

Annual Management Report of Fund Performance as at September 30, 2011

This annual Management Report of Fund Performance contains financial highlights but does not contain either interim or annual financial statements of the investment fund. You can get a copy of the interim or annual financial statements at your request, and at no cost, by calling 1-888-809-3333, by writing us at Northwest & Ethical Investments L.P., 155 University Avenue Suite 400, Toronto, ON M5H 3B7 or by visiting our website at www.neinvestments.com or SEDAR at www.sedar.com.

Security holders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

Management Discussion of Performance

Investment Objective and Strategies

The Ethical American Multi-Strategy Fund aims to increase the value of your investment over the long term by investing mostly in the common shares of a wide variety of corporations traded on North American stock exchanges. The portfolio manager uses a fundamental investment approach based on a combination of three disciplined strategies: Top down macroeconomic analysis, bottom-up industry analysis and individual security selection. The Fund follows a socially responsible approach to investing.

Risk

The risks of investing in the Fund are unchanged from the prior year and remain as discussed in the prospectus. The Fund is suitable for investors with an average tolerance for risk. Since the Fund makes its investments in US dollars, investors are also subject to fluctuations in the exchange rate of the US dollar in relation to the Canadian dollar and other foreign currencies. Careful analysis controls foreign security risk, which is not a material factor to this Fund.

Currency risk arises from financial instruments that are denominated in a currency other than Canadian dollars, the Fund's functional currency, which causes the Fund to be exposed to fluctuations in exchange rates. The Canadian dollar has experienced considerable volatility over the past 12 months, relative to the Euro and US dollar currencies. Up until the end of August, the Canadian dollar generally appreciated against these and other currencies which has impacted the Fund's returns as the Fund does not currently hedge against foreign currency. Currency risk is quite significant, particularly as it pertains to the US dollar which is experiencing considerable volatility due to concerns about the strength of the US and other economies.

Equity Risk or volatility remains elevated as investors are concerned that corporate profits may disappoint and/or the possibility of another economic slowdown. Relative to fixed income, equity risk appears to be relatively low in that dividend yields and free cash flow yields look attractive as compared to fixed income investments. Foreign equity markets pose similar risks to domestic ones. Risks that the Fund has been exposed to, by investing in foreign securities, have been mitigated by generally investing in larger and higher quality businesses, operating in developed countries.

Capital markets have been heavily influenced by macro- economic issues and not necessarily by company fundamentals and specific financial results. These influences include, but are not limited to, Sovereign debt concerns, Unemployment, Consumer debt levels and geo-political issues.

Results of Operations

The Ethical American Multi-Strategy Fund's series A units returned -2.11% for the 12 months ended September 30, 2011, compared with the benchmark S&P 500 TR Index's return of 2.74%. Unlike the Index return, the Fund's return is after the deduction of fees and expenses paid by the Fund. Fees and expenses are summarized in the Ratios and Supplemental Data section of this MRFP. Performance differences between series of units are mainly attributable to differences in the level of management fees charged to each series as noted in the Management Fee section of this MRFP.

Refer to the Past Performance section for the details of returns by Series.

Yearly Comparison of Holdings

Comparison Period – September 2010 – September 2011

The following table summarizes material changes in individual securities, whereby materiality is defined as 1% of the current year NAV

Material Changes		New Positions	
Name	Change in NAV Ownership (%)	Name	% of Current Year NAV
Bank of New York Mellon Corporation	-1.36	Kraft Foods, Class A	2.70
Carnival Corporation	1.12	CME Group	2.46
Cash and Cash Equivalents	-1.82	Discover Financial Services	2.37
Cerner Corporation	1.63	State Street Corporation	2.08
Coca-Cola Company	1.99	News Corporation, Class A	1.51
EMC Corporation	1.99	United Continental Holdings	1.23
General Mills	1.32	AMC Networks, Class A	1.21
MasterCard, Class A	2.14		
Northern Trust Corporation	-1.24		
Time Warner	1.52		
Visa, Class A	2.23		
Walt Disney Company	1.92		
Weatherford International	-1.20		

