Management Report of Fund Performance

This annual management report of fund performance for North American Financials Capital Securities Trust (the "Fund") contains financial highlights but does not contain the complete annual financial statements of the Fund. **The annual financial statements and accompanying notes are attached to this report.**

You can obtain a copy of the annual financial statements at no cost by writing to the Manager to the following address: Connor, Clark & Lunn Capital Markets Inc. (the "Manager"), Suite 300, 181 University Avenue, Toronto, Ontario M5H 3M7, or calling (416) 862-2020 or visiting the Manager's website at www.cclcapitalmarkets.com or by visiting www.sedar.com. Securityholders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

Note that any reference to "Net Assets" or "Net Assets per Unit" or "GAAP Net Assets" means that the value was determined in accordance with the Canadian Generally Accounting Principles "GAAP" for financial statements purposes. Also any reference to "Net Asset Value" or "Net Asset Value per Unit" or "Transactional NAV" means that the value was determined for valuation and transactional purposes. An explanation of the difference between both values can be found in note 3 to the financial statements.

Investment Objectives and Strategy

The Fund is an investment fund established under the laws of the Province of Ontario and governed by the Trust Agreement between the Manager of the Fund and RBC Dexia Investor Services Trust (the "Trustee") dated September 28, 2009. The Fund's principal office is at 181 University Avenue, Suite 300, Toronto, Ontario M5H 3M7. The fiscal year-end of the Fund is December 31. Beneficial interest in the net assets and net income of the Fund is divided into units of two classes, Class A Units and Class F Units. Class A Units are listed on the Toronto Stock Exchange under the symbol NAF.UN. Class F Units are not listed on a stock exchange but may be converted into Class A Units on a weekly basis. The principal differences between the Class A Units and the Class F Units are that the agents' fees payable with respect to the original issuance of the units were lower for the Class F Units, and that the service fee and the TSX listing fees are not paid by Class F Units.

The Fund's investment objectives are to:

(i) provide Unitholders with attractive tax-advantaged quarterly cash distributions; and

(ii) return to Unitholders the original issue price of the Units upon termination of the Fund on November 30, 2014.

Distributions are initially targeted to be $1.50 per annum per Unit consisting primarily of returns of capital, representing a return on the issue price of 6.0% per annum.

In order to achieve the Fund's investment objectives, the Fund obtained exposure, in a tax-efficient manner, to the performance of a portfolio (the "Portfolio") held by North American Portfolio Trust (the "NAPT" or the "Trust"). Connor, Clark & Lunn Investment Management Ltd. (the "Investment Manager"), the Trust's investment manager, actively manages the Portfolio. The Portfolio consisting primarily of Canadian Innovative Tier 1 Capital Securities issued by banks (or entities related to banks) and U.S. Financials Capital Securities. The Investment Manager may also invest up to 15% of the Portfolio (measured at the time of investment) in other bonds with a minimum issuer rating of "A" by S&P.

The Fund does not invest directly in the NAPT, the Fund used the net proceeds of the initial public offering of its Class A and Class F Units to pre-pay its purchase obligations under a forward purchase and sale agreement (the "Forward Agreement") with The Bank of Montreal (the "Counterparty" or "BMO"). Under the Forward Agreement, the Fund will receive, on or before November 30, 2014, a specified portfolio consisting of securities of Canadian public issuers that are "Canadian securities" for the purposes of the Tax Act ("Canadian Securities") in an amount equal to the net asset value of the NAPT. Partial settlements under the Forward Agreement are intended to ensure that Unitholders have economic exposure to the distributions effected by NAPT. A fee of 0.35% per annum, calculated with reference to the NAV of NAPT, is payable to BMO under the Forward Agreement.

Risk

Changes in the risk exposure of the Fund occurred in the following areas:

- **Use of leverage**

  The Fund is entitled to employ leverage of up to 25% of the total Portfolio held by NAPT. The Fund applied leverage in the range from 19.2% to 21.5%. The leverage factor as of December 31, 2010 was 19.4%.

For full disclosure of risks associated with an investment in the Fund's units, please refer to the Prospectus dated September 28, 2009 and to the Fund's most recent Annual Information Form.

