



Financial Statements of

INVESTMENT GRADE TRUST

(Unaudited)

December 31, 2008

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Financial Statements

STATEMENTS OF NET ASSETS (Unaudited)

	As at December 31, 2008	As at June 30, 2008
ASSETS		
Cash and short-term investments	\$ 38,374	\$ 20,721
Investments at fair value (Cost December 31, 2008 - \$49,497,418; June 30, 2008 - \$51,240,488)	31,061,254	47,376,047
Forward Agreement (Note 6)	20,843,005	12,648,093
Receivable under Forward Agreement (Note 6)	1,971,090	2,200,000
	53,913,723	62,244,861
LIABILITIES AND UNITHOLDERS' EQUITY		
Payable for unitholder redemptions	6,234,260	-
Due to manager (Note 4)	105,078	103,249
Distributions payable (Note 5)	1,482,155	1,686,079
	7,821,493	1,789,328
NET ASSETS AND UNITHOLDERS' EQUITY (Notes 7 and 8)	\$ 46,092,230	\$ 60,455,533
NUMBER OF UNITS OUTSTANDING (Note 7)	5,928,620	6,744,317
NET ASSET VALUE PER UNIT (Note 8)	\$ 7.77	\$ 8.96

APPROVED BY THE TRUSTEE,

(signed) Wayne L. Pushka
Director

(signed) Terry Jackson
Director

The accompanying notes are integral to these financial statements.

Financial Statements

continued

STATEMENTS OF OPERATIONS
(Unaudited)

For the six months ended December 31,	2008	2007
INCOME		
Interest	\$ 298	\$ 166
Accretion on strip bonds	17,625	47,878
	17,923	48,044
EXPENSES		
Forward Agreement fees (Note 6)	168,592	163,697
Management fees (Note 4)	125,491	124,607
Administrative expenses	52,942	62,336
Audit fees	18,304	16,008
Accounting fees	15,252	4,013
Board and IRC fees	59,428	25,314
Insurance expense	29,442	56,935
Legal fees	44,598	63,595
Unitholder servicing expense	1,330	12,287
Custody, valuation and transfer fees	29,526	29,996
Regulatory and listing expenses	10,821	10,441
	555,726	569,409
NET INVESTMENT LOSS	(537,803)	(521,365)
NET REALIZED GAIN (LOSS) ON SALE OF INVESTMENTS	526,635	(8,952,304)
CHANGE IN UNREALIZED APPRECIATION (DEPRECIATION) OF INVESTMENTS AND FORWARD AGREEMENT (Note 6)	(6,605,720)	7,850,407
DECREASE IN NET ASSETS FROM OPERATIONS	\$ (6,616,888)	\$ (1,623,262)
DECREASE IN NET ASSETS FROM OPERATIONS PER UNIT ⁽¹⁾	\$ (0.98)	\$ (0.21)

⁽¹⁾ Based on the weighted average number of Units outstanding during the period.

The accompanying notes are integral to these financial statements.

Financial Statements

continued

STATEMENTS OF OPERATIONS (continued)
(Unaudited)

For the six months ended December 31,	2008	2007
NET REALIZED GAIN (LOSS) ON SALE OF INVESTMENTS		
Proceeds from sale of investments	\$ 2,287,330	\$ 11,232,855
Cost of investments, beginning of period	51,240,488	70,411,262
Cost of investments, purchased during the period	-	8,818,612
	51,240,488	79,229,874
Less: Cost of investments, end of period	(49,497,418)	(59,092,593)
Add back: Increase in bond cost due to accretion for the period	17,625	47,878
Cost of investments sold during the period	1,760,695	20,185,159
Net realized gain (loss) on sale of investments	\$ 526,635	\$ (8,952,304)

STATEMENTS OF CHANGES IN NET ASSETS
(Unaudited)

For the six months ended December 31,	2008	2007
NET ASSETS, BEGINNING OF PERIOD	\$ 60,455,533	\$ 70,197,062
DECREASE IN NET ASSETS FROM OPERATIONS	(6,616,888)	(1,623,262)
DISTRIBUTIONS TO UNITHOLDERS (Note 5)	(1,482,155)	(1,686,079)
UNIT TRANSACTIONS		
Paid for Units redeemed (Note 7)	(6,264,260)	(6,687,795)
NET ASSETS, END OF PERIOD	\$ 46,092,230	\$ 60,199,926

The accompanying notes are integral to these financial statements.