Exited Positions

ManpowerGroup	Western Union	Progressive Casualty Insurance Company
Baker Hughes	Kohl's Corporation	Baxter International
Automatic Data Processing	Thermo Fisher Scientific	Waste Management
PepsiCo	Microsoft Corporation	Sherwin-Williams Company
Safeway	Quest Diagnostics	Nordstrom
Home Depot	Juniper Networks	Kellogg Company
Vulcan Materials Company	International Game Technology	

Factors That Have Affected Performance

The past year has been a particularly volatile period for equity markets. Sentiment and economic news has driven stock market swings, with the markets experiencing several ups and downs over the last twelve months. While the markets generally advanced during the last quarter of 2010 and the first half of 2011, there were noticeable fluctuations along the way, particularly as investors reacted to a series of shocks such as the Middle East crisis, Japan disaster, and Eurozone debt flare-up. Most recently, sentiment took a nosedive during the third quarter. A combination of inconsistent economic data, a downgrade of the U.S. credit rating, and escalating tensions across much of Europe resulted in widespread pessimism. As fear and uncertainty became more prevalent, U.S. equity indices swung dramatically. The Ethical American Multi-Strategy Fund has slightly declined over the past year, trailing the S&P 500 Index.

Throughout these market fluctuations, equity correlations have remained elevated. Stocks have been moving higher and lower as a group, and the winners haven't been distinguished from the losers. With equity valuations compressed, the best companies are trading down with the overall market. This creates near-term headwinds for active managers like Manning & Napier, making it difficult to add value from specific stock selections. However, over the long-term, the manager believes this volatility is creating opportunity for fundamental investors to buy high-quality companies at attractive prices.

For the year ending September 30, 2011, individual stock selections were the reason for the fund's negative relative returns. In particular, specific holdings in Consumer Discretionary (Washington Post Co. and Carnival Corp.), Materials (Owens-Illinois Inc.), and Industrials (Southwest Airlines Co. and FedEx Corp.) detracted from results relative to the benchmark. With a focus



Ethical American Multi-Strategy Fund

on businesses that possess long-term growth drivers, there is always some risk that those companies could have near-term setbacks, and the Ethical American Multi-Strategy Fund has experienced that to some extent over the past year. Some of the stocks have been hit by what are considered to be temporary factors, but the manager believes they continue to present compelling opportunities over the long run. For instance, Owens-Illinois remains the world’s leading glass bottle producer for beer, spirits, wine, food, soft drinks, and other beverages, and the Manager believes the company is poised to benefit from long-term pricing power as industry utilization becomes increasingly tight over time. However, the company has experienced supply chain challenges in North America resulting in higher than expected manufacturing and delivery costs, which have impacted Owens-Illinois’ stock price. Still, the Manager is optimistic on the long-term pricing power of the glass industry and believes freight issues are only temporary.

Indeed, Manning & Napier took advantage of the market turmoil in recent months to add to high-quality companies that have the ability to grow, such as first-class Technology companies and multinational “Away Game Winners” that can successfully compete in faster growing foreign markets. Thus, the Manager increased exposure to companies that meet the Strategic Profile Strategy yet were being discounted with the rest of the market. Meanwhile, the manager reduced exposure to more cyclically-oriented businesses and/or companies that derive a significant portion of their revenue from government spending, resulting in a lower exposure to Hurdle Rate Strategy fits.

Sector allocation decisions helped relative performance over the past year. An underweight to Financials provided positive relative returns. While banks are generally in better shape than in the midst of the credit crisis, there continues to be a lack of clarity regarding many banks’ balance sheets. Furthermore, the uncertainty surrounding the Eurozone sovereign debt crisis has amplified, making it difficult to determine the ultimate impact on financial institutions that may be directly or indirectly exposed to peripheral European government debt. Meanwhile, the fund’s allocation to the Consumer Staples sector has increased over the past year, and this overweight relative to the benchmark has aided results. In this sector, the manager continues to find strong companies that have a multinational presence and are expanding in faster-growing foreign markets. The fund also remains overweight to the Information Technology sector, as Manning & Napier continues to identify businesses that are gaining share in large, growing markets and benefiting from long-term global trends such as growth in mobile data services, cloud computing, e-commerce, and increased wireless connectivity.

