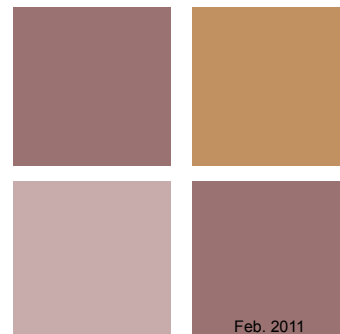




Bond Portfolio Fact Sheet



Offering municipalities the opportunity to invest in a range of secure short-term government bonds since 1993.

Portfolio Description

Objective

The original product of the One Investment Program, the objective of the One Bond Portfolio is to provide competitive rates of return through a diversified portfolio of conservatively managed short-term bonds where preservation of capital is of prime concern.

Qualified securities include Government of Canada Debt and Guarantees, Provincial Government Debt and Guarantees, Canadian Municipal Debt, Canadian Bank Debt, Loan and Trust Company Debt, and highly rated commercial paper. Complete investment guidelines for the Bond Portfolio are available on the One Investment Program website.

Investment Horizon

With an investment horizon of 18 months to 5 years, municipalities will find the One Bond portfolio suitable for:

- Surplus operating funds not required in the current year
- Capital funds to be expended in the following one to three year period
- Gas Tax receipts not expended in the current year

Investment Measurement

The performance benchmark is comprised of: 95% DEX Short All Government Bond Index and 5% DEX 91 Day T-Bill Index.

Portfolio Performance

In 2006 the investment guidelines for the Bond Portfolio were revised to ensure strong and enhanced fund performance going forward. Subsequently performance improved. Two-year Bond Portfolio returns for months ending in 2009 exceeded all two-year period returns since 2002, and 2010 was very competitive as well.

In addition, the Bond Portfolio balance under management increased substantially in 2009 and stayed high in 2010.

Portfolio Manager

The long-time fund manager for the One Bond Fund is McLean Budden. They also manage the Money Market Portfolio and Universe Corporate Bond Portfolio. McLean Budden is one of Canada's largest investment counsel firms, with \$34 billion in assets under management, and has been managing institutional portfolios since 1956. The firm has a long track record of delivering superior returns for both bonds and money market portfolios.

Portfolio Details

■ Inception Date
March, 1993

■ Portfolio Manager
McLean Budden

■ Total Fund Size
\$156.7 Million
(at December 31, 2010)

■ Rolling Two-Year Return
High: 12.21%
(ending November, 1996)
Low: 1.76%
(ending June, 2007)
Average: 5.68%

■ Average Term
2.8 years

■ Percent Positive Two-Year Investment Period
100%

■ Minimum Investment
\$5,000

Portfolio Performance

Chart 3: Bond Portfolio vs. Bank of Canada less 1.75% Three Year Annualized Returns (2003 to 2010)

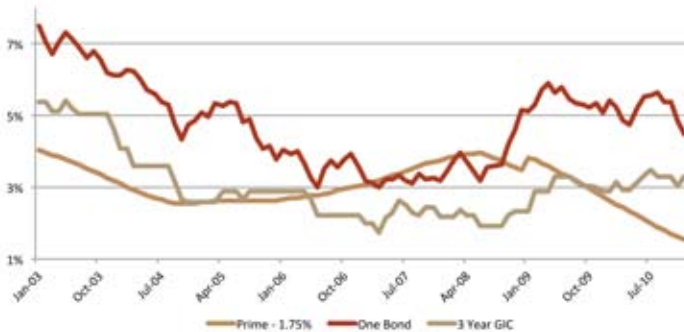


Chart 1 illustrates the three year annualized return for the One Portfolio compared to both the Bank Prime – 1.75% rate and the three year GIC . The average One Portfolio return for the eight year period examined was 4.80%. This is far higher than the 3.05% average return for the Bank Prime less 1.75% option and 3.04% for the GIC comparator. On a \$100,000 investment the One Portfolio returned an average \$5,700 more over the three term more than the other two options.

Chart 2: Value of a One Year Bond Portfolio Investment Ending December 31

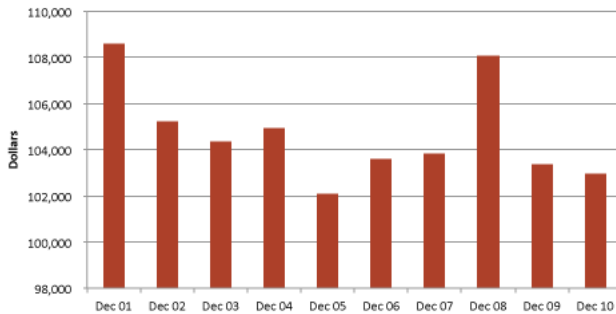


Chart 2 shows the year-end value of a single \$100,000 investment in the Bond Portfolio for each of the past 10 years. Despite a low interest environment in 2009 and 2010 the portfolio returned 3.00% on a one year investment ending December 31, 2010.

Chart 3: Average Annual Bond Portfolio Balances (Year Ending December 31)

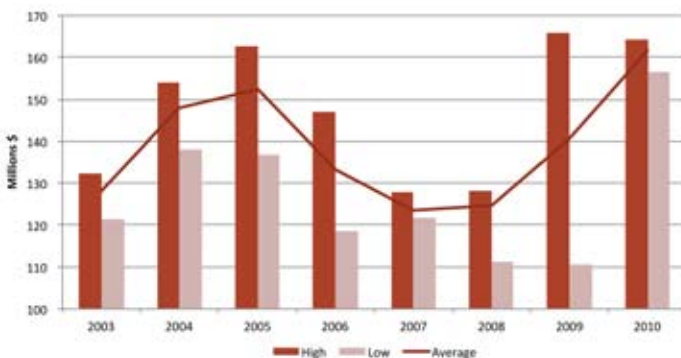


Chart 3 displays the annual low, high and average investment levels in the One Portfolio. Given that consistent base level of investment in this portfolio, One is able to achieve lower transaction fees and higher quality investments than many municipalities on an individual basis. This has lead to strong portfolio returns investor confidence.

The One Investment Program is operated jointly by Local Authority Services Limited and The CHUMS Financing Corporation, wholly owned subsidiaries of The Association of Municipalities of Ontario and The Municipal Finance Officers' Association of Ontario, respectively. The One is a pooled program where the deposits of multiple participating municipalities and eligible public sector organizations are jointly invested, and managed by professional portfolio managers. For current performance data please contact the One Investment Program representatives listed below.

Jason Hagan, LAS Program Coordinator
 416.971.9856 ext. 320
 Fax: 416.971.6191
 jhagan@amo.on.ca



The ONE financial investment choice for your municipality.
 Learn more at www.oneinvestmentprogram.ca

Tom Bradbury, Policy Advisor, MFOA
 905.304.4429
 Alt: 905.973.2898
 tom@mfoa.on.ca