Financial Statements

continued

STATEMENT OF INVESTMENTS As at December 31, 2008 (Unaudited)

CANADIAN EQUITIES

NUMBER OF SHARES	DESCRIPTION	AVERAGE COST	FAIR VALUE	% OF NET ASSETS
609,944	Barrick Gold Corp.	1,816,135	2,722,978	5.9
371,900	Bombardier Inc., Class 'B'	2,249,995	1,643,798	3.6
89,917	Brookfield Asset Management Inc., Class 'A'	3,496,858	1,667,061	3.6
400,000	COM DEV International Ltd.	2,080,000	1,264,000	2.7
500,000	Domtar Inc.	3,825,000	955,000	2.1
97,814	Enbridge Inc.	3,496,858	3,863,653	8.4
158,000	Forzani Group Ltd.	2,836,100	1,129,700	2.4
200,000	Ivanhoe Mines Ltd.	2,250,000	634,000	1.4
198,525	Kingsway Financial Services Inc.	3,088,800	1,274,531	2.8
102,540	MDS Inc.	2,069,257	769,050	1.7
37,661	Magna International Inc., Class 'A'	3,496,858	1,379,146	3.0
138,070	Nortel Networks Corporation	3,175,620	44,182	0.1
62,000	Onex Corp.	2,249,360	1,116,620	2.4
134,800	Open Text Corp.	3,397,200	4,941,768	10.7
66,178	Petro-Canada	3,496,858	1,760,997	3.8
48,710	Quebecor Inc., Class 'B'	886,521	956,177	2.1
31,278	Shoppers Drug Mart Corp.	1,526,364	1,502,282	3.3
78,918	Thomson Corp.	3,496,858	2,808,691	6.1
TOTAL CANADIAN EQUITIES		48,934,642	30,433,634	66.1

CANADIAN BONDS

PAR VALUE				
\$700,000	Province of Ontario Strip Bond 12/02/2012	562,776	627,620	1.3
TOTAL INVESTMENTS		\$ 49,497,418	31,061,254	67.4
FORWARD AGREEMENT			20,843,005	45.2
			51,904,259	112.6
RECEIVABLE UNDER FORWARD AGREEMENT			1,971,090	4.3
LIABILITIES, NET OF OTHER ASSETS			(7,783,119)	(16.9)
TOTAL NET ASSETS		\$	46,092,230	100.0

The accompanying notes are integral to these financial statements.

Notes to the Financial Statements

December 31, 2008 (Unaudited)

1. THE FUND

The Investment Grade Trust (the “Fund”) is an investment trust established under the laws of the Province of Ontario on January 28, 2003 (date of inception). At that time, the Fund completed an initial public offering (the “Offering”) of 7,200,000 Units (the “Units”) at \$10 per unit. Subsequently an option granted to the agents was exercised for 300,000 Units at \$10 per Unit. The Fund's Units are listed on The Toronto Stock Exchange. The Fund will terminate operations on December 31, 2012 (the “Termination Date”) and the net assets will be distributed pro rata to holders of units (the “Unitholders”). Crown Hill Investment Corporation was both the Manager (the “Manager”) and Trustee of the Fund until June 6, 2008, at which time it was replaced by Crown Hill Capital Corporation.

The stated investment objectives are: i) to pay to the Unitholders on or about the Termination Date an amount per Unit equal to the original subscription price of \$10; and ii) to provide the Unitholders with a stable stream of tax-efficient semi-annual distributions.

In order to meet its investment objectives, the Fund will manage its assets to provide exposure to the Bond Trust which is an investment trust that holds a portfolio of debt securities. The portfolio of debt securities will be comprised of the Capital Repayment Portfolio, structured to repay \$10 per Unit on the Termination Date, and the Distribution Portfolio, structured to pay the yield. The Fund itself invested the net proceeds of its initial public offering in a portfolio of common shares (the “Common Share Portfolio”). The Fund gains exposure to the performance of the Bond Trust portfolio through a share basket forward purchase and sale agreement (the “Forward Agreement”) with UBS AG (the “Counterparty”). The common shares in the Common Share Portfolio have been delivered to the Counterparty as collateral against the Forward Agreement. The amount received under the exercise of the option granted to the agents was invested in a Province of Ontario Strip Bond with the balance held in a short-term investment. Under the terms of the Forward Agreement, the Counterparty has agreed to pay to the Fund on or about the Termination Date, in exchange for the Common Share Portfolio, an amount equal to 100% of the redemption proceeds equal to the underlying value of the Bond Trust.

