocation
Start Date	January 26, 2007
Securities Offered/Start Date	Mutual fund trust units: Series A: January 26, 2007 Series D: January 26, 2007 Series E: January 26, 2007 Series F: January 26, 2007 Series I: January 26, 2007
Registered Tax Plan Status	The units of Counsel World Managed Portfolio are qualified investments for registered tax plans.
Portfolio Advisor	Counsel Portfolio Services Inc. (Mississauga, Ontario)
Portfolio Sub-Advisor	The portfolio is managed using a multi-manager process. See “Investment Strategies” below.

**What Does the Fund Invest In?***Investment Objectives*

- Counsel World Managed Portfolio seeks to maximize long-term investment returns through income and capital gains by investing, either directly or through securities of other mutual funds, primarily in global debt and equity securities.
- The fundamental investment objective of the Fund cannot be changed without obtaining prior approval of unitholders at a meeting called for that purpose.

*Investment Strategies*

- Counsel World Managed Portfolio is managed using a tactical asset allocation approach to create a diversified portfolio by investing in different asset classes. Consistent with its tactical asset allocation approach, it is expected that the Fund’s asset class weightings will range between approximately 27% - 80% in equity securities and 20% - 73% in fixed income securities. The investment allocations to each asset class of this Fund are constantly monitored on an ongoing basis and, if necessary, adjusted to remain consistent with the investment objective.
- PanAgora Asset Management, Inc. (“PanAgora”) has been retained by Counsel to provide asset allocation advice to Counsel. PanAgora will determine and assign the Fund’s target allocations to various asset classes. The allocations are then implemented by Counsel at its discretion by adjusting the allocations to the various portfolio sub-advisors and Underlying Funds. PanAgora applies a conservative, risk averse and disciplined investment approach to make asset allocation decisions amongst the various asset classes including fixed income securities, equity securities, and cash.
- The portfolio’s sub-advisors and Underlying Funds are selected and may be changed by Counsel at its sole discretion. Counsel may manage some or all of these funds. The names of the portfolio sub-advisors and

## COUNSEL WORLD MANAGED PORTFOLIO (Continued)

Underlying Funds, a brief description of their investments, as well as target allocations of the Fund's assets to each are set out in the following table.

<b>Portfolio Sub-Advisors and Underlying Funds</b>	<b>Target Allocation</b>	<b>Mandate</b>	<b>Investment Strategies and/or Style</b>
Cumberland Private Wealth Management Inc., Toronto, Ontario	0 to 25%	Risk review	Cumberland makes risk management decisions based upon an equity concentration review process. As part of the process, Cumberland reviews the actual holdings of the other portfolio sub-advisors that are responsible for global equities and fixed income and identifies concentrations in specific sections of the economy, specific investment characteristics and specific economic exposures. Cumberland invests its allocation in securities of various asset classes to reduce the risk and/or increase returns in a manner consistent with the overall target asset allocation. Cumberland's investment style is conservative, risk averse and disciplined using a combination of top down and bottom up analysis.
TD Canadian Bond Fund	20 to 65%	Bonds	The Fund seeks to earn a high rate of interest income through investments in high-quality bonds and debentures issued principally by Canadian borrowers in Canadian dollars. Securities may consist of debt obligations of, or guaranteed by, Canadian federal, provincial or municipal governments, Canadian chartered banks, Canadian loan or trust companies or Canadian corporations. The Fund's portfolio advisor believes using rigorous bottom-up security selection in regard to the macroeconomic environment will add value and enhance long-term performance while at the same time reducing risk. Generally, the Fund employs a "buy-and-hold" strategy.
Counsel Canadian Dividend	5 to 50%	Canadian dividend	Please see the applicable fund pages in this simplified prospectus for details regarding this Fund's investment strategies.
Counsel U.S. Value	5 to 50%	U.S. value equities	Please see the applicable fund pages in this simplified prospectus for details regarding this Fund's investment strategies.
Counsel International Growth	5 to 50%	International growth equities	Please see the applicable fund pages in this simplified prospectus for details regarding this Fund's investment strategies.

## COUNSEL WORLD MANAGED PORTFOLIO (Continued)

Portfolio Sub-Advisors and Underlying Funds	Target Allocation	Mandate	Investment Strategies and/or Style
Counsel Global Real Estate	0 to 10%	Global real estate	Please see the applicable fund pages in this simplified prospectus for details regarding this Fund's investment strategies.
Counsel Global Small Cap	5 to 15%	Global small cap	Please see the applicable fund pages in this simplified prospectus for details regarding this Fund's investment strategies.

- As portfolio advisor, Counsel may add or remove mutual funds from this list or otherwise vary the mix of investments at any time and without notice to you depending upon prevailing market conditions so long as such changes are consistent with the Fund's investment objective.
- The different portfolio management styles and areas of expertise of the sub-advisor(s) and the Underlying Funds' portfolio sub-advisors and/or portfolio managers should lead to an element of diversification in the Fund's portfolio. However, as the sub-advisor(s) and the Underlying Funds' portfolio sub-advisors and/or portfolio managers are independent of one another, there may be some overlap in specific securities, industry sectors, countries or investment themes as applicable, from time to time.
- The Fund may invest in short-term debt securities or cash for operational purposes including maintaining liquidity to accommodate redemption requests, to rebalance assets between the Underlying Funds and portfolio sub-advisors, and for defensive purposes such as when market conditions are not favourable.
- The portfolio sub-advisors' investment style may result in a higher portfolio turnover rate than less actively managed funds. Portfolio investments will be sold, and the proceeds reinvested, when the portfolio securities no longer meet expectations of continued gains. High portfolio turnover rates can increase portfolio costs and may also increase the likelihood that you will receive taxable capital gains from the Fund. There is no proven relationship between a high turnover rate and the performance of a mutual fund.
- The Fund may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest rates or exchange rates. The Fund may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets, to gain exposure to other currencies, to seek to generate additional income, and/or for any other purpose considered appropriate by the Fund's portfolio advisor, provided that the use of the derivative is consistent with the Fund's investment objective. For further information on these transactions and derivatives use, please see the "Introduction to Part B" in this simplified prospectus.
- The Fund may engage in securities lending, repurchase and reverse repurchase transactions to earn additional income for the Fund. These transactions will only be made with parties that are considered creditworthy and as described in the "Introduction to Part B" on page 38.
- The Underlying Funds may enter into derivatives and securities lending transactions as part of their investment strategies.

COUNSEL WORLD MANAGED PORTFOLIO *(Continued)*

- For further information on the Counsel-managed Underlying Funds, please see the applicable fund pages contained in this simplified prospectus. Please see the simplified prospectus and other information about the other Underlying Funds on the internet site of SEDAR at [www.sedar.com](http://www.sedar.com).

**What are the Risks of Investing in the Fund?**

- The risks of investing in this Fund are similar to the risks of investing in the Underlying Funds it holds. The Fund uses an asset allocation strategy and is expected to fluctuate in value within a narrower range than broadly diversified equity funds, but more widely than fixed income funds. The Fund invests either directly or through securities of its Underlying Funds, in fixed income and in equity securities, including companies involved in real estate and small companies. The stocks of these types of companies are subject to significant changes in value and may be illiquid. The Fund also invests a portion of its assets outside of Canada, giving rise to foreign markets and currency risk. These and other risks are described starting on page 2. The following chart shows which risks apply to this Fund.

Commodity	✓	Income Trust	
Company	✓	Interest Rate	✓
Concentration	✓	Large Transaction	✓
Credit	✓	Legislation	✓
Depository Receipt	✓	Portfolio Advisor	✓
Derivatives	✓	Prepayment	✓
Emerging Markets		Securities Lending, Repurchase and Reverse Repurchase Transaction	
Foreign Currency	✓		
Foreign Markets	✓		
Illiquidity	✓	Series	✓
		Small Company	✓

**Who Should Invest in this Fund?**

- You should consider this Fund if you are seeking capital gains over the long term from your investment and you are comfortable with the risks associated with equity and fixed income investments.
- You should consider this Fund if you can accept some variability of returns and you have an average tolerance for risk.

**Distribution Policy**

- Counsel World Managed Portfolio will make distributions out of net income and net realized capital gains, if any, annually in December of each year. Counsel retains the discretion to make other distributions from time to time in any calendar year.

COUNSEL WORLD MANAGED PORTFOLIO *(Continued)**Fund Expenses Indirectly Borne by Investors*

- Estimated cumulative expenses payable by each series of units of the Fund for each \$1,000 investment (see “**Introduction to Part B**” for an explanation of the assumptions used in this example) for the time periods shown:

Series	For 1 Year	For 3 Years	For 5 Years	For 10 Years
Series A units	30.14	95.00	166.51	379.03
Series D units	15.58	49.12	86.09	195.96
Series E units	26.24	82.72	144.99	330.04
Series F units	20.91	65.92	115.54	263.00
Series I units	1.03	3.23	5.66	12.89

**COUNSEL MONEY MARKET – Fund Details**

Type of fund	Canadian Money Market
Start Date	February 15, 2000
Securities offered/ Start Date	Mutual fund trust units: Series A: February 15, 2000 Series C: January 26, 2007 Series I: January 7, 2008
Registered Tax Plan Status	The units of Counsel Money Market are qualified investments for registered tax plans.
Portfolio Advisor	Counsel Portfolio Services Inc. (Mississauga, Ontario)
Portfolio Sub-Advisor	Cumberland Private Wealth Management Inc. (Toronto, Ontario)

**What Does the Fund Invest In?***Investment Objectives*

- The investment objective of Counsel Money Market is to seek current income and preservation of invested capital by investing primarily in short-term Canadian money market instruments.
- The fundamental investment objective of Counsel Money Market cannot be changed without obtaining prior approval of unitholders at a meeting called for that purpose.