Recent Developments

The major global markets all experienced a selloff in the third quarter after a sound first half of 2011 that saw many markets hit new highs in the economic recovery. As global markets remain correlated a number of macro events occurred in the quarter that stalled global recovery. Global fears escalated with government ability to cover debt played out across the globe. The U.S. saw its debt rating slide from AAA early in the quarter, and continued fears over Greece have investors worried about the health of the European banking system.

Over the first 2 quarters of the year the North American Economy had shown signs of life. The Canadian economy showed stronger performance than the U.S. economy, but has suffered slightly due to the interdependencies of the two economies. The manufacturing sector looked surprisingly strong and U.S. housing seemed ready for a turnaround and for a brief moment in the spring, the labour market actually showed signs of life. In the three months to April, private employment growth turned in its best performance in half a decade. However during the 3rd quarter there have been shocks to the market with the ongoing political turmoil in the U.S. leading to a credit downgrade by S&P. These unexpected shocks and policymakers’ response to them took have taken their toll and turned what early in the year appeared to be a year of respectable growth rate for 2011 now seems to be slow growth.

Financial Notes

HST

Following the introduction of a single harmonized tax “HST” levy and collection system on July 1st, 2010 Investment Funds had to change the way in which government taxes are charged to the Funds. The new rules require HST to be calculated and charged based on a blended tax rate derived from the residency of the unitholders and the current value of their units. This blended rate is required to be calculated and updated periodically and the table below indicate the rate charged to the Fund for the relevant reporting period plus the established rate for the next 12 month period.

Ethical Amer Multi-Str Fund

	12 Month Period Ending September 30, 2011	12 Month Period Ending September 30, 2012
Series A	9.24%	9.09%
Series F	8.41%	10.83%

On August 5th, 2011 a referendum in British Columbia was completed and the outcome is that the Province will dissolve the HST model and reinstate the provincial sales tax “PST” model. On September 30th, 2011 Quebec announced that it will move to a harmonized tax system “HST” to be implemented January 1st, 2013. Management will be monitoring the impact and timing of these announcements and will make the necessary changes to the way that HST is charged to the Funds.

Change to IFRS

The Canadian Accounting Standards Board (“AsSB”) of the Canadian Institute of Chartered Accountants (“CICA”) had planned to adopt International Financial Reporting Standards (“IFRS”), as published by the ACSB, effective January 1, 2011. In January 2011, the AsCB deferred the adoption of IFRS for investment companies, which include investment funds. Investment companies may continue to apply existing Generally Accepted Accounting Principals (“GAAP”) until fiscal years beginning on or after January 1, 2013. Northwest & Ethical Investments L.P (the “Manager”) has chosen to defer IFRS implementation until this date.

Currently the Manager has determined two areas that may be impacted in the conversion to IFRS 1) IAS 32, Financial Instruments: Presentation and 2) IAS 7 Statement of Cash Flows.

The Manager has currently determined that any required changes will not materially impact the Funds’ valuation processes, or the NAV per unit. However, this current determination is subject to change resulting from the further issuance of new standards or interpretations up to the conversion date.

Related Party Transactions

Northwest & Ethical Investments L.P “NEILP” is the Manager, the Trustee, the Portfolio Manager and the Registrar of the Fund. NEILP is 50% owned by the Federation des caisses Desjardins du Quebec (Federation) and 50% indirectly owned by seven Provincial Credit Union Centrals.

NEILP charges the Funds a fixed administration fee in place of certain variable expenses. NEILP in turn, pays all operating expenses of the Fund, other than specified fund costs (e.g. the fees and expense of the Independent Review Committee, taxes, and brokerage commissions) which include payments to related parties of which the Federation is a significant owner. These services are in the normal course of operations and are measured at an exchange amount that is consistent with other independent parties.