For additional information about the holdings that the Fund is exposed to through the Forward Agreement see Note 6.

The Fund will partially settle the Forward Agreement prior to the Termination Date in order to fund semi-annual distributions, redemptions of units by Unitholders and expenses of the Fund. The obligations of the Counterparty under the Forward Agreement are guaranteed by the Counterparty.

Reference is made to the Fund's prospectus for complete details of the Fund's objectives and structure.

Notes to the Financial Statements*continued***December 31, 2008 (Unaudited)****2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

These financial statements, prepared in accordance with Canadian generally accepted accounting principles (“GAAP”), include estimates and assumptions by management that affect the reported amounts of assets, liabilities, income and expenses during the reporting period. Actual amounts could differ from those estimates. The following is a summary of significant accounting policies followed by the Fund in the preparation of its financial statements.

a) Change in Accounting Policy

Effective January 1, 2008, the Fund adopted the following new standards issued by the Canadian Institute of Chartered Accountants (“CICA”): Section 3862, Financial Instruments – Disclosure which is designed to enhance disclosure requirements related to the nature and extent of risks arising from financial instruments and how the Fund manages those risks; Section 3863, Financial Instruments – Presentation, which carries forward unchanged presentation standards from Section 3861; and Section 1535, Capital Disclosures, which requires disclosure of information that enables users of financial statements to evaluate the Fund’s objectives, policies and processes for managing capital. Adoption of these standards did not have an impact on the comparative financial statements.

*b) Investment Valuation**Portfolio Securities*

Securities listed on a recognized stock exchange are valued at their bid price on the valuation date and, where necessary, translated into Canadian dollars at the period end exchange rate. Securities not traded on that date are valued at the closing record bid price used on the previous valuation day. Securities not listed on any exchange are valued based upon the available public quotations in common use or at a price estimated to be fair value thereof as determined by the Manager of the Fund. The difference between the fair value of portfolio securities and their average cost and the change in value of the Forward Agreement is the unrealized gain (loss) on investments on the Statements of Operations.

Short-term Investments

Short-term investments are recorded at cost and valued at cost plus accrued interest which approximates fair value.

Strip Bonds

Strip bonds are valued at their bid price on the valuation date. The discount on the strip bond is recorded as interest income over the life of the bond using the effective interest rate method and is added to the cost of the strip bond. The difference between the fair value and the accreted cost of the strip bond is recorded as part of the unrealized gain (loss) on investments on the Statements of Operations.

Notes to the Financial Statements

continued

December 31, 2008 (Unaudited)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Investment Transactions and Income Recognition

- i. Investment transactions are accounted for on the trade date.
- ii. Interest income is recorded on the accrual basis, using the effective interest method.
- iii. Dividend income is recorded on the ex-dividend date.
- iv. Realized gains and losses on investments and unrealized appreciation or depreciation of investments are calculated using the average cost of the related investments.

d) Forward Agreement

The Forward Agreement is valued at an amount equal to the gain or loss that would be realized if the position was to be closed out on the valuation date. On cash settlement, the fair value of the Forward Agreement would equal the difference between the value of the securities held in the Common Share Portfolio and the value of the portfolio of debt securities held by the Bond Trust, as provided by the Counterparty, including interest receivable, net of accrued expenses. On settlement, any amount receivable from the counterparty on the valuation date, is included in Receivable under Forward Agreement on the Statements of Net Assets.

e) Net Asset Value per Unit

The Net Asset Value per Unit is computed by dividing the Net Assets of the Fund on the valuation date by the total number of Units outstanding on the valuation date.

f) Future Accounting Changes

The CICA Accounting Standards Board formally adopted the strategy of replacing Canadian GAAP with International Financial Reporting Standards ("IFRS") for Canadian enterprises with public accountability. These new standards are effective for the Fund beginning July 1, 2011. The Fund is currently assessing the impact of IFRS on financial reporting.