*Investment Strategies*

- The assets of the Fund are primarily invested in Canadian money market instruments with remaining terms to maturity of 365 days or less including treasury bills, banker's acceptances and commercial paper.
- The Fund is expected to maintain a constant net asset value per unit of \$10.00, because income of the Fund is accrued to investor accounts daily.

**What are the Risks of Investing in the Fund?**

- The Fund's assets are invested in money market instruments that have risk characteristics of fixed income securities. The risks associated with fixed income investing are described starting on page 4. The following chart shows which risks apply to this Fund.

## COUNSEL MONEY MARKET (Continued)

Commodity	✓	Income Trust	
Company	✓	Interest Rate	✓
Concentration		Large Transaction	
Credit	✓	Legislation	✓
Depository Receipt		Portfolio Advisor	✓
Derivatives		Prepayment	✓
Emerging Markets		Securities Lending, Repurchase and Reverse Repurchase Transaction	
Foreign Currency			
Foreign Markets			
Illiquidity		Series	✓
		Small Company	

- If a significant number of investors request redemptions at the same time the Fund may be obliged to sell its investments at disadvantageous prices. The unit price could then fall below \$10.00. The Fund reduces this risk by maintaining an appropriate amount of the Fund's investments in shorter term maturities.
- Due to the unique nature of Series C of this Fund, it is anticipated that all investors in Series C will switch their investment on a daily basis into their Counsel ADR Funds. Counsel believes that such redemption requests will have no material impact on the Fund's investments or operations.

**Who Should Invest in this Fund?**

- You should consider this Fund if you are seeking capital stability, interest income or liquidity.
- You can purchase Series C units of this Fund if you are participating in the Counsel ADR.
- You should consider this Fund if you have a very low tolerance for risk.
- This Fund is suitable as a cash component equivalent in an investment portfolio.

**Distribution Policy**

- The income of the Fund is credited to investors daily and distributed monthly by automatic purchase of additional securities of the Fund, without charge, unless you ask us in advance to pay you by cheque.

**Fund Expenses Indirectly Borne by Investors**

- Estimated cumulative expenses payable by each series of units of the Fund for each \$1,000 investment (see "Introduction to Part B" for an explanation of the assumptions used in this example) for the time periods shown.

Series	For 1 Year	For 3 Years	For 5 Years	For 10 Years
Series A units	10.25	32.31	56.64	128.92
Series C units	9.02	28.44	49.84	113.45
Series I units	0.00	0.00	0.00	0.00

**COUNSEL FIXED INCOME – Fund Details**

Type of fund	Canadian Fixed Income
Start Date	May 31, 2001
Securities Offered/Start Date	Mutual fund trust units: Series A: May 31, 2001 Series D: February 13, 2006 Series I: March 1, 2006
Registered Tax Plan Status	The units of Counsel Fixed Income are qualified investments for registered tax plans.
Portfolio Advisor	Counsel Portfolio Services Inc. (Mississauga, Ontario)
Portfolio Sub-Advisor	Acuity Investment Management Inc. (Toronto, Ontario)

**What Does the Fund Invest In?***Investment Objectives*

- Counsel Fixed Income seeks to achieve a high level of income by investing in a diversified portfolio of money market instruments, high quality Canadian government and corporate bonds, convertibles, income trusts, mortgage securities, as well as dividend-paying common and preferred shares.
- The fundamental investment objective of Counsel Fixed Income cannot be changed without obtaining prior approval of unitholders at a meeting called for that purpose.

*Investment Strategies*

- The portfolio sub-advisor invests in a diversified portfolio of Canadian fixed income and equity securities which, in the opinion of the portfolio sub-advisor, have:
  - prospects of steady interest, dividend and/or distribution payouts;
  - the ability to sustain these payouts for a reasonable period of time into the future; and
  - a favourable price in relation to payout expectations.
- The portfolio sub-advisor may invest in fixed income securities of any quality or term in order to take advantage of changing economic cycles. The portfolio sub-advisor may also invest in non-investment grade corporate bonds, foreign bonds payable in Canadian dollars, and convertible debentures.
- The Fund may also invest up to 30% of its assets in foreign securities. Foreign investments will usually be foreign corporate and government bonds.
- The portfolio sub-advisor is selected by Counsel at its sole discretion.
- The Fund may engage in securities lending, repurchase and reverse repurchase transactions to earn additional income for the Fund after giving investors 60 days' notice of its intention to do so. These transactions will only be made with parties that are considered creditworthy and are described in the "Introduction to Part B" on page 38.

## COUNSEL FIXED INCOME (Continued)

**What are the Risks of Investing in the Fund?**

- The Fund's assets will be invested in fixed income securities and in dividend-paying equity securities. The risks associated with fixed income and equity investing are described starting on page 4. The following chart shows which of the risks apply to this Fund.

Commodity	✓	Income Trust	✓
Company	✓	Interest Rate	✓
Concentration	✓	Large Transaction	✓
Credit	✓	Legislation	✓
Depository Receipt		Portfolio Advisor	✓
Derivatives	✓	Prepayment	✓
Emerging Markets		Securities Lending, Repurchase and Reverse Repurchase Transaction	✓
Foreign Currency	✓	Series	✓
Foreign Markets	✓	Small Company	✓
Illiquidity	✓		

- Because one or more investment funds managed by Counsel and institutional investors could become major unitholders in this Fund, the Fund is subject to the risks described in “**Large Transaction Risk**” on page 6. As at September 30, 2009, Counsel Conservative Portfolio, Counsel Balanced Portfolio and Counsel Growth Portfolio owned units representing 18%, 60% and 11%, respectively, of the Fund's net assets.

**Who Should Invest in this Fund?**

- You should consider this Fund if you are seeking interest and income over the long term, and have a low tolerance for risk.

**Distribution Policy**

- Counsel Fixed Income will make distributions out of net income, if any, in March, June, September and December of each calendar year. Distributions of net realized capital gains, if any, will be made annually in December of each year. Counsel retains the discretion to make other distributions from time to time in any calendar year.

**Fund Expenses Indirectly Borne by Investors**

- Estimated cumulative expenses payable by each series of units of the Fund for each \$1,000 investment (see “**Introduction to Part B**” for an explanation of the assumptions used in this example) for the time periods shown.

Series	For 1 Year	For 3 Years	For 5 Years	For 10 Years
Series A units	22.45	70.77	124.04	282.34
Series D units	12.40	39.10	68.53	156.00
Series I units	0.00	0.00	0.00	0.00

**COUNSEL CANADIAN DIVIDEND – Fund Details**

Type of fund	Canadian Dividend
Start Date	January 7, 2009
Securities Offered/Start Date	Mutual fund trust units: Series A: January 7, 2009 Series D: January 7, 2009 Series E: January 7, 2009 Series F: January 7, 2009 Series I: January 7, 2009 Series P: January 7, 2009
Registered Tax Plan Status	Units of Counsel Canadian Dividend are expected to be qualified investments for registered tax plans.
Portfolio Advisor	Counsel Portfolio Services Inc. (Mississauga, Ontario)
Portfolio Sub-Advisor	Leon Frazer & Associates Inc. (Toronto, Ontario)

**What Does the Fund Invest In?***Investment Objectives*

- The investment objective of Counsel Canadian Dividend is to seek to derive dividend income, achieve long term capital growth and protect the value of investments by investing primarily in Canadian equity securities. Counsel Canadian Dividend may also invest in equity and fixed income securities, income trusts, convertible securities, mortgage-backed securities and money market instruments of issuers anywhere in the world depending upon prevailing market conditions.
- The fundamental investment objective of Counsel Canadian Dividend cannot be changed without obtaining prior approval of unitholders at a meeting called for that purpose.

*Investment Strategies*

- The portfolio sub-advisor invests primarily in large capitalization Canadian equity securities for the purpose of deriving dividend income, achieving long-term capital appreciation, and protecting the value of investments. The portfolio sub-advisor seeks to diversify the Fund by investing in a variety of industry sectors.
- The portfolio sub-advisor selects securities by applying a dividend income valuation approach.
- The Fund may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, index prices, interest rates and exchange rates. The Fund may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets, to gain exposure to other currencies, to seek to generate additional income, and/or for any other purpose considered appropriate by the Fund's portfolio advisor, provided that the use of the derivative is consistent with the Fund's investment objective. For further information on these transactions and derivatives use, please see the "Introduction to Part B" in this simplified prospectus.

COUNSEL CANADIAN DIVIDEND *(Continued)*

- If market conditions are not favourable, a portion of the Fund may, for defensive purposes, be invested in short-term debt securities or cash.
- The Fund may engage in securities lending, repurchase and reverse purchase transactions to earn additional income for the Fund. These transactions will only be made with parties that are considered creditworthy and as described in the “**Introduction to Part B**” on page 38.

**What are the Risks of Investing in the Fund?**

- The Fund’s assets are invested in Canadian equities. Equity securities are more volatile than other types of investments such as fixed income investments and the Canadian economy is more dependent on a small number of industries than other national or regional economies. These and other risks are described starting on page 2. The following chart shows which risks apply to this Fund.

Commodity	✓	Income Trust	✓
Company	✓	Interest Rate	✓
Concentration	✓	Large Transaction	✓
Credit	✓	Legislation	✓
Depository Receipt		Portfolio Advisor	✓
Derivatives	✓	Prepayment	✓
Emerging Markets		Securities Lending, Repurchase and Reverse Repurchase Transaction	✓
Foreign Currency	✓	Series	✓
Foreign Markets	✓	Small Company	✓
Illiquidity	✓		

- Because one or more investment funds managed by Counsel and institutional investors could become major unitholders in this Fund, the Fund is subject to the risks described in “**Large Transaction Risk**” on page 6.

**Who Should Invest in this Fund?**

- You should consider this Fund if:
  - you want potential for modest long-term growth from your investment;
  - you want tax efficient income in your non-registered plan; and
  - you want a lower risk broadly diversified Canadian equity fund.
- The Fund is suitable for investors who are planning to hold their investment over the long term and have an average tolerance for risk.