At the end of the period ended September 30, 2011, accrued expenses payable to related parties are \$85,809 (\$82,875 as at September 30, 2010).

The Funds sub advisors may place a portion of their portfolio transactions with brokerage firms which are affiliates of NEILP; provided that the affiliates trade execution abilities and costs are comparable to those of non-affiliated qualified brokerage firms.

The Fund is distributed through Credential Asset Management Inc., Credential Securities Inc., Desjardins Securities Inc., Desjardins Financial Services Firm Inc., Desjardins Financial Securities Investments Inc., and Gestions SFL Inc., and other nonrelated parties by way of shared ownership. NEILP pays to these parties distribution and servicing fees based on a percentage of the daily values of the units of each held by the dealer’s clients and additionally, in some cases, on the amount of initial purchase.

This document contains forward-looking statements. Such statements are generally identifiable by the terminology used, such as “plan”, “anticipate”, “intend”, “expect”, “estimate”, or other similar wording. These forward-looking statements are subject to known and unknown risks and uncertainties and other factors which may cause actual results, levels of activity and achievements to differ materially from those expressed or implied by such statements. Such factors include, but are not limited to: general economic, market and business conditions; fluctuations in securities prices, fluctuation in interest rates and foreign currency exchange rates; and actions by governmental authorities. Future events and their effects on the fund may not be those anticipated by us. Actual results may differ materially from the results anticipated in these forward-looking statements. We do not undertake, and specifically disclaim, any obligation to update or revise any forward-looking information, whether as a result of new information, future developments or otherwise.

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for each of the past five years, as applicable.

Net Assets per Unit⁽¹⁾ – Ethical American Multi-Strategy Fund, Series A

	September 30 2011 (12 months) \$	September 30 2010 (12 months) \$	September 30 2009 (12 months) \$	September 30 2008* (9 months) \$	December 31 2007 (12 months) \$	December 31 2006 (12 months) \$
Net assets, beginning of period	15.57	14.81	15.41	16.98	20.39	17.39
Increase (decrease) from operations:						
Total revenue	0.20	0.14	0.17	0.17	0.21	0.43
Total expenses	(0.42)	(0.38)	(0.36)	(0.29)	(0.45)	(0.44)
Realized gains (losses)	0.62	(0.07)	(2.02)	(1.81)	1.46	0.35
Unrealized gains (losses)	(0.80)	1.09	1.53	0.33	(4.46)	2.62
Commissions and other portfolio transaction costs	(0.02)	(0.02)	(0.03)	-	-	-
Total increase (decrease) from operations ⁽²⁾	(0.42)	0.76	(0.71)	(1.60)	(3.24)	2.96
Distributions:						
From income (excluding dividends)	-	-	-	-	-	-
From dividends	-	-	-	-	-	-
From capital gains	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-
Total Distributions ⁽³⁾	-	-	-	-	-	-
Net Assets, End of Period	15.22	15.57	14.81	15.41	16.98	20.39

(1) This information is derived from the Fund's audited annual financial statements. The net assets per unit presented in the financial statements differs from the net asset value calculated for fund pricing purposes. An explanation of these differences can be found in the notes to the financial statements.

(2) Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period.

(3) Distributions were paid in cash or reinvested in additional units of the Fund.

Ratios and Supplemental Data – Ethical American Multi-Strategy Fund, Series A

	September 30 2011 (12 months)	September 30 2010 (12 months)	September 30 2009 (12 months)	September 30 2008* (9 months)	December 31 2007 (12 months)	December 31 2006 (12 months)
Total net asset value (000's of \$)	39,919	39,692	42,112	46,467	57,592	82,006
Number of units outstanding**	2,617,659	2,547,835	2,837,633	3,015	3,391	4,021
Management expense ratio (%) ⁽¹⁾	2.50	2.50	2.66	2.39	2.31	2.40
Management expense ratio before waivers and absorptions (%)	2.50	2.50	2.66	2.39	2.31	2.40
Trading expense ratio (%) ⁽²⁾	0.07	0.13	0.20	0.14	0.14	0.16
Portfolio turnover rate (%) ⁽³⁾	579.50	62.41	74.56	46.85	52.75	50.32
Net asset value per unit (\$)	15.25	15.58	14.84	15.51	17.03	20.39

