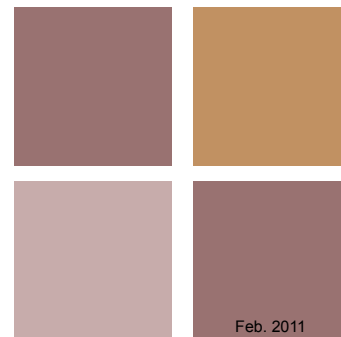




# Equity Portfolio Fact Sheet



Municipalities can invest in the long-term growth potential of Canadian equities, but only through the One Equity Portfolio.

## Portfolio Description

### *Objective*

In operation since January 2007, the objective of the Equity Portfolio is to provide superior long-term investment returns through capital growth and dividend yield. The Equity Portfolio achieves this by investing in a diversified, conservatively managed portfolio of equity securities issued by Canadian corporations, as permitted by applicable legislation and regulations.

Complete investment guidelines for the One Equity Portfolio are available on the One Investment Program website.

### *Investment Horizon*

With a longer-term investment horizon, municipalities will find the One Equity Portfolio suitable for:

- Long-term infrastructure funding
- Capital asset maintenance and remediation reserves

### *Benchmark Structure*

To ensure adequate risk aversion, the investment guidelines for the Equity Portfolio are based on world-wide sector weightings as opposed to TSX weightings. The TSX is heavily weighted in the oils, mining and financial industries and accordingly, subject to a greater degree of volatility; an attribute the Portfolio designers wished to avoid.

The Equity Portfolio investment guidelines limit (both minimum and maximum) the amount that the Portfolio can hold with respect to each industry group, industry sector and individual issuer. See the Equity Portfolio Structure Fact Sheet for more details, available on the One Investment Program website.

### *Portfolio Manager*

After a competitive RFP process Guardian Capital Management was named manager for the One Equity Portfolio. Guardian was founded in 1962 and has demonstrated a superior track record in both up and down market environments. Guardian is a conservative manager with over \$16 billion in assets. The firm has a deep and very stable team of investment managers and research analysts and has created a customized portfolio for the One Investment Program that is designed to reduce the volatility of the Canadian equity markets.

## Portfolio Details

■ Inception Date  
**January, 2007**

■ Portfolio Manager  
**Guardian Capital LP**

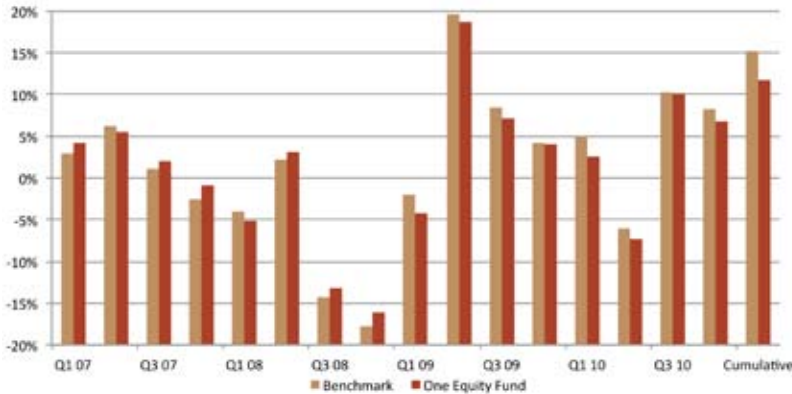
■ Total Fund Size  
**\$72.4 Million**  
(at December 31, 2010)

■ Portfolio Return  
**2007: 10.88%**  
**2008: (28.79)%**  
**2009: 26.72%**  
**2010: 11.75%**

■ Participants  
**14**

■ Average Investment per Participant  
**\$5.1M**

Chart 1: One Equity Portfolio Returns vs. Benchmark and TSX Composite (Since 2007 Inception)



**Portfolio Performance**

Chart 1 displays the performance of the One Equity Portfolio compared to the benchmark (TSX Composite Index Returns based on World Industry Sector Weighting). On a cumulative basis the Equity Portfolio has under-performed the benchmark by 0.76% on an annualized basis over its first four years of operation. Since inception the Equity Portfolio has returned 11.8%.

Graph 2: Equity Portfolio vs. TSX Composite & TSX 60 (Since 2007 Inception)

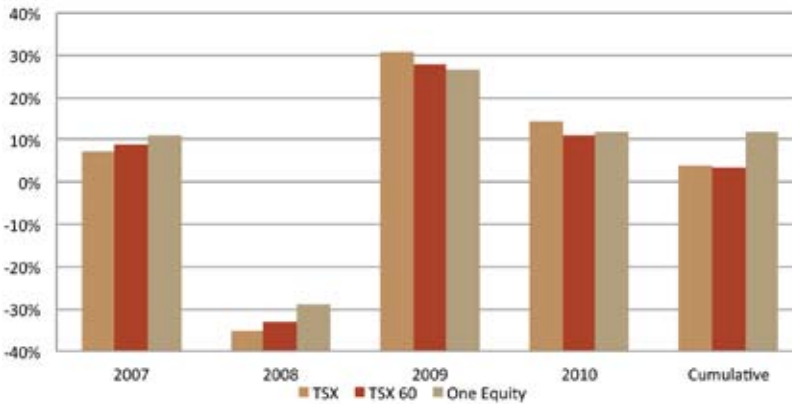


Chart 2 illustrates Equity Portfolio performance since inception compared to both the TSX Composite and TSX 60 Canadian equity indices. On a cumulative basis, since inception the Portfolio has outperformed the TSX and TSX 60 by 7.86% and 8.51% respectively.

Graph 3: Equity Portfolio Balance (\$ Millions) (Inception to December 31, 2009)

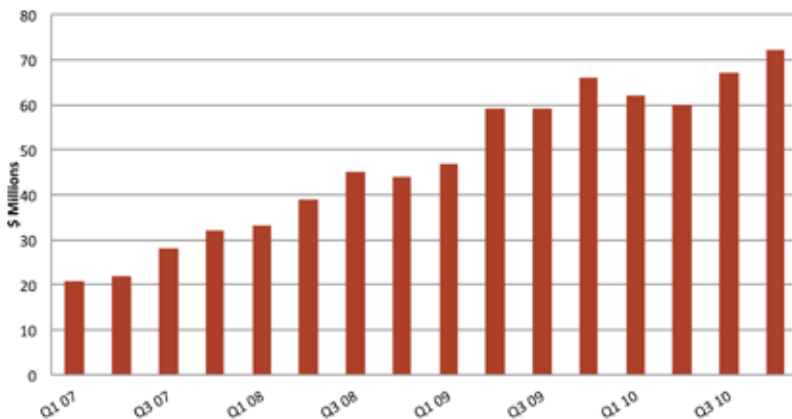


Chart 3 shows Portfolio balances for all month-ends since Portfolio inception. Growth has been fairly consistently since inception even with the steep equity value declines realized in late 2008 and early 2009. The longer term prospectus for this portfolio continues to be strong.