COUNSEL CANADIAN DIVIDEND *(Continued)****Distribution Policy***

- Counsel Canadian Dividend will make distributions out of net income, if any, March, June, September and December of each calendar year. Distributions of net realized capital gains, if any, will be made annually in December of each year. Counsel retains the discretion to make other distributions from time to time in any calendar year.

***Fund Expenses Indirectly Borne by Investors***

- Estimated cumulative expenses payable by each series of units of the Fund for each \$1,000 investment (see “**Introduction to Part B**” for an explanation of the assumptions used in this example) for the time periods shown.

Series	For 1 Year	For 3 Years	For 5 Years	For 10 Years
Series A units	24.09	75.94	133.10	302.97
Series D units	13.02	41.04	71.93	163.73
Series E units	19.78	62.36	109.31	248.82
Series F units	13.74	43.30	75.89	172.76
Series I units	1.13	3.55	6.23	14.18
Series P units	1.03	3.23	5.66	12.89

**COUNSEL CANADIAN VALUE – Fund Details**

Type of fund	Canadian Equity
Start Date	January 7, 2009
Securities Offered/Start Date	Mutual fund trust units: Series A: January 7, 2009 Series D: January 7, 2009 Series E: January 7, 2009 Series F: January 7, 2009 Series I: January 7, 2009 Series P: January 7, 2009
Registered Tax Plan Status	Units of Counsel Canadian Value are expected to be qualified investments for registered tax plans.
Portfolio Advisor	Counsel Portfolio Services Inc. (Mississauga, Ontario)
Portfolio Sub-Advisor	Sionna Investment Managers Inc. (Toronto, Ontario)

**What Does the Fund Invest In?***Investment Objectives*

- The investment objective of Counsel Canadian Value is to seek long-term growth of capital, while maintaining a commitment to protection of its capital by investing primarily in Canadian equity securities. Counsel Canadian Value may also invest in Canadian fixed income securities and equity and fixed income securities of issuers anywhere in the world depending upon prevailing market conditions.
- The fundamental investment objective of Counsel Canadian Value cannot be changed without obtaining prior approval of unitholders at a meeting called for that purpose.

*Investment Strategies*

- The portfolio sub-advisor invests primarily in equity securities of larger Canadian issuers and seeks to diversify the Fund by investing in a variety of industry sectors. Generally stocks of Canadian companies that are financially strong and have a measurable worth are bought when the stock is selling at a price below its estimated worth or its intrinsic value. This is done on the belief that the market will eventually recognize the value of such a company and its stock price will rise towards its intrinsic value. Stocks are typically sold when they become fully valued.
- The approach to selecting investments for the Fund is oriented to individual stock selection and is value driven.
- The Fund may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, index prices, interest rates and exchange rates. The Fund may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets, to gain exposure to other currencies, to seek to generate additional income, and/or for any other purpose considered appropriate by the Fund's portfolio advisor, provided that the use of the

COUNSEL CANADIAN VALUE *(Continued)*

derivative is consistent with the Fund's investment objective. For further information on these transactions and derivatives use, please see the "Introduction to Part B" in this simplified prospectus.

- If market conditions are not favourable, a portion of the Fund may, for defensive purposes, be invested in short-term debt securities or cash.
- The Fund may engage in securities lending, repurchase and reverse purchase transactions to earn additional income for the Fund. These transactions will only be made with parties that are considered creditworthy and as described in the "Introduction to Part B" on page 38.

### **What are the Risks of Investing in the Fund?**

- The Fund's assets are invested in Canadian equities. Equity securities are more volatile than other types of investments such as fixed income investments and the Canadian economy is more dependent on a small number of industries than other national or regional economies. These and other risks are described starting on page 2. The following chart shows which risks apply to this Fund.

Commodity	✓	Income Trust	
Company	✓	Interest Rate	✓
Concentration	✓	Large Transaction	✓
Credit	✓	Legislation	✓
Depository Receipt		Portfolio Advisor	✓
Derivatives	✓	Prepayment	✓
Emerging Markets		Securities Lending, Repurchase and Reverse Repurchase Transaction	✓
Foreign Currency	✓	Series	✓
Foreign Markets	✓	Small Company	✓
Illiquidity	✓		

- Because one or more investment funds managed by Counsel and institutional investors could become major unitholders in this Fund, the Fund is subject to the risks described in "Large Transaction Risk" on page 6. As at September 30, 2009, Counsel Balanced Portfolio and Counsel Growth Portfolio owned units representing 47% and 20%, respectively, of the assets of the Fund.

### **Who Should Invest in this Fund?**

- You should consider this Fund if you are seeking long term capital growth and you are comfortable with the risks associated with equity investments.
- You should consider this Fund if you are a long term investor who wishes to add the appreciation potential of Canadian companies to your portfolio and you have an average tolerance for risk.

### **Distribution Policy**

- Counsel Canadian Value will make distributions out of net income and net realized capital gains, if any, annually in December of each year. Counsel retains the discretion to make other distributions from time to time in any calendar year.

COUNSEL CANADIAN VALUE *(Continued)**Fund Expenses Indirectly Borne by Investors*

- Estimated cumulative expenses payable by each series of units of the Fund for each \$1,000 investment (see “Introduction to Part B” for an explanation of the assumptions used in this example) for the time periods shown.

Series	For 1 Year	For 3 Years	For 5 Years	For 10 Years
Series A units	23.68	74.64	130.83	297.81
Series D units	13.22	41.68	73.06	166.31
Series E units	15.27	48.15	84.39	192.10
Series F units	0.10	0.32	0.57	1.29
Series I units	0.00	0.00	0.00	0.00
Series P units	0.00	0.00	0.00	0.00

**COUNSEL CANADIAN GROWTH – *Fund Details***

Type of fund	Canadian Equity
Start Date	January 7, 2009
Securities Offered/Start Date	Mutual fund trust units: Series A: January 7, 2009 Series D: January 7, 2009 Series E: January 7, 2009 Series F: January 7, 2009 Series I: January 7, 2009 Series P: January 7, 2009
Registered Tax Plan Status	Units of Counsel Canadian Growth are expected to be qualified investments for registered tax plans.
Portfolio Advisor	Counsel Portfolio Services Inc. (Mississauga, Ontario)
Portfolio Sub-Advisors	The portfolio is managed using a multi-managed process. See “ <b>Investment Strategies</b> ” below.

***What Does the Fund Invest In?******Investment Objectives***

- The investment objective of Counsel Canadian Growth is to invest primarily in Canadian equity securities to seek to achieve long-term capital growth and to provide a reasonable rate of return. Counsel Canadian Growth may also invest in Canadian fixed income securities and equity and fixed income securities of issuers anywhere in the world depending upon prevailing market conditions.
- The fundamental investment objective of Counsel Canadian Growth cannot be changed without obtaining prior approval of unitholders at a meeting called for that purpose.

***Investment Strategies***

- The names of the portfolio sub-advisors and a brief description of their investment strategies, as well as the target allocations of the Fund’s assets to the portfolio sub-advisors are set out in the following table. Counsel may change the portfolio’s sub-advisors at its own discretion. Counsel may change the allocation available to each portfolio sub-advisor at any time without notice.

## COUNSEL CANADIAN GROWTH (Continued)

Portfolio Sub-Advisors	Target Allocation	Investment Strategies and/or Style
Picton Mahoney Asset Management Toronto, Ontario	80%	Picton Mahoney's investments are primarily in companies that are changing for the better and whose underlying fundamentals are improving more rapidly than the overall stock market. Picton Mahoney seeks to be rewarded by significant upward movements in stock prices that occur over shorter time periods. Since change is the catalyst, this style tends to generate relatively high portfolio turnover.
Montrusco Bolton Investments Inc. Montreal, Quebec	20%	Montrusco Bolton manages using a purely quantitative approach. The price change of the 100 largest stocks in the S&P/TSX Composite Index is tracked and ranked using a proprietary ranking methodology which also assigns a specific weighting factor to each stock. A portfolio is then created by selecting the ten stocks, on an equally weighted basis, that demonstrate the strongest upward movement share price over the previous nine-month period. This is generally the sole criterion for a stock's inclusion in the strategy. Once the ten stocks are selected there is generally no intervention, regardless of changing market conditions or the actual performance of the ten stocks, until the next quarterly rebalancing.

- The different portfolio sub-advisor styles and area of expertise should lead to an element of diversification in the Fund's portfolio. However, as the portfolio sub-advisors are independent of one another, there may be some overlap in specific securities, industry sectors, countries or investment themes from time to time.
- If market conditions are not favourable, a portion of the Fund may, for defensive purposes, be invested in short-term debt securities or cash.
- The Fund may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, index prices, interest rates and exchange rates. The Fund may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets, to gain exposure to other currencies, to seek to generate additional income, and/or by the Fund's portfolio advisor, provided that the use of the derivative is consistent with the Fund's investment objective. For further information on these transactions and derivatives use, please see the "Introduction to Part B" in this simplified prospectus.
- The portfolio sub-advisors' investment style may result in a higher portfolio turnover rate than less actively managed funds. Portfolio investments will be sold, and the proceeds reinvested, when the portfolio securities

## COUNSEL CANADIAN GROWTH (Continued)

no longer meet expectations of continued gains. High portfolio turnover rates can increase portfolio costs and may also increase the likelihood that you will receive taxable capital gains from the Fund. There is no proven relationship between a high turnover rate and the performance of a mutual fund.

- The Fund may engage in securities lending, repurchase and reverse repurchase transactions to earn additional income for the Fund. These transactions will only be made with parties that are considered creditworthy and are described in the “Introduction to Part B” on page 38.