Recent Developments

Future accounting changes

In February 2008, the Canadian Accounting Standards Board (the "AcSB") confirmed that the International Financial Reporting Standards ("IFRS") will replace current Canadian standards and interpretations as Canadian GAAP for publicly accountable enterprises effective January 1, 2011, which includes investment funds. The Fund will adopt IFRS on January 1, 2011. Management has commenced activities to identify key issues and the likely impacts resulting from the adoption of IFRS and is in the process of developing a changeover plan, which will include identifying differences between the Fund's current accounting policies and those it expects to apply under IFRS, as well as any accounting policy and implementation decisions and their resulting impact, if any, on NAV of the Funds. Management has presently determined that there will be no significant impact to NAV per Unit as a result of the changeover to IFRS but will continue to assess based on any changes to existing IFRS.

At its January 12, 2011 meeting, the AcSB decided to extend the deferral of mandatory adoption of IFRS for Investment Companies and Segregated Accounts of Life Insurance Enterprises. The decision is in response to the International Accounting Standards Board's announcement in late 2010 that its Investment Company project is delayed and will not likely be issued before January 1, 2012, which is the current date of mandatory adoption of IFRS for these entities. As a result, the Fund will delay implementation of IFRS until January 1, 2013.

The Fund's Manager has commenced activities to identify key issues and the likely impacts resulting from the adoption of IFRS and is in the process of developing a changeover plan, which will include identifying differences between the Fund's current accounting policies and those it expects to apply under IFRS, as well as any accounting policy and implementation decisions and their resulting impact, if any, on NAV of the Funds. Management has presently determined that there will be no significant impact to NAV per Unit as a result of the changeover to IFRS but will continue to assess based on any changes to existing IFRS.

Results of Operations

Caution regarding forward-looking statements

The analysis in the document includes forward looking statements. The use of any of the words anticipate, may, will, expect, estimate, should, believe and similar expressions are intended to identify forward-looking statements. Such statements reflect the opinion of the Investment Manager regarding factors that might be reasonably expected to affect the performance and the distributions on units of the Fund, and are based on information available at the time of writing. The Investment Manager believes that the expectations reflected in these forward-looking statements and in the analysis are reasonable, but no assurance can be given that these expectations or the analysis will prove to be correct and accordingly they should not be unduly relied on. These statements speak only as of the date of this report. Actual events and outcomes may differ materially from those described in these forward-looking statements or analysis.

Investment Manager Commentary

The de-synchronization of the global recovery became more evident throughout the year. Eurozone economic activity was weak but remained positive while emerging markets continued to follow a V-shape recovery pattern with China's growth strong enough to create fears of inflation. North American economies continued to improve with the US posting positive but slower-than-potential growth. While Canada posted its highest quarterly growth rate in ten years led by consumer spending and housing during the first quarter; its pace decelerated somewhat for the remainder of the year reflecting the impact of a much higher Canadian dollar. The Bank of Canada took the lead among G7 countries by raising interest rates three times during the year starting at its June meeting, bringing its target rate to 1.0% before the end of the third quarter. It opted to stay on the sidelines through year-end as its economic outlook became more muted due to ongoing low inflation pressures. While US administered rates remained unchanged for the entire year, the second round of quantitative easing (QE2) was officially announced towards the end of the year. This bolstered investors' optimism and set off a shift in investment preference from bonds to equities while recent favourable tax legislation also fed this renewed sense of optimism.

The Canadian financial system continued to be the envy of the world in 2010 maintaining its stability amongst volatile capital markets and challenging economic conditions. In fact, the Canadian banking sector performance was relatively impressive posting over $5.3 billion in operating cash representing a 10% increase over the previous year. As an industry, it was able to continue building on its recognized franchise by further enhancing its already strong reserves.

On the US front, there was a clear improvement in earnings versus previous years. We witnessed large financial institutions such as Citibank posting its first post-financial crisis annual pre-tax profits while others like GE Capital continued to beat expectations.