(1) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

(2) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

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

(4) **Prior to September 30, 2009, the comparative figures were presented in thousands



Financial Highlights

Net Assets per Unit⁽¹⁾ – Ethical American Multi-Strategy Fund, Series F

	September 30 2011 (12 months) \$	September 30 2010 (12 months) \$	September 30 2009 (12 months) \$	September 30 2008* (9 months) \$	December 31 2007 (12 months) \$	December 31 2006** (6 months) \$
Net assets, beginning of period	9.36	8.81	9.05	9.84	11.7	10.01
Increase (decrease) from operations:						
Total revenue	0.12	0.09	0.1	0.1	0.13	0.09
Total expenses	(0.14)	(0.13)	(0.12)	(0.10)	(0.16)	(0.06)
Realized gains (losses)	0.33	(0.06)	(1.21)	(1.02)	0.81	0.1
Unrealized gains (losses)	(1.51)	0.75	1.84	0.11	(2.72)	0.77
Commissions and other portfolio transaction costs	(0.01)	(0.01)	(0.02)	-	-	-
Total increase (decrease) from operations ⁽²⁾	(1.21)	0.64	0.59	(0.91)	(1.94)	0.9
Distributions:						
From income (excluding dividends)	-	-	-	-	-	-
From dividends	-	-	-	-	-	-
From capital gains	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-
Total Distributions ⁽³⁾	-	-	-	-	-	-
Net Assets, End of Period	9.25	9.36	8.81	9.05	9.84	11.7

(1) This information is derived from the Fund's audited annual financial statements. The net assets per unit presented in the financial statements differs from the net asset value calculated for fund pricing purposes. An explanation of these differences can be found in the notes to the financial statements.

(2) Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period.

(3) Distributions were paid in cash or reinvested in additional units of the Fund.

Ratios and Supplemental Data – Ethical American Multi-Strategy Fund, Series F

	September 30 2011 (12 months)	September 30 2010 (12 months)	September 30 2009 (12 months)	September 30 2008* (9 months)	December 31 2007 (12 months)	December 31 2006 (12 months)
Total net asset value (000's of \$)	935	262	21	11	22	16
Number of units outstanding***	100,905	28,024	2,428	1	2	1
Management expense ratio (%) ⁽¹⁾	1.43	1.43	1.48	1.42	1.41	1.48
Management expense ratio before waivers and absorptions (%)	1.43	1.43	1.48	31.48	11.75	1.48
Trading expense ratio (%) ⁽²⁾	0.11	0.13	0.20	0.14	0.14	0.16
Portfolio turnover rate (%) ⁽³⁾	579.50	62.41	74.56	46.85	52.75	50.32
Net asset value per unit (\$)	9.27	9.36	8.82	9.11	9.86	11.7

(1) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

(2) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

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

(4) **Prior to September 30, 2009, the comparative figures were presented in thousands

Financial Highlights

Net Assets per Unit⁽¹⁾ – Ethical American Multi-Strategy Fund, Series I

	September 30 2011 (12 months) \$	September 30 2010 (12 months) \$	September 30 2009 (12 months) \$	September 30 2008* (9 months) \$	December 31 2007 (12 months) \$	December 31 2006 (12 months) \$
Net assets, beginning of period	4.70	4.36	4.42	4.79	5.67	4.82
Increase (decrease) from operations:						
Total revenue	0.06	0.04	0.05	0.05	0.06	-
Total expenses	-	-	-	(0.01)	(0.01)	-
Realized gains (losses)	0.20	(0.02)	(0.59)	(0.52)	0.38	-
Unrealized gains (losses)	(0.38)	0.34	0.66	0.15	(1.31)	-
Commissions and other portfolio transaction costs	(0.01)	(0.01)	(0.01)	-	-	-
Total increase (decrease) from operations ⁽²⁾	(0.13)	0.35	0.11	(0.33)	(0.88)	-
Distributions:						
From income (excluding dividends)	-	-	-	-	-	-
From dividends	-	-	-	-	0	0
From capital gains	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-
Total Distributions ⁽³⁾	-	-	-	-	0	0
Net Assets, End of Period	4.72	4.7	4.36	4.42	4.79	5.67

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(2) Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period.