### **What are the Risks of Investing in the Fund?**

- The Fund’s assets are invested in Canadian equities. Equity securities are more volatile than other types of investments such as fixed income investments and the Canadian economy is more dependent on a small number of industries than other national or regional economies. These and other risks are described starting on page 2. The following chart shows which risks apply to this Fund.

Commodity	✓	Income Trust	
Company	✓	Interest Rate	✓
Concentration	✓	Large Transaction	✓
Credit	✓	Legislation	✓
Depository Receipt		Portfolio Advisor	✓
Derivatives	✓	Prepayment	✓
Emerging Markets		Securities Lending, Repurchase and Reverse Repurchase Transaction	
Foreign Currency	✓		
Foreign Markets	✓		
Illiquidity	✓	Series	✓
		Small Company	✓

- Because one or more investment funds managed by Counsel and institutional investors could become major unitholders in this Fund, the Fund is subject to the risks described in “Large Transaction Risk” on page 6. As at September 30, 2009, Counsel Balanced Portfolio, Counsel Growth Portfolio and Counsel Select Canada owned units representing 54%, 23% and 10%, respectively, of the assets of the Fund.

### **Who Should Invest in this Fund?**

- You should consider this Fund if you are seeking long-term capital growth and you are comfortable with the risks associated with equity investments.
- You should consider this Fund if you are a long term investor who wishes to add the appreciation potential of Canadian companies to your portfolio and you have an average tolerance for risk.

### **Distribution Policy**

- Counsel Canadian Growth will make distributions out of net income and net realized capital gains, if any, annually in December of each year. Counsel retains the discretion to make other distributions from time to time in any calendar year.

COUNSEL CANADIAN GROWTH *(Continued)**Fund Expenses Indirectly Borne by Investors*

- Estimated cumulative expenses payable by each series of units of the Fund for each \$1,000 investment (see “Introduction to Part B” for an explanation of the assumptions used in this example) for the time periods shown.

Series	For 1 Year	For 3 Years	For 5 Years	For 10 Years
Series A units	24.70	77.87	136.50	310.71
Series D units	11.79	37.16	65.13	148.26
Series E units	0.31	0.97	1.70	3.87
Series F units	0.00	0.00	0.00	0.00
Series I units	0.21	0.65	1.13	2.58
Series P units	0.21	0.65	1.13	2.58

**COUNSEL U.S. VALUE – Fund Details**

Type of fund	U.S. Equity
Start Date	January 7, 2009
Securities Offered/Start Date	Mutual fund trust units: Series A: January 7, 2009 Series D: January 7, 2009 Series E: January 7, 2009 Series F: January 7, 2009 Series I: January 7, 2009 Series P: January 7, 2009
Registered Tax Plan Status	Units of Counsel U.S. Value are expected to be qualified investments for registered tax plans.
Portfolio Advisor	Counsel Portfolio Services Inc. (Mississauga, Ontario)
Portfolio Sub-Advisor	Dreman Value Management LLC. (Aspen, Colorado)

**What Does the Fund Invest In?***Investment Objectives*

- The investment objective of Counsel U.S. Value is to seek long-term growth of capital while maintaining a commitment to protection of its capital, by investing primarily in U.S. equity securities. Counsel U.S. Value may also invest in U.S. fixed income securities and equity and fixed income securities of issuers anywhere in the world depending upon prevailing market conditions.
- The fundamental objective of the Fund cannot be changed without obtaining prior approval of unitholders at a meeting called for that purpose.

*Investment Strategies*

- The portfolio sub-advisor follows a contrarian value approach, based on a disciplined, low P/E approach to stock selection.
- The portfolio sub-advisor seeks to invest in overlooked companies that have solid financial strength, strong management and above-market dividend yields that the portfolio sub-advisor believes are selling below their estimated value.
- The portfolio sub-advisor seeks to diversify the Fund by investing in a variety of industry sectors.
- The Fund may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, index prices, interest rates and exchange rates. The Fund may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets, to gain exposure to other currencies, to seek to generate additional income, and/or for any other purpose considered appropriate by the Fund's portfolio advisor, provided that the use of the derivative is consistent with the Fund's investment objective. For further information on these transactions and derivatives use, please see the "Introduction to Part B" in this simplified prospectus.

## COUNSEL U.S. VALUE (Continued)

- If market conditions are not favourable, a portion of the Fund may, for defensive purposes, be invested in short-term debt securities or cash.
- The Fund may engage in securities lending, repurchase and reverse repurchase transactions to earn additional income for the Fund. These transactions will only be made with parties that are considered creditworthy and are described in the “Introduction to Part B” on page 38.

**What are the Risks of Investing in the Fund?**

- The Fund’s assets are invested in U.S. equities. Equity securities are more volatile than other types of investments such as fixed income investments. The Fund invests a significant portion of its assets outside of Canada, which means that it is subject to foreign markets and currency risk. These and other risks are described starting on page 2. The following chart shows which risks apply to this Fund.

Commodity	✓	Income Trust	
Company	✓	Interest Rate	✓
Concentration	✓	Large Transaction	✓
Credit	✓	Legislation	✓
Depository Receipt		Portfolio Advisor	✓
Derivatives	✓	Prepayment	✓
Emerging Markets		Securities Lending, Repurchase and Reverse Repurchase Transaction	✓
Foreign Currency	✓	Series	✓
Foreign Markets	✓	Small Company	
Illiquidity	✓		

- Because one or more investment funds managed by Counsel and institutional investors could become major unitholders in this Fund, the Fund is subject to the risks described in “Large Transaction Risk” on page 6. As at September 30, 2009, Counsel Conservative Portfolio, Counsel Balanced Portfolio, Counsel Growth Portfolio and Counsel World Managed Portfolio owned units representing 14%, 15%, 12% and 34%, respectively, of the assets of the Fund.

**Who Should Invest in this Fund?**

- You should consider this Fund if you are seeking long term capital growth from your investments and you are comfortable with the risks associated with equity investments.
- You should consider this Fund if you are seeking to diversify your portfolio internationally with exposure to U.S. markets.
- You should consider this Fund if you can accept some variability of returns and you have an average tolerance for risk.

COUNSEL U.S. VALUE *(Continued)****Distribution Policy***

- Counsel U.S. Value will make distributions out of net income and net realized capital gains, if any, annually in December of each year. Counsel retains the discretion to make other distributions from time to time in any calendar year.

***Fund Expenses Indirectly Borne by Investors***

- Estimated cumulative expenses payable by each series of units of the Fund for each \$1,000 investment (see “**Introduction to Part B**” for an explanation of the assumptions used in this example) for the time periods shown.

Series	For 1 Year	For 3 Years	For 5 Years	For 10 Years
Series A units	21.73	68.50	120.07	273.32
Series D units	7.69	24.23	42.48	96.69
Series E units	0.21	0.65	1.13	2.58
Series F units	0.21	0.65	1.13	2.58
Series I units	1.33	4.20	7.36	16.76
Series P units	0.41	1.29	2.27	5.16

**COUNSEL U.S. GROWTH – Fund Details**

Type of fund	U.S. Equity
Start Date	January 7, 2009
Securities Offered/Start Date	Mutual fund trust units: Series A: January 7, 2009 Series D: January 7, 2009 Series E: January 7, 2009 Series F: January 7, 2009 Series I: January 7, 2009 Series P: January 7, 2009
Registered Tax Plan Status	Units of Counsel U.S. Growth are expected to be qualified investments for registered tax plans.
Portfolio Advisor	Counsel Portfolio Services Inc. (Mississauga, Ontario)
Portfolio Sub-Advisor	Marsico Capital Management, LLC (Denver, Colorado)

**What Does the Fund Invest In?***Investment Objectives*

- The investment objective of Counsel U.S. Growth is to invest primarily in U.S. equity securities to seek to achieve long-term capital growth and to provide a reasonable rate of return. Counsel U.S. Growth may also invest in U.S. fixed income securities and equity and fixed income securities from issuers anywhere in the world depending upon prevailing market conditions.
- The fundamental investment objective of Counsel U.S. Growth cannot be changed without obtaining prior approval of unitholders at a meeting called for that purpose.

*Investment Strategies*

- The portfolio sub-advisor will normally hold a core position of between 20 and 30 common stocks. The number of securities held by the Fund may occasionally exceed this range at times such as when the portfolio sub-advisor is accumulating new positions, phasing out and replacing existing positions, or responding to exceptional market conditions.
- The portfolio sub-advisor will invest primarily in equities of U.S. companies. The portfolio sub-advisor follows a growth style and invests primarily in large capitalization companies (typically, companies with market capitalization greater than U.S. \$5 billion). The portfolio sub-advisor seeks to diversify by investing in a variety of industry sectors.
- The portfolio sub-advisor uses an approach that combines “top-down” macroeconomic analysis with a “bottom-up” stock selection to select investments.
- The Fund may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, index prices, interest rates and exchange rates. The Fund may also use derivatives for non-hedging purposes in order to invest indirectly in securities or

## COUNSEL U.S. GROWTH (Continued)

financial markets, to gain exposure to other currencies, to seek to generate additional income, and/or for any other purpose considered appropriate by the Fund's portfolio advisor, provided that the use of the derivative is consistent with the Fund's investment objective. For further information on these transactions and derivatives use, please see the "Introduction to Part B" in this simplified prospectus.

- If market conditions are not favourable, a portion of the Fund may, for defensive purposes, be invested in short-term debt securities or cash.
- The Fund may engage in securities lending, repurchase and reverse repurchase transactions to earn additional income for the Fund. These transactions will only be made with parties that are considered creditworthy and are described in the "Introduction to Part B" on page 38.

### **What are the Risks of Investing in the Fund?**

- The Fund's assets are invested in U.S. equities. Equity securities are more volatile than other types of investments such as fixed income investments. The Fund invests a significant portion of its assets outside of Canada, which means that it is subject to foreign markets and currency risk. These and other risks are described starting on page 2. The following chart shows which risks apply to this Fund.