On the regulatory front, Dodd-Frank Wall Street Reform and Consumer Protection Act was introduced to address a variety of US banking and shadow banking issues to prevent future financial crises and ultimately to protect the taxpayer. 2010 was also a very important year as the Basel Supervision committee (Basel III) provided more clarity on capital adequacy requirements and liquidity standards. On the domestic front, one of the implications will be the treatment of existing hybrid securities, which will gradually be phased out of bank Tier 1 capital starting in 2013. In anticipation of these upcoming requirements, both Generation 1 and 2 hybrid securities performed very well during the year due to their scarcity value. Generation 3 hybrid securities, on the other hand, came under pressure during the third quarter as the possibility of an early redemption at par would be very punitive for debt holders. Fortunately, we had migrated the portfolio away from Generation 3 hybrids in favor or earlier generation hybrids. This not only resulted in favourable performance, but also shortened the average time-to-first-call, which made the fund less exposed to higher interest rates and better aligned with the remaining term of the Fund. While some of the discount associated with Generation 3 hybrids started to decrease in the fourth quarter (based on speculations that the Canadian regulatory authorities might provide favorable ruling on them), we opted to err on the side of caution and maintain exposures to Generation 1 and 2 Tier 1 hybrid securities as they continued to offer the better certainty in the event of an early redemption.

Outlook

The outlook for economic growth improved aided by the implementation of QE2 and further fiscal stimulus in the US. We expect the impact of continued weakness in the housing market to lessen as the positive wealth effect of higher equity markets along with better employment prospects translates into an increase in consumer spending. On the business side, leading indicators in the manufacturing sector continue to show improvement, as does business confidence. While external risks still remain with concerns over the European sovereign debt situation, the impact of rising oil prices and monetary tightening in China, their effect appears contained in the medium term.

The US economy continues to operate with significant excess capacity, and as a result we expect inflation to remain under control, enabling the Fed to remain on the sidelines throughout 2011. The tightening pause initiated by the Bank of Canada should remain in place until the second half of the year and future increases will be dependent upon the state of the overall economy and inflation expectations at that time. Consequently, we expect interest rates will begin to settle into a new, higher trading range (2.85 to 3.45% for the 10 year Canada). The yield curve should continue to flatten slightly as the market start discounting the next move by the Bank of Canada. This combination of somewhat stable interest rates with minimum change in the yield curve should continue to support the performance of overall financials in the upcoming quarters.

Capital transactions

On October 23, 2009, the Fund completed an initial public offering pursuant to the prospectus dated September 28, 2009. $50,000,000 was raised through the issue of 2,000,000 Class A Units and $821,500 was raised through the issue of 32,860 Class F Units. The Class A Units were issued at $25 per unit and incurred agents fees and issue expenses of $3,215,301or $1.61 per unit, for an opening Transactional NAV of $23.39 per unit. The Class F Units were issued at $25 per unit and incurred agents fees and issue expenses of $28,182 or $0.86 per unit, for an opening Transactional NAV of $24.14 per unit.

On November 6, 2009, the Agents exercised an over-allotment option in respect of 158,940 Class A Units, raising a further $3,973,500. Agents' fees were $208,609 or $1.31 per unit. During the year ended December 31, 2010 the Fund incurred additional Agents' fees of $11,731 or $0.01 per Class A Unit and Class F Unit respectively.

There were no capital transactions during the year ended December 31, 2010.

Net Assets

The net assets per unit is calculated as the value of the prepaid amount to the counterparty under forward agreement plus any other investments held by the Fund, plus the value of any gain or loss on the Forward Agreement, less any net liabilities of the Fund, divided by the number of units outstanding.

On December 31, 2010, the value of the prepaid amount to counterparty under forward agreement was $61,035,432. The unrealized gain on forward agreement balance was $8,255,413. Since the Fund can at any time terminate the Forward Agreement with the Counterparty in exchange for the value of the NAPT, the value of the Forward Agreement to the Fund is equal to the value of the NAPT less the value of the prepaid amount to counterparty under the forward agreement. On December 31, 2010 the value of the unrealized gain on forward agreement balance was $8,255,413. Other liabilities net of other assets in the Fund totalled $14,482,084 leaving net assets of $54,808,761. This amount is assigned to Class A and Class F Unitholders using an allocation percentage that takes into consideration any class level specific expenses. On December 31, 2010 the GAAP Net assets per unit was $24.99 per Class A Units and $25.97 per Class F Units.