(3) Distributions were paid in cash or reinvested in additional units of the Fund.

Ratios and Supplemental Data – Ethical American Multi-Strategy Fund, Series I

	September 30 2011 (12 months)	September 30 2010 (12 months)	September 30 2009 (12 months)	September 30 2008* (9 months)	December 31 2007 (12 months)	December 31 2006 (12 months)
Total net asset value (000's of \$)	29,512	18,044	17,474	14,804	12,235	7,022
Number of units outstanding**	6,243,400	3,833,637	3,995,653	3,348	2,553	1,239
Management expense ratio (%) ⁽¹⁾⁽⁴⁾	N/A	N/A	N/A	0.19	0.36	0.58
Management expense ratio before waivers and absorptions (%) ⁽⁴⁾	N/A	N/A	N/A	0.19	0.36	0.58
Trading expense ratio (%) ⁽²⁾	0.22	0.13	0.20	0.14	0.14	0.16
Portfolio turnover rate (%) ⁽³⁾	579.50	62.41	74.56	46.85	52.75	50.32
Net asset value per unit (\$)	4.73	4.71	4.37	4.45	4.81	5.67

(1) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

(2) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

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

(4) **Prior to September 30, 2009, the comparative figures were presented in thousands

Management Fees

The Manager is responsible for the management, supervision and administration of the Fund. The Manager receives from the Fund management fees, before HST, calculated daily on the net asset value of the Fund at an annual rate of 1.85% for Series A units and 0.85% for Series F units.

The management fee covers the cost of investment advisory fees, sales, marketing, and distribution expenses of the Fund. In addition, the Manager pays a trailer fee to dealers out of this management fee. The trailer fee is a percentage of the average daily value of the units of the Fund held by the dealer's clients.

The following table shows the major services paid for out of management fees as a percentage of the management fee for Series A and Series F units:

	Management Fee	Investment Advisory and other	Trailer Fee
Series A	1.85%	48.2%	51.8%
Series F	0.85%	100%	N/A ⁽¹⁾

(1) No trailer fees are paid in respect of any Series F units of the Fund.