Commodity	✓	Income Trust	
Company	✓	Interest Rate	✓
Concentration	✓	Large Transaction	✓
Credit	✓	Legislation	✓
Depository Receipt	✓	Portfolio Advisor	✓
Derivatives	✓	Prepayment	✓
Emerging Markets		Securities Lending, Repurchase and Reverse Repurchase Transaction	✓
Foreign Currency	✓	Series	✓
Foreign Markets	✓	Small Company	
Illiquidity	✓		

- Because one or more investment funds managed by Counsel and institutional investors could become major unitholders in this Fund, the Fund is subject to the risks described in "Large Transaction Risk" on page 6. As at September 30, 2009, Counsel Conservative Portfolio, Counsel Balanced Portfolio and Counsel Growth Portfolio owned units representing 27%, 29% and 23%, respectively, of the assets of the Fund.

### **Who Should Invest in this Fund?**

- You should consider this Fund if you are seeking long term capital growth from your investments and you are comfortable with the risks associated with equity investments.
- You should consider this Fund if you are seeking to diversify your portfolio with exposure to U.S. markets.
- You should consider this Fund if you can accept some variability of returns and you have an average tolerance for risk.

COUNSEL U.S. GROWTH *(Continued)****Distribution Policy***

- Counsel U.S. Growth will make distributions out of net income and net realized capital gains, if any annually in December of each year. Counsel retains the discretion to make other distributions from time to time in any calendar year.

***Fund Expenses Indirectly Borne by Investors***

- Estimated cumulative expenses payable by each series of units of the Fund for each \$1,000 investment (see “**Introduction to Part B**” for an explanation of the assumptions used in this example) for the time periods shown.

Series	For 1 Year	For 3 Years	For 5 Years	For 10 Years
Series A units	24.70	77.87	136.50	310.71
Series D units	8.30	26.17	45.88	104.43
Series E units	0.00	0.00	0.00	0.00
Series F units	0.10	0.32	0.57	1.29
Series I units	1.13	3.55	6.23	14.18
Series P units	0.00	0.00	0.00	0.00

**COUNSEL INTERNATIONAL VALUE – Fund Details**

Type of fund	International Equity
Start Date	January 7, 2009
Securities Offered/Start Date	Mutual fund trust units: Series A: January 7, 2009 Series D: January 7, 2009 Series E: January 7, 2009 Series F: January 7, 2009 Series I: January 7, 2009 Series P: January 7, 2009
Registered Tax Plan Status	Units of Counsel International Value are expected to be qualified investments for registered tax plans.
Portfolio Advisor	Counsel Portfolio Services Inc. (Mississauga, Ontario)
Portfolio Sub-Advisor	Mackenzie Cundill Investment Management Ltd. (Vancouver, British Columbia)

**What Does the Fund Invest In?***Investment Objectives*

- The investment objective of Counsel International Value is to seek long-term growth of capital, while maintaining a commitment to protection of its capital by investing primarily in international equity securities. Counsel International Value may also invest in equity and fixed income securities of issuers anywhere in the world depending upon prevailing market conditions.
- The fundamental investment objective of Counsel International Value cannot be changed without obtaining prior approval of unitholders at a meeting called for that purpose.

*Investment Strategies*

- The portfolio sub-advisor's investment approach is based on a fundamental value philosophy: invest in securities which are trading below their estimated intrinsic value, determined by analyzing financial statements, business prospects, management strengths and potential catalysts to realize shareholder value.
- The portfolio sub-advisor will generally run a more concentrated portfolio by typically holding between 25 and 35 securities. The portfolio sub-advisor's investment style typically leads to a diversification of the Fund's holdings in different industry sectors and geographic locations.
- The Fund may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, index prices, interest rates and exchange rates. The Fund may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets, to gain exposure to other currencies, to seek to generate additional income, and/or for any other purpose considered appropriate by the Fund's portfolio advisor, provided that the use of the

COUNSEL INTERNATIONAL VALUE *(Continued)*

derivative is consistent with the Fund's investment objective. For further information on these transactions and derivatives use, please see the "Introduction to Part B" in this simplified prospectus.

- Cash and cash equivalents may form a significant portion of the Fund's portfolio when the Fund's portfolio sub-advisor believes markets are overvalued, as determined by using the portfolio sub-advisor's investment process described above. High cash levels will persist until the portfolio sub-advisor finds investments that meet its criteria.
- The Fund may engage in securities lending, repurchase and reverse repurchase transactions to earn additional income for the Fund. These transactions will only be made with parties that are considered creditworthy and as described in the "Introduction to Part B" on page 38.

### **What are the Risks of Investing in the Fund?**

- The Fund's assets are invested in equities. Equity securities are more volatile than other types of investments such as fixed income investments. The Fund invests a significant portion of its assets outside of Canada, which means that it is subject to foreign markets and currency risk. These and other risks are described starting on page 2. The following chart shows which risks apply to this Fund.

Commodity	✓	Income Trust	
Company	✓	Interest Rate	✓
Concentration	✓	Large Transaction	✓
Credit	✓	Legislation	✓
Depository Receipt	✓	Portfolio Advisor	✓
Derivatives	✓	Prepayment	✓
Emerging Markets	✓	Securities Lending, Repurchase and Reverse Repurchase Transaction	✓
Foreign Currency	✓	Series	✓
Foreign Markets	✓	Small Company	✓
Illiquidity	✓		

- Because one or more investment funds managed by Counsel and institutional investors could become major unitholders in this Fund, the Fund is subject to the risks described in "Large Transaction Risk" on page 6. As at September 30, 2009, Counsel Balanced Portfolio and Counsel Growth Portfolio owned units representing 51% and 25%, respectively, of the assets of the Fund.

### **Who Should Invest in this Fund?**

- You should consider this Fund if you are seeking long-term capital growth from your investment and you are comfortable with the risks associated with equity investments.
- You should consider this Fund if you can accept some variability of returns, have an average tolerance for risk, and you are intending to invest in the Fund over the long-term.
- You should consider this Fund if you are seeking equity investments outside of North America.

COUNSEL INTERNATIONAL VALUE *(Continued)****Distribution Policy***

- Counsel International Value will make distributions out of net income and net realized capital gains, if any, annually in December of each year. Counsel retains the discretion to make other distributions from time to time in any calendar year.

***Fund Expenses Indirectly Borne by Investors***

- Estimated cumulative expenses payable by each series of units of the Fund for each \$1,000 investment (see “**Introduction to Part B**” for an explanation of the assumptions used in this example) for the time periods shown.

Series	For 1 Year	For 3 Years	For 5 Years	For 10 Years
Series A units	23.68	74.64	130.83	297.81
Series D units	8.61	27.14	47.58	108.30
Series E units	14.15	44.59	78.16	177.91
Series F units	0.10	0.32	0.57	1.29
Series I units	1.13	3.55	6.23	14.18
Series P units	0.00	0.00	0.00	0.00

**COUNSEL INTERNATIONAL GROWTH – Fund Details**

Type of fund	International Equity
Start Date	January 7, 2009
Securities Offered/Start Date	Mutual fund trust units: Series A: January 7, 2009 Series D: January 7, 2009 Series E: January 7, 2009 Series F: January 7, 2009 Series I: January 7, 2009 Series P: January 7, 2009
Registered Tax Plan Status	Units of Counsel International Growth are expected to be qualified investments for registered tax plans.
Portfolio Advisor	Counsel Portfolio Services Inc. (Mississauga, Ontario)
Portfolio Sub-Advisor	Mawer Investment Management Ltd. (Calgary, Alberta)

**What Does the Fund Invest In?***Investment Objectives*

- The investment objective of Counsel International Growth is to invest primarily in international equity securities to seek to achieve long-term capital growth and to provide a reasonable rate of return. Counsel International Growth may also invest in equity and fixed income securities of issuers anywhere in the world depending upon prevailing market conditions.
- The fundamental investment objective of Counsel International Growth cannot be changed without obtaining prior approval of unitholders at a meeting called for that purpose.

*Investment Strategies*

- The portfolio sub-advisor invests primarily in countries outside North America including Europe, Asia, Latin America, Australia and Africa. The amount invested in any one country will vary depending upon the economic, investment and market outlook and opportunities in each area.
- The portfolio sub-advisor invests primarily in equities and may diversify amongst equity and debt securities, currencies, industries and countries to increase the safety of the principal and to increase the growth and liquidity of the Fund's investments.
- The portfolio sub-advisor's primary focus is to select good companies exhibiting attractive valuations and investment characteristics.
- The Fund may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, index prices, interest rates and exchange rates. The Fund may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets, to gain exposure to other currencies, to seek to generate additional income, and/or for

COUNSEL INTERNATIONAL GROWTH *(Continued)*

any other purpose considered appropriate by the Fund's portfolio advisor, provided that the use of the derivative is consistent with the Fund's investment objective. For further information on these transactions and derivatives use, please see the "Introduction to Part B" in this simplified prospectus.

- If market conditions are not favourable, a portion of the Fund may, for defensive purposes, be invested in short-term debt securities or cash.
- The Fund may engage in securities lending, repurchase and reverse repurchase transactions to earn additional income for the Fund. These transactions will only be made with parties that are considered creditworthy and as described in the "Introduction to Part B" on page 38.

### **What are the Risks of Investing in the Fund?**

- The Fund's assets are invested in equities. Equity securities are more volatile than other types of investments such as fixed income investments. The Fund invests a significant portion of its assets outside of Canada, which means that it is subject to foreign markets and currency risk. These and other risks are described starting on page 2. The following chart shows which risks apply to this Fund.