Notes to the Financial Statements

continued

December 31, 2008 (Unaudited)

3. TAXATION

The Fund is a mutual fund trust within the meaning of the Income Tax Act (Canada) and is subject to applicable federal and provincial taxes on the amount of net income for tax purposes for the year, including net realized taxable capital gains, to the extent such net income for tax purposes has not been paid or made payable to the Unitholders in the year. No provision for income taxes has been recorded in the accompanying financial statements as all income and net realized capital gains are distributed to the Unitholders.

As of the December 31, 2008 taxation year, the Fund had non-capital losses available to carry forward to future taxation years of \$2,765,000 (2007 - \$2,525,530). Such non-capital losses will expire in the taxation years from 2010 to 2012.

As of the December 31, 2008 taxation year, the Fund had capital losses available to carry forward to future taxation years of \$1,358,987 (2007 - \$1,358,987).

4. RELATED PARTY TRANSACTIONS

The Manager is entitled to an annual fee of 0.75% of the gross proceeds of the Offering, payable monthly in arrears. From this fee, the Manager is responsible to pay certain fees due under the Forward Agreement which totaled \$168,592 for the six-month period ended December 31, 2008 (2007 - \$163,697) (Note 6). The Manager, for its services, retains the net amount which totaled \$125,491 for the period (2007 - \$124,607). All other expenses of the Fund are initially paid by the Manager, and the Manager is reimbursed by the Fund. The amount owing to the Manager at December 31, 2008 is \$105,078 (2007 - \$144,341).

Administration expenses for the period totaled \$52,942 (2007 - \$62,336). As part of these expenses the Fund is paying a general overhead cost to First Paladin Inc. (a company related to the Manager) which varies depending on the costs incurred. The general overhead cost for the period was \$49,770 (2007 - \$50,244).

5. DISTRIBUTIONS

The Fund endeavors to make semi-annual cash distributions to the Unitholders of net realized capital gains starting on the last business day of June 2003.

During the six-month period, the Fund declared one distribution of \$0.25 per Unit. The distribution was declared on December 31, 2008 and was paid out in the following month.

6. FORWARD AGREEMENT

Under the Forward Agreement, the Manager pays the Counterparty an annual fee based on the gross proceeds of the offering calculated and payable monthly in arrears. To the extent that the amount incurred by the Counterparty in connection with the hedging of its exposure under the transaction (which includes third party borrowing fees and financing charges relating thereto) exceeds approximately 0.25% of the gross proceeds of the offering, the Counterparty will charge the Manager the excess amount incurred. The amounts payable by the Manager for the excess amount incurred are limited to a maximum of 0.65% of the gross proceeds of the offering. Any charges that exceed this level will be paid by the Fund.

Notes to the Financial Statements

continued

December 31, 2008 (Unaudited)

6. FORWARD AGREEMENT (continued)

The following is the statement of investments for the Bond Trust as at December 31, 2008.