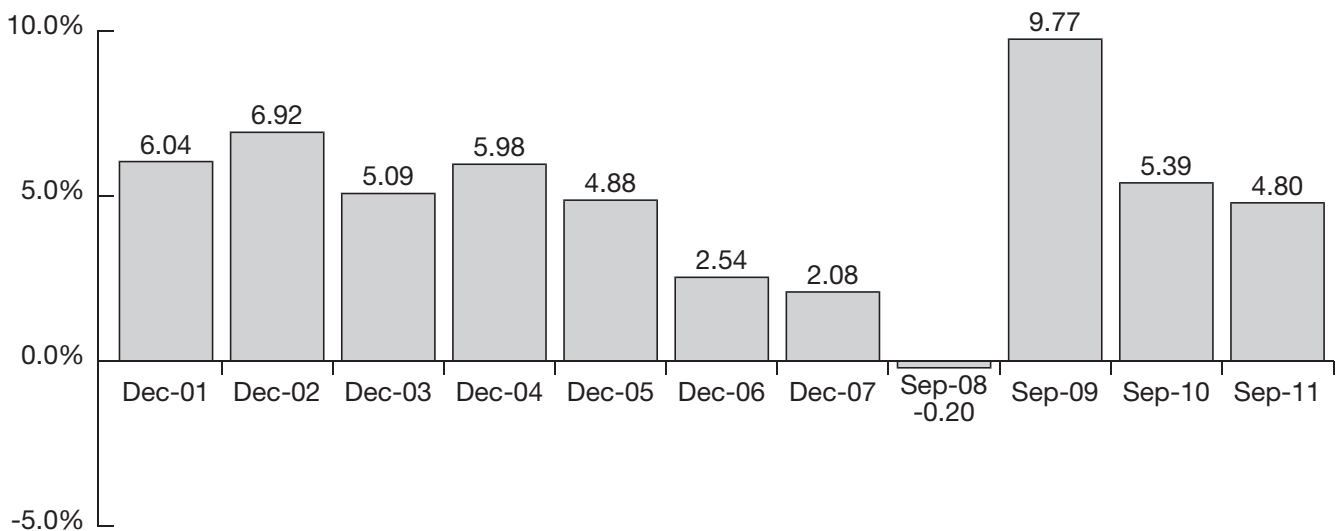
Past Performance

The following charts and tables show the past performance for each series of shares of the Fund and will not necessarily indicate how the Fund will perform in the future. The information shown assumes that distributions made by the Fund in the periods shown were reinvested in additional shares of the relevant series of the Fund. In addition, the information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance

The following charts show the annual performance for each series of units of the Fund for each year shown and illustrate how the Fund's performance has varied from year to year. The charts indicate how much an investment made on the first day of each financial year would have grown or decreased by the last day of each financial year.

Ethical American Multi-Strategy Fund Series A

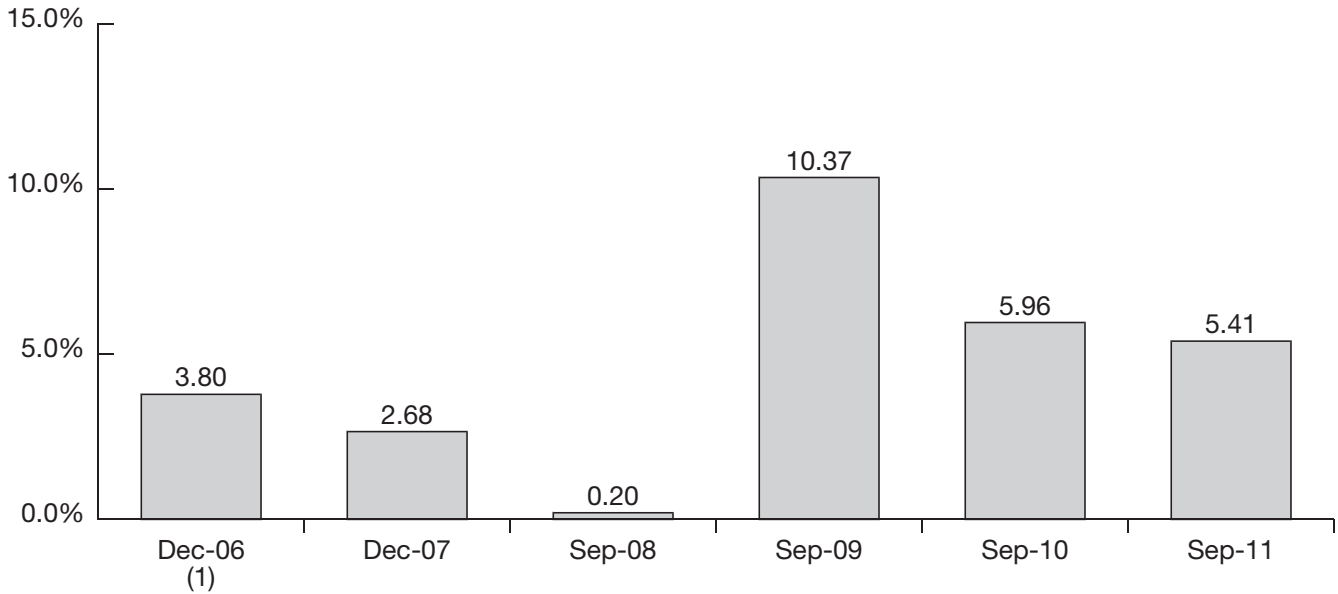
For the 12-month periods ended September 30 of each year.