Commodity	✓	Income Trust	
Company	✓	Interest Rate	✓
Concentration	✓	Large Transaction	✓
Credit	✓	Legislation	✓
Depository Receipt	✓	Portfolio Advisor	✓
Derivatives	✓	Prepayment	✓
Emerging Markets	✓	Securities Lending, Repurchase and Reverse Repurchase Transaction	✓
Foreign Currency	✓		
Foreign Markets	✓		
Illiquidity	✓	Series	✓
		Small Company	✓

- Because one or more investment funds managed by Counsel and institutional investors could become major unitholders in this Fund, the Fund is subject to the risks described in "Large Transaction Risk" on page 6. As at September 30, 2009, Counsel Balanced Portfolio and Counsel Growth Portfolio owned units representing 50% and 24%, respectively, of the assets of the Fund.

### **Who Should Invest in this Fund?**

- You should consider this Fund if you are seeking long-term capital growth from your investment and you are comfortable with the risks associated with equity investments.
- You should consider this Fund if you can accept some variability of returns, have an average tolerance for risk, and you are intending to invest in the Fund over the long-term.
- You should consider this Fund if you are seeking equity investments outside of North America.

COUNSEL INTERNATIONAL GROWTH *(Continued)****Distribution Policy***

- Counsel International Growth will make distributions out of net income and net realized capital gains, if any, annually in December of each year. Counsel retains the discretion to make other distributions from time to time in any calendar year.

***Fund Expenses Indirectly Borne by Investors***

- Estimated cumulative expenses payable by each series of units of the Fund for each \$1,000 investment (see “**Introduction to Part B**” for an explanation of the assumptions used in this example) for the time periods shown.

Series	For 1 Year	For 3 Years	For 5 Years	For 10 Years
Series A units	22.86	72.06	126.30	287.50
Series D units	8.71	27.47	48.14	109.58
Series E units	0.10	0.32	0.57	1.29
Series F units	0.21	0.65	1.13	2.58
Series I units	1.23	3.88	6.80	15.47
Series P units	0.10	0.32	0.57	1.29

**COUNSEL GLOBAL REAL ESTATE – Fund Details**

Type of fund	Real Estate Equity
Start Date	January 7, 2009
Securities Offered/Start Date	Mutual fund trust units: Series A: January 7, 2009 Series D: January 7, 2009 Series E: January 7, 2009 Series F: January 7, 2009 Series I: January 7, 2009 Series P: January 7, 2009
Registered Tax Plan Status	Units of Counsel Global Real Estate are expected to be qualified investments for registered tax plans.
Portfolio Advisor	Counsel Portfolio Services Inc. (Mississauga, Ontario)
Portfolio Sub-Advisor	Forum Partners Europe (UK) LLP (London, United Kingdom)

**What Does the Fund Invest In?***Investment Objectives*

- The investment objective of Counsel Global Real Estate is to seek income and long-term capital growth by investing primarily in global real estate stocks and real estate investment trusts that present better than expected returns relative to the risk taken. Counsel Global Real Estate may also invest in fixed income and equity securities of issuers located anywhere in the world depending upon prevailing market conditions.
- The fundamental investment objective of Counsel Global Real Estate cannot be changed without obtaining prior approval of unitholders at a meeting called for that purpose.

*Investment Strategies*

- The portfolio sub-advisor uses a valuation based approach that focuses on the free cash flow that properties generate and invests in companies that can sustain and grow an attractive cash flow stream.
- The portfolio sub-advisor seeks to diversify the Fund by investing in a variety of global real estate sector groups.
- The Fund may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, index prices, interest rates and exchange rates. The Fund may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets, to gain exposure to other currencies, to seek to generate additional income, and/or for any other purpose considered appropriate by the Fund's portfolio advisor, provided that the use of the derivative is consistent with the Fund's investment objective. For further information on these transactions and derivatives use, please see the "Introduction to Part B" in this simplified prospectus.
- If market conditions are not favourable, a portion of the Fund may, for defensive purposes, be invested in short-term debt securities or cash.

## COUNSEL GLOBAL REAL ESTATE (Continued)

- The Fund may engage in securities lending, repurchase and reverse repurchase transactions to earn additional income for the Fund. These transactions will only be made with parties that are considered creditworthy and are described in the “Introduction to Part B” on page 38.

**What are the Risks of Investing in the Fund?**

- The Fund’s assets are invested in global real estate equities. This focus subjects the Fund to the risks described in concentration risk and the Fund is subject to significant changes in value, challenges related to illiquidity, and, since it invests a significant portion of its assets outside of Canada, foreign markets risk and foreign currency risk. These and other risks are described starting on page 2. The following chart shows which risks apply to this Fund.

Commodity		Income Trust	✓
Company	✓	Interest Rate	✓
Concentration	✓	Large Transaction	✓
Credit	✓	Legislation	✓
Depository Receipt	✓	Portfolio Advisor	✓
Derivatives	✓	Prepayment	✓
Emerging Markets	✓	Securities Lending, Repurchase and Reverse Repurchase Transaction	✓
Foreign Currency	✓		
Foreign Markets	✓	Series	✓
Illiquidity	✓	Small Company	✓

- Because one or more investment funds managed by Counsel and institutional investors could become major unitholders in this Fund, the Fund is subject to the risks described in “Large Transaction Risk” on page 6. As at September 30, 2009, Counsel Balanced Portfolio, Counsel Growth Portfolio and Counsel Regular Pay Portfolio owned units representing 45%, 22% and 24% of the assets of the Fund.

**Who Should Invest in this Fund?**

- You should consider this Fund if you are seeking long term capital growth and income from real estate securities denominated in a variety of currencies.
- You should consider this Fund if you are seeking diversification of your investment portfolio through an investment in real estate securities.
- You should consider this Fund if you are intending to invest in the Fund over the long-term and have an above average tolerance for risk.

**Distribution Policy**

- Counsel Global Real Estate will make distributions out of net income and net realized capital gains, if any, annually in December of each year. Counsel retains the discretion to make other distributions from time to time in any calendar year.

COUNSEL GLOBAL REAL ESTATE *(Continued)**Fund Expenses Indirectly Borne by Investors*

- Estimated cumulative expenses payable by each series of units of the Fund for each \$1,000 investment (see “**Introduction to Part B**” for an explanation of the assumptions used in this example) for the time periods shown.

Series	For 1 Year	For 3 Years	For 5 Years	For 10 Years
Series A units	10.97	34.58	60.60	137.95
Series D units	10.15	31.99	56.07	127.63
Series E units	0.10	0.32	0.57	1.29
Series F units	0.10	0.32	0.57	1.29
Series I units	0.00	0.00	0.00	0.00
Series P units	0.00	0.00	0.00	0.00

**COUNSEL GLOBAL SMALL CAP – Fund Details**

Type of fund	Global Small Cap
Start Date	June 6, 2005
Securities Offered/Start Date	Mutual fund trust units: Series A: May 27, 2005 Series D: February 13, 2006 Series I: March 1, 2006 Series P: January 7, 2009
Registered Tax Plan Status	The units of Counsel Global Small Cap are qualified investments for registered tax plans.
Portfolio Advisor	Counsel Portfolio Services Inc. (Mississauga, Ontario)
Portfolio Sub-Advisor	The portfolio is managed using a multi-manager process. See “Investment Strategies” below.

**What Does the Fund Invest In?***Investment Objectives*

- The investment objective of Counsel Global Small Cap is to seek long-term growth of capital by investing primarily in global small cap equity securities. Counsel Global Small Cap may also invest in mutual fund securities, equities and fixed income securities of issuers located anywhere in the world depending upon prevailing market conditions.
- The fundamental investment objective cannot be changed without obtaining prior approval of unitholders at a meeting called for that purpose.

*Investment Strategies*

- The portfolio sub-advisors invests its assets primarily in Canadian, U.S. and international small cap equities as measured at the time of investment. Small capitalization equities may grow to become mid to large capitalization equities at the time they are sold. The term small capitalization securities has different meanings depending on the market and the size of the company within the market.
- The Fund’s portfolio sub-advisors are selected by Counsel at its sole discretion. The names of the portfolio sub-advisors and a brief description of their investment strategies, as well as target allocations of the Fund’s assets to the portfolio sub-advisors are set out in the following table. Counsel may change the allocation available to each portfolio sub-advisor at any time.

## COUNSEL GLOBAL SMALL CAP (Continued)

Portfolio Sub-Advisors	Target Allocation	Investment Strategies and/or Style
Howson Tattersall Investment Counsel, Toronto, Ontario	33 1/3%	The portfolio sub-advisor invests in equity securities of small capitalization Canadian companies applying a value investment style that emphasizes security of capital.
Invesco Trimark Ltd., Toronto, Ontario	33 1/3%	The portfolio sub-advisor seeks to provide strong capital growth over the long term and invests mainly in common shares of a diversified group of U.S. companies with small market capitalizations. To achieve these objectives, the portfolio sub-advisor looks for companies that exhibit sound growth potential and attractive valuations, strong management and leadership in their field and financial strength.
GLG Inc., New York, N.Y.	33 1/3%	The portfolio sub-advisor seeks to achieve long-term capital appreciation by combining global themes with bottom-up fundamental company analysis. Stocks are selected on the basis of evaluation of management, careful industry and business evaluation, financial analysis and reasonableness of purchase price. The portfolio sub-advisor's initial investments are primarily in equity securities of small capitalization companies located outside of the United States. The portfolio sub-advisor has a long-term investment approach and seeks to continue to hold securities as they grow resulting in a portfolio that may include mid and large cap equity securities.

- The different portfolio sub-advisor styles and areas of expertise should lead to an element of diversification in the Fund's portfolio. However, as the portfolio sub-advisors are independent of one another, there may be some overlap in specific securities, industry sectors, countries or investment themes as applicable, from time to time.
- As portfolio advisor, Counsel maintains liquidity to accommodate redemption requests and to rebalance assets between the portfolio sub-advisors.
- The portfolio sub-advisors' investment style may result in a higher portfolio turnover rate than less actively managed funds. Portfolio investments will be sold, and the proceeds reinvested, when the portfolio securities no longer meet expectations of continued gains. High portfolio turnover rates can increase portfolio costs and may also increase the likelihood that you will receive taxable capital gains from the Fund. There is no proven relationship between a high turnover rate and the performance of a mutual fund.