BOND PAR VALUE	DESCRIPTION	COUPON	MATURITY	AVERAGE COST	FAIR VALUE	% OF NET ASSETS
Capital Repayment Portfolio (Par Value in CAN \$ except as noted)						
\$ 16,000,000	Ontario Hydro	0.000%	15/04/2012	\$ 13,257,303	\$ 14,648,466	28.6
2,494,000	Ontario Hydro	0.000%	06/02/2013	2,040,100	2,211,036	4.3
4,200,000	Ontario Hydro	0.000%	18/02/2013	3,323,723	3,723,074	7.3
1,500,000	Province of British Columbia	0.000%	18/06/2012	1,227,309	1,363,468	2.7
4,500,000	Province of British Columbia	0.000%	23/08/2012	3,646,281	4,075,920	8.0
4,000,000	Province of Ontario	0.000%	02/12/2012	3,199,253	3,583,894	7.0
13,900,000	Province of Ontario	0.000%	13/01/2013	11,035,649	12,368,753	24.1
7,200,000	Province of Quebec	0.000%	01/04/2012	5,984,695	6,595,517	12.9
1,600,000	US \$ Credit Suisse First Boston	6.500%	15/01/2012	2,517,384	2,020,260	3.9
800,000	US \$ Goldman Sachs Group	5.700%	01/09/2012	1,211,072	941,713	1.8
1,600,000	US \$ Morgan Stanley Dean Witter	6.600%	01/04/2012	2,549,853	1,909,606	3.7
12,584,000	UBS Default Contingency Zero Swap	0.000%	31/12/2012	4,021,385	8,988,146	17.5
				54,014,007	62,429,853	121.8
Distribution Portfolio (Par Value in U.S. \$)						
738,000	Anthem Inc. (Wellpoint Inc.)	6.800%	01/08/2012	1,250,420	900,583	1.8
165,000	AOL Time Warner Inc.	6.875%	01/05/2012	258,741	195,687	0.4
729,000	AON Corp.	7.375%	14/12/2012	1,240,147	888,913	1.7
217,000	Arvinmeritor Inc.	8.750%	01/03/2012	396,057	144,659	0.3
154,000	CIT Group Inc.	7.750%	02/04/2012	255,724	151,652	0.3
512,000	Coca Cola Enterprises Inc.	6.125%	15/08/2011	858,202	663,982	1.3
164,000	Disney (Walt) Co.	6.375%	01/03/2012	264,449	215,716	0.4
802,000	Electronic Data Systems	7.125%	15/10/2009	1,223,645	1,006,529	2.0
247,000	Falconbridge Ltd.	7.350%	05/06/2012	388,623	316,756	0.6
618,000	Ford Motor Credit Co.	7.375%	01/02/2011	853,451	580,172	1.1
256,000	General Electric Capital Corp.	4.625%	15/09/2009	396,168	319,599	0.6
749,000	Safeco Corp.	7.250%	01/09/2012	1,255,401	842,058	1.6
931,000	Sprint Capital Corp.	8.375%	15/03/2012	1,259,266	919,456	1.8
722,000	Sun Microsystems Inc.	7.650%	15/08/2009	1,251,207	869,026	1.7
633,000	Teco Energy Inc.	7.200%	01/05/2011	836,430	732,642	1.4
				11,987,931	8,747,430	17.0
	Swap Contract				(19,928,943)	(38.9)
				11,987,931	(11,181,513)	(21.9)
TOTAL INVESTMENTS				\$ 66,001,938	51,248,340	99.9
OTHER ASSETS LESS LIABILITIES					28,299	0.1
TOTAL NET ASSETS					\$ 51,276,639	100.0

The effective interest rates of the bonds range from 4.55% to 8.75%.

Notes to the Financial Statements

continued

December 31, 2008 (Unaudited)**7. UNITHOLDERS' EQUITY**

The Fund is authorized to issue an unlimited number of transferable, redeemable Units of one class, each of which represents an equal, undivided interest in the net assets of the Fund. Unitholders are entitled to redeem their Units outstanding in December of each year. Units will be redeemed at the Net Asset Value per Unit on the redemption date or, at the latest, the Termination Date. During the six-month period there were redemptions of 810,697 Units at \$7.69 per Unit (2007 – 755,683 Units at \$8.85 per Unit). As well, 5,000 Units were purchased for cancellation under the mandatory purchase program, at \$6.00 per Unit.

8. NET ASSETS RECONCILIATION

On July 1, 2007, the Fund adopted Section 3855 on a retroactive basis without restatement of prior years for financial reporting purposes. However, the Canadian Securities Administrators have granted relief to investment funds from complying with Section 3855, for the purpose of calculating and reporting of Net Assets and Net Asset Value (“NAV”) per Unit (other than for financial reporting purposes).

At June 30, 2008 and 2007 and at December 31, 2007 and 2008 there was no difference between Net Assets and NAV per Unit calculated at the current year’s last traded price for the day (“Transactional”) and at the current year’s bid price for the day (“GAAP”). Any adjustment to the fair value of the securities in the investment portfolio by changing from Transactional Net Assets to GAAP Net Assets was offset by a change in the fair value of the Forward Agreement.

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Fund’s investment activities expose it to various types of risk associated with the financial instruments in which it invests directly. In addition to the risks of investing in the equity markets generally, the Fund is also subject to other risks, including interest rate risk, currency risk, credit risk and liquidity risk. These risks and related risk management practices employed by the Fund are discussed below.