The year-end date of this Fund was modified from December 31 to September 30 in 2008

Ethical American Multi-Strategy Fund Series F

For the 12-month periods ended September 30 of each year.

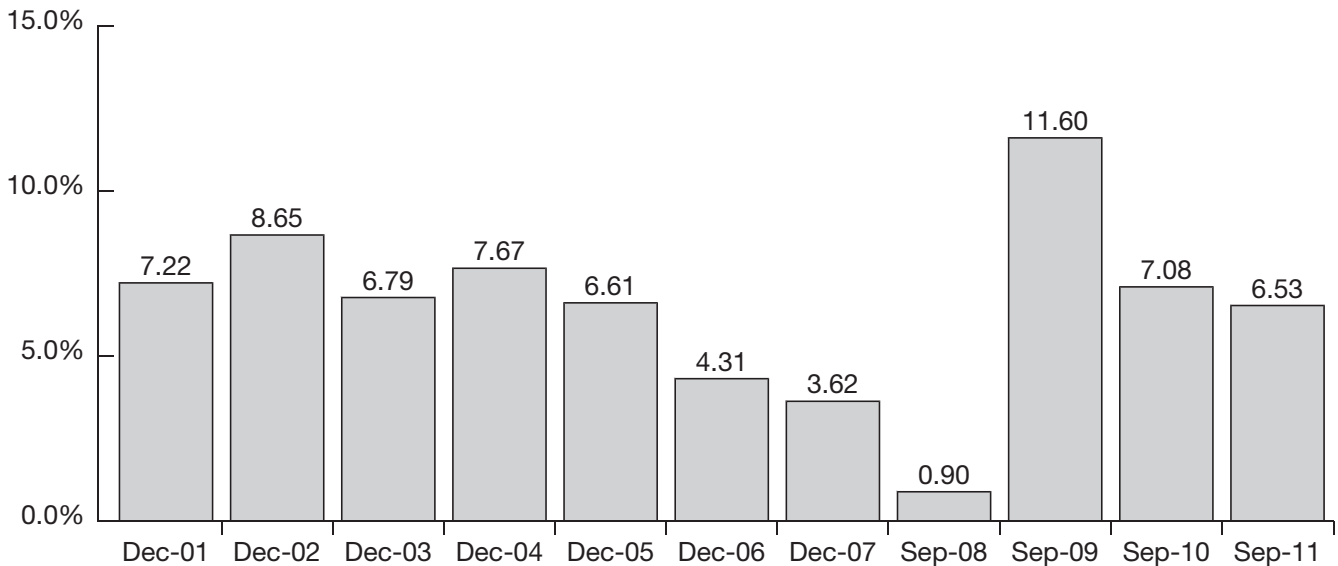


The year-end date of this Fund was modified from December 31 to September 30 in 2008

(1) July 25, 2006

Ethical American Multi-Strategy Fund Series I

For the 12-month periods ended September 30 of each year.



The year-end date of this Fund was modified from December 31 to September 30 in 2008

Annualized Compound Returns

The following tables show the annual compound returns for Series A, Series F and Series I units of the Fund. All returns are in Canadian dollars, on a total return basis, net of all fees.

For comparison, the S&P 500 Total Return Index returns are included.

The S&P 500 Total Return Index tracks the common share price of 500 leading US companies. These are generally large companies that dominate their industries in the United States. The Index reflects the reinvestment of both ordinary and special dividends.

Group/Investment	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception
Ethical American Multi-Strategy	-2.11	-0.56	-3.55	-4.73	
Ethical American Multi-Strategy Class F	-1.03	0.56	2.41		-1.48
Ethical American Multi-Strategy Class I	0.43	2.04	-1.20	-2.49	
S&P 500 TR	2.74	0.55	-2.52	-1.37	