## COUNSEL GLOBAL SMALL CAP (Continued)

- The Fund may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in stock prices, interest rates or foreign exchange rates. The Fund may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets, to gain exposure to other currencies, to seek to generate additional income, and/or for any other purpose considered appropriate by the Fund's portfolio advisor, provided that the use of the derivative is consistent with the Fund's investment objective. For further information on these transactions and derivatives use, please see the "Introduction to Part B" in this simplified prospectus.
- If market conditions are not favourable, a portion of the Fund may, for defensive purposes, be invested in short-term debt securities or cash.
- The Fund may engage in securities lending, repurchase and reverse repurchase transactions to earn additional income for the Fund. These transactions will only be made with parties that are considered creditworthy and are described in the "Introduction to Part B" on page 38.

**What are the Risks of Investing in the Fund?**

- The Fund's assets are invested in global small cap equities. This focus subjects the Fund to concentration risk and the Fund is subject to significant changes in value, challenges related to illiquidity, and, since it invests a significant portion of its assets outside of Canada, foreign markets risk, emerging markets risk, and foreign currency risk. These and other risks are described starting on page 2. The following chart shows which risks apply to this Fund.

Commodity	✓	Income Trust	
Company	✓	Interest Rate	✓
Concentration	✓	Large Transaction	✓
Credit	✓	Legislation	✓
Depository Receipt	✓	Portfolio Advisor	✓
Derivatives	✓	Prepayment	✓
Emerging Markets	✓	Securities Lending, Repurchase and Reverse Repurchase Transaction	
Foreign Currency	✓		
Foreign Markets	✓		
Illiquidity	✓	Series	✓
		Small Company	✓

- Because one or more investment funds managed by Counsel and institutional investors could become major unitholders in this Fund, the Fund will be subject to the risks described in "Large Transaction Risk" on page 6. As at September 30, 2009, Counsel Balanced Portfolio and Counsel Growth Portfolio owned units representing 49%, 34%, respectively, of the assets of the Fund.

COUNSEL GLOBAL SMALL CAP *(Continued)***Who Should Invest in this Fund?**

- You should consider this Fund if you are seeking long-term capital growth from your investment and you are comfortable with the risks associated with equity investments.
- You should consider this Fund if you want exposure to the small and mid-capitalization global equity markets for a portion of your portfolio.
- You should consider this Fund if you can accept some variability of returns and you have an above average tolerance for risk.

**Distribution Policy**

- Counsel Global Small Cap will make distributions out of net income and net realized capital gains, if any, annually in December of each year. Counsel retains the discretion to make other distributions from time to time in any calendar year.

*Fund Expenses Indirectly Borne by Investors*

- Estimated cumulative expenses payable by each series of units of the Fund for each \$1,000 investment (see “**Introduction to Part B**” for an explanation of the assumptions used in this example) for the time periods shown:

Series	For 1 Year	For 3 Years	For 5 Years	For 10 Years
Series A units	28.70	90.48	158.59	360.99
Series D units	16.30	51.38	90.05	204.99
Series I units	0.10	0.32	0.57	1.29
Series P units	0.00	0.00	0.00	0.00

**COUNSEL SELECT CANADA – Fund Details**

Type of fund	Canadian Equity
Start Date	May 31, 2001
Securities Offered/Start Date	Mutual fund trust units: Series A: May 31, 2001 Series D: February 13, 2006 Series I: March 1, 2006
Registered Tax Plan Status	The units of Counsel Select Canada are qualified investments for registered tax plans.
Portfolio Advisor	Counsel Portfolio Services Inc. (Mississauga, Ontario)

**What Does the Fund Invest In?***Investment Objectives*

- Counsel Select Canada seeks long-term growth of capital.
- Counsel Select Canada invests primarily in Canadian equity and fixed income securities. Counsel Select Canada may also invest in mutual fund securities, equities and fixed income securities of issuers located anywhere in the world depending upon prevailing market conditions.
- The fundamental investment objective of Counsel Select Canada cannot be changed without obtaining prior approval of unitholders at a meeting called for that purpose.

*Investment Strategies*

- To achieve its investment objective, the Fund invests up to 100% of its assets in units of other mutual funds.
- The Underlying Funds in which the Fund invests may be managed by Counsel or an affiliate of Counsel.
- The Fund selects Underlying Funds whose investment styles are opposite to one another with the objective that in combination the Fund is style-neutral to its market benchmark.
- As at the date of this document, the Fund was investing in securities of the following mutual funds:

Underlying Funds	Target Allocation	Investment Strategies and/or Style
Counsel Canadian Growth	50%	Canadian growth equities
Counsel Canadian Value	50%	Canadian value equities

- As portfolio advisor, Counsel may add or remove mutual funds from this list or otherwise vary the mix of investments at any time and without notice to you depending on prevailing market conditions so long as such changes are consistent with the Fund's objective.
- The different portfolio management styles and areas of expertise of the Underlying Funds' portfolio sub-advisors and/or portfolio managers should lead to an element of diversification in the Fund's portfolio. However, as the Underlying Funds' portfolio sub-advisors and/or portfolio managers are independent of

## COUNSEL SELECT CANADA (Continued)

one another, there may be some overlap in specific securities, industry sectors, countries or investment themes as applicable, from time to time.

- The Fund may invest in short-term debt securities or cash for operational purposes including maintaining liquidity to accommodate redemption requests and to rebalance assets between the Underlying Funds.
- The Fund does not itself use derivatives. The Underlying Funds may use derivatives as a part of their investment strategies. Similarly, the Fund itself does not engage in securities lending, repurchase and reverse repurchase transactions. The Underlying Funds may enter into these transactions as part of their investment strategies. For further information on these transactions and derivatives use, please see the “Introduction to Part B” in this simplified prospectus.
- For further information on the Underlying Funds, please see the applicable fund specific pages contained in this simplified prospectus.

### **What are the Risks of Investing in the Fund?**

- The risks of investing in this Fund are similar to the risks of investing in the Underlying Funds it holds. The Underlying Funds’ assets are invested in Canadian equities. Equity securities are more volatile than other types of investments such as fixed income investments and the Canadian economy is more dependent on a small number of industries than other national or regional economies. These and other risks are described starting on page 2. The following chart shows which risks apply to this Fund.

Commodity	✓	Income Trust	
Company	✓	Interest Rate	✓
Concentration	✓	Large Transaction	✓
Credit	✓	Legislation	✓
Depository Receipt		Portfolio Advisor	✓
Derivatives	✓	Prepayment	✓
Emerging Markets		Securities Lending, Repurchase and Reverse Repurchase Transaction	✓
Foreign Currency	✓		
Foreign Markets	✓		
Illiquidity	✓	Series	✓
		Small Company	✓

### **Who Should Invest in this Fund?**

- You should consider this Fund if you are seeking long-term capital growth from your investment and you are comfortable with the risks associated with equity investments.
- You should consider this Fund if you can accept some variability of returns and you have an average tolerance for risk.
- You should consider this Fund if you are seeking to add a diversified Canadian equity holding to your investment portfolio.

## COUNSEL SELECT CANADA (Continued)

**Distribution Policy**

- Counsel Select Canada will make distributions out of net income and net realized capital gains, if any, annually in December of each year. Counsel retains the discretion to make other distributions from time to time in any calendar year.

*Fund Expenses Indirectly Borne by Investors*

- Estimated cumulative expenses payable by each series of units of the Fund for each \$1,000 investment (see “Introduction to Part B” for an explanation of the assumptions used in this example) for the time periods shown:

Series	For 1 Year	For 3 Years	For 5 Years	For 10 Years
Series A units	29.32	92.42	161.98	368.72
Series D units	16.81	52.99	92.89	211.43
Series I units	1.23	3.88	6.80	15.47

**COUNSEL SELECT AMERICA – Fund Details**

Type of fund	U.S. Equity
Start Date	February 15, 2000
Securities Offered/Start Date	Mutual fund trust units: Series A: February 15, 2000 Series D: February 13, 2006 Series I: March 1, 2006
Registered Tax Plan Status	The units of Counsel Select America are qualified investments for registered tax plans.
Portfolio Advisor	Counsel Portfolio Services Inc. (Mississauga, Ontario)
Portfolio Sub-Advisor	The portfolio is managed using a multi-manager process. See “Investment Strategies” below.

**What Does the Fund Invest In?***Investment Objectives*

- The investment objective of Counsel Select America is to seek long-term growth of capital.
- This Fund will invest primarily in equities of U.S. companies. Counsel Select America may also invest in U.S. fixed income securities and international equity and fixed income securities depending upon prevailing market conditions.
- The fundamental investment objective of Counsel Select America cannot be changed without obtaining prior approval of unitholders at a meeting called for that purpose.

*Investment Strategies*

- The Fund selects portfolio sub-advisors whose styles are opposite to one another with the objective that in combination the Fund is style-neutral to its market benchmark.
- The Fund’s portfolio sub-advisors are selected by Counsel at its sole discretion. The names of the portfolio sub-advisors and a brief description of their investment strategies, as well as the target allocations of the Fund’s assets to the portfolio sub-advisors are set out in the following table. Counsel may change the allocation available to each portfolio sub-advisor at any time without notice.

Portfolio Sub-Advisors	Target Allocation	Investment Strategies and/or Style
Marsico Capital Management, LLC, Denver, Colorado	50%	The portfolio sub-advisor follows a growth style and invests primarily in large capitalization companies (typically, companies with market capitalizations greater than U.S. \$5 billion). In selecting investments for the portfolio, Marsico uses an approach that combines “top-down” macroeconomic analysis with “bottom-up” stock selection.