As explained in Note 1, the Fund has exposure to the Bond Trust portfolio (see Note 6).

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The investments of the Fund are subject to normal market fluctuations and the risks inherent in investment in financial markets. The maximum risk resulting from financial instruments held by the Fund is determined by the fair value of the financial instruments. The Manager moderates this risk through a careful selection of securities and the Fund’s market price risk is managed through diversification of the investment portfolio. The Manager monitors the Fund’s overall market positions on a weekly basis and positions are maintained within established ranges.

The most significant exposure to market risk is from equity securities. As at December 31, 2008, had the prices on the respective stock exchanges for these securities raised (lowered) by 1%, with all other variables held constant, net assets would not have changed; the fair value of securities would have increased (decreased) by approximately \$310,000 (approximately 0.7% of total net assets) and would be offset by a decrease (increase) in the Forward Agreement.

Notes to the Financial Statements*continued***December 31, 2008 (Unaudited)****9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT(continued)***Currency Risk*

Currency risk is the risk that the value of investments denominated in currencies, other than the functional currency of the Fund, will fluctuate due to changes in foreign exchange rates. The Statement of Investments identifies all investments denominated in foreign currencies. Equities in foreign markets are exposed to currency risk as the prices denominated in foreign currencies are converted to the Fund's functional currency in determining fair value.

The Fund invests all of the investment portfolio in Canadian securities. However, the Bond Trust has approximately 27% of its investment portfolio in U.S. securities. At December 31, 2008, if the Canadian dollar had strengthened (weakened) by 1%, with all other variables held constant, net assets would not have changed; the fair value of securities (other than the derivative contracts) would have decreased (increased) by approximately \$136,000 (approximately 0.3% of total net assets) and would be offset by an increase (decrease) in the derivative contracts.

Interest Rate Risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or fair values of financial instruments. Interest rate risk arises when the Fund invests in interest-bearing financial instruments.

The Fund invests in equity securities with the exception of one strip bond, representing 1.4% of the net assets of the Fund. However, the Bond Trust has all of its investment portfolio in bond securities. At December 31, 2008, if the interest rates had risen (fallen) by 1%, with all other variables held constant, net assets would not have changed; the fair value of securities (other than the derivative contracts) would have decreased (increased) by approximately \$2,000,000 (approximately 3.9% of total net assets) and would be offset by an increase (decrease) in the derivative contract.

Credit Risk

Credit risk is the risk that an issuer or a counter party will be unable or unwilling to meet a commitment that it has entered into with the Fund. All transactions in listed securities are settled for upon delivery using approved brokers.

The risk of derivative contracts arises from the potential inability of the Counterparty to meet the terms of its contracts and from future movement in currency, stock values and interest rates. The credit rating of the Counterparty is currently AA- (as per Standard & Poor's). The maximum credit risk exposure is the aggregate of all derivative contracts with a positive value as disclosed on the Statement of Investments

For the bonds held by the Bond Trust at December 31, 2008, 82% are rated AA or better; 13% are rated A or BBB and 5% are rated below BBB.

As well, the Swap Contract, as shown in note 6 exposes the Bond Trust to additional credits. The other credits are those listed in the distribution portfolio with the exception of Coca-Cola Enterprises Inc., and includes Bombardier Inc., Comcast Corp., Capital One Financial Corp., Dow Chemical Co., Supervalu Inc., Hilton Hotels Corp., Motorola Inc., Noranda Inc., Phelps Dodge Corp., Park Place Entertainment Corp., Sears Roebuck Acceptance Corp., Toys R Us Inc., Tyco International Ltd., Tyson Foods Inc., Visteon Corp., Valero Energy Corp. and Weyerhaeuser Co. ("additional credits").

Notes to the Financial Statements

continued

December 31, 2008 (Unaudited)

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT(continued)

Liquidity Risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations associated with financial obligations. The Fund is exposed to an annual redemption of units at which time the units of the Fund are redeemed at the current Transactional NAV per unit. Liquidity risk is managed by investing the majority of the Fund's assets in investments that are traded in an active market and can be readily disposed.

The Fund's investments are considered readily realizable and highly liquid. Therefore, as at December 31, 2008, the Fund's liquidity risk is considered minimal.

10. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted in the current period.