## COUNSEL SELECT AMERICA (Continued)

Portfolio Sub-Advisors	Target Allocation	Investment Strategies and/or Style
Dreman Value Management, LLC, Aspen, Colorado	50%	Investments will be in common shares of U.S. companies. The Fund follows a contrarian value approach, based on a disciplined, low P/E approach to stock selection. The portfolio sub-advisor will invest in undervalued companies that exhibit strong fundamentals, above-market dividend yields and historic earnings growth, which their analysis indicates will persist. It will seek fundamentally strong companies and avoid speculative stocks.

- The different portfolio sub-advisor styles and areas of expertise should lead to an element of diversification in the Fund's portfolio. However, as the portfolio sub-advisors are independent of one another, there may be some overlap on specific securities, industry sectors, countries or investment themes as applicable, from time to time.
- The Fund may invest in short-term debt securities or cash for operational purposes including maintaining liquidity to accommodate redemption requests, to rebalance assets between the portfolio sub-advisors, and for defensive purposes such as when market conditions are not favourable.
- The Fund may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, index prices, interest rates and exchange rates. The Fund may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets, to gain exposure to other currencies, to seek to generate additional income, and/or for any other purpose considered appropriate by the Fund's portfolio advisor, provided that the use of the derivative is consistent with the Fund's investment objective. For further information on these transactions and derivatives use, please see the "Introduction to Part B" in this simplified prospectus.
- The Fund may engage in securities lending, repurchase and reverse repurchase transactions to earn additional income for the Fund after giving investors 60 days' notice of its intention to do so. These transactions will only be made with parties that are considered creditworthy and are described in the "Introduction to Part B" on page 38.

### **What are the Risks of Investing in the Fund?**

- The Fund's assets are invested in U.S. equities. Equity securities are more volatile than other types of investments such as fixed income investments. The Fund also invests a significant portion of its assets outside of Canada, which means that it is subject to foreign currency risk. These and other risks are described starting on page 2. The following chart shows which risks apply to this Fund.

## COUNSEL SELECT AMERICA (Continued)

Commodity	✓	Income Trust	
Company	✓	Interest Rate	✓
Concentration	✓	Large Transaction	✓
Credit	✓	Legislation	✓
Depository Receipt	✓	Portfolio Advisor	✓
Derivatives	✓	Prepayment	✓
Emerging Markets		Securities Lending, Repurchase and Reverse Repurchase Transaction	
Foreign Currency	✓		✓
Foreign Markets	✓		
Illiquidity	✓	Series	✓
		Small Company	

- Because one or more investment funds managed by Counsel and institutional investors could become major unitholders in this Fund, the Fund is subject to the risks described in “**Large Transaction Risk**” on page 6. As at September 30, 2009, Counsel Balanced Portfolio and Counsel Growth Portfolio owned units representing 57% and 26%, respectively, of the assets of the Fund.

**Who Should Invest in this Fund?**

- You should consider this Fund if you are seeking long-term capital growth from your investment and you are comfortable with the risks associated with equity investments.
- You should consider this Fund if you are seeking to diversify your portfolio internationally with exposure to U.S. markets.
- You should consider this Fund if you can accept some variability of returns and you have an average tolerance for risk.

**Distribution Policy**

- Counsel Select America will make distributions out of net income and net realized capital gains, if any, annually in December of each year. Counsel retains the discretion to make other distributions from time to time in any calendar year.

*Fund Expenses Indirectly Borne by Investors*

- Estimated cumulative expenses payable by each series of units of the Fund for each \$1,000 investment (see “**Introduction to Part B**” for an explanation of the assumptions used in this example) for the time periods shown:

Series	For 1 Year	For 3 Years	For 5 Years	For 10 Years
Series A units	28.80	90.80	159.15	362.27
Series D units	16.30	51.38	90.05	204.99
Series I units	0.51	1.62	2.83	6.45

**COUNSEL SELECT INTERNATIONAL – Fund Details**

Type of fund	International Equity
Start Date	May 31, 2001
Securities Offered/Start Date	Mutual fund trust units: Series A: May 31, 2001 Series D: February 13, 2006 Series I: March 1, 2006
Registered Tax Plan Status	The units of Counsel Select International are qualified investments for registered tax plans.
Portfolio Advisor	Counsel Portfolio Services Inc. (Mississauga, Ontario)

**What Does the Fund Invest In?***Investment Objectives*

- Counsel Select International seeks long-term growth of capital.
- Counsel Select International invests primarily in international equity securities. Counsel Select International may also invest in mutual fund securities, equities and fixed income securities of issuers located anywhere in the world depending upon prevailing market conditions.
- The fundamental investment objective of Counsel Select International cannot be changed without obtaining prior approval of unitholders at a meeting called for that purpose.

*Investment Strategies*

- To achieve its investment objective, the Fund invests up to 100% of its assets in units of other mutual funds.
- The Underlying Funds in which the Fund invests may be managed by an affiliate of Counsel.
- The Fund selects Underlying Funds whose investment styles are opposite to one another with the objective that in combination the Fund is style-neutral to its market benchmark.
- As at the date of this document, the Fund was investing in securities of the following mutual funds:

Underlying Fund	Target Allocation	Investment Strategies and/or Style
Counsel International Growth	50%	International growth equities
Counsel International Value	50%	International value equities

- As portfolio advisor, Counsel may add or remove mutual funds from this list or otherwise vary the mix of investments at any time and without notice to you depending on prevailing market conditions so long as such changes are consistent with the Fund's objective.
- The different portfolio management styles and areas of expertise of the Underlying Funds' portfolio sub-advisors and/or portfolio managers should lead to an element of diversification in the Fund's portfolio. However, as the Underlying Funds' portfolio sub-advisors and/or portfolio managers are independent of

## COUNSEL SELECT INTERNATIONAL (Continued)

one another, there may be some overlap in specific securities, industry sectors, countries or investment themes as applicable, from time to time.

- The Fund may invest in short-term debt securities or cash for operational purposes including maintaining liquidity to accommodate redemption requests and to rebalance assets between the Underlying Funds.
- The Fund itself does not use derivatives. The Underlying Funds may use derivatives as a part of their investment strategies. Similarly, the Fund itself does not engage in securities lending, repurchase and reverse repurchase transactions. The Underlying Funds may enter into these transactions as part of their investment strategies. For further information on these transactions and derivatives use, please see the “Introduction to Part B” in this simplified prospectus.
- For further information on Counsel-managed Underlying Funds, please see the applicable fund specific pages contained in this simplified prospectus.

### **What are the Risks of Investing in the Fund?**

- The risks of investing in this Fund are similar to the risks of investing in the Underlying Funds it holds. The Underlying Funds’ assets are invested in international equities. Equity securities are more volatile than other types of investments such as fixed income investments. The Fund invests a significant portion of its assets outside of Canada, which means it is subject to foreign markets and currency risk. These and other risks are described starting on page 2. The following chart shows which risks apply to this Fund.

Commodity	✓	Income Trust	
Company	✓	Interest Rate	✓
Concentration	✓	Large Transaction	✓
Credit	✓	Legislation	✓
Depository Receipt	✓	Portfolio Advisor	✓
Derivatives	✓	Prepayment	✓
Emerging Markets		Securities Lending, Repurchase and Reverse Repurchase Transaction	
Foreign Currency	✓		
Foreign Markets	✓		
Illiquidity		Series	✓
		Small Company	✓

### **Who Should Invest in this Fund?**

- You should consider this Fund if you are seeking long-term capital growth from your investment and you are comfortable with the risks associated with equity investments.
- You should consider this Fund if you can accept some variability of returns and you have an average tolerance for risk.
- You should consider this Fund if you are seeking to diversify your portfolio globally.

COUNSEL SELECT INTERNATIONAL *(Continued)****Distribution Policy***

- Counsel Select International will make distributions out of net income and net realized capital gains, if any, annually in December of each year. Counsel retains the discretion to make other distributions from time to time in any calendar year.

***Fund Expenses Indirectly Borne by Investors***

- Estimated cumulative expenses payable by each series of units of the Fund for each \$1,000 investment (see “**Introduction to Part B**” for an explanation of the assumptions used in this example) for the time periods shown:

Series	For 1 Year	For 3 Years	For 5 Years	For 10 Years
Series A units	29.32	92.42	161.98	368.72
Series D units	16.61	52.35	91.75	208.86
Series I units	1.03	3.23	5.66	12.89

COUNSEL STRATEGIC PORTFOLIOS	COUNSEL MANAGED PORTFOLIOS
Counsel Conservative Portfolio Counsel Regular Pay Portfolio Counsel Balanced Portfolio Counsel Growth Portfolio Counsel All Equity Portfolio	Counsel Income Managed Portfolio Counsel Managed Portfolio Counsel World Managed Portfolio
COUNSEL PORTFOLIO COMPONENT FUNDS	COUNSEL SELECT FUNDS
Counsel Money Market Counsel Fixed Income Counsel Canadian Dividend Counsel Canadian Value Counsel Canadian Growth Counsel U.S. Value Counsel U.S. Growth Counsel International Value Counsel International Growth Counsel Global Real Estate Counsel Global Small Cap	Counsel Select Canada Counsel Select America Counsel Select International

Additional information about the Funds is available in the Funds' annual information form, management reports of fund performance and financial statements. These documents are incorporated by reference into this simplified prospectus, which means that they legally form part of this document just as if they were printed as a part of this document.

You can get a copy of these documents, at your request, and at no cost, by calling Counsel toll-free at 1-877-625-9885 or by contacting your dealer.

These documents and other information about the Funds, such as information circulars and material contracts, are also available on Counsel's Internet site at [www.counselwealth.com](http://www.counselwealth.com) and at the Internet site of SEDAR (the System for Electronic Document Analysis and Retrieval) at [www.sedar.com](http://www.sedar.com).

#### MANAGER OF THE COUNSEL FUNDS AND PORTFOLIOS

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