On December 31, 2009, the value of the prepaid amount to counterparty under forward agreement was $65,732,908. Since the Fund can at any time terminate the Forward agreement with the Counterparty in exchange for the value of the NAPT, the value of the Forward Agreement to the Fund is equal to the value of the NAPT less the value of the prepaid amount to counterparty under forward agreement. On December 31, 2009 the value of the unrealized gain on forward agreement was $995,323. Other liabilities net of other assets in the Fund totalled $15,204,932 leaving net assets of $51,523,299. On December 31, 2009 the GAAP Net assets per unit was $23.50 per Class A Units and $24.26 per Class F Units

Leverage

The Fund's exposure to the securities in the Portfolio through the Forward Agreement may be increased to 25% of the NAV (being the aggregate value of the assets of the NAPT) (tested daily) for the purposes of adding leverage to the Portfolio and such other short term funding purposes as may be determined by the Investment Manager from time to time and in accordance with the Investment Strategy. The use of leverage has the potential to enhance or reduce returns. At December 31, 2010, the Fund had an outstanding balance of $13,470,000 under its banking facility (2009- $14,400,000).

Market repurchases

The Trust Agreement provides that the Fund may, in its sole discretion, from time to time, purchase (in the open market or by invitation for tenders) Class A Units for cancellation subject to applicable law and stock exchange requirements, based on the Manager's assessment that such purchases are accretive to Unitholders, in all cases at a price per Class A Unit not exceeding the most recently calculated Net Asset Value per Class A Unit immediately prior to the date of any such purchase of Units.

There was no purchase of units for cancellation during the year ended December 31, 2010 or the period from October 23, 2009 (commencement of operation) to December 31, 2009.

Distributions

The Fund pays quarterly distributions at $0.375 per Unit, representing a return of 6.0% per annum on the Unit issue price.

The Fund has made all its scheduled distributions since its commencement of operations on October 23, 2009. The Fund paid a total of $1.50 per Class A and Class F Units during the year ended December 31, 2010 ($0.28125 during the period from October 23, 2009 (commencement of operation) to December 31, 2009).

Recommendations or Reports by the Independent Review Committee

The Independent Review Committee of the Board of Advisors tabled no special reports and made no extraordinary material recommendations to management of the Fund during the year ended December 31, 2010.

Related Party Transactions

Management Fees

The Manager receives a Management Fee from the Fund and NAPT equal in the aggregate to 0.50% per annum of the applicable Net Asset Value, (0.25% from the Fund and 0.25% from the NAPT), calculated daily and payable monthly in arrears, plus applicable taxes.

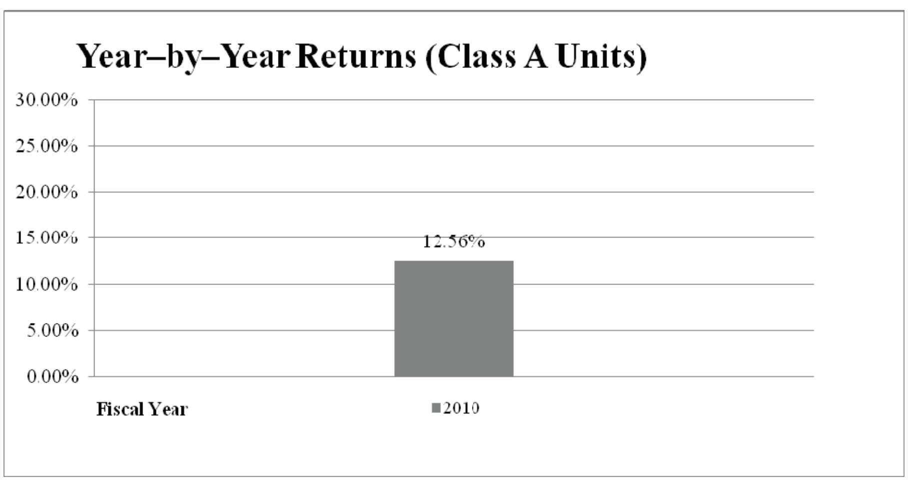
The management fees charged to the Fund and the NAPT on a combined basis during the year ended December 31, 2010 were $293,331 ($49,924 during the period from October 23, 2009 (commencement of operation) to December 31, 2009). The Manager is responsible for payment of the investment management fees out of these management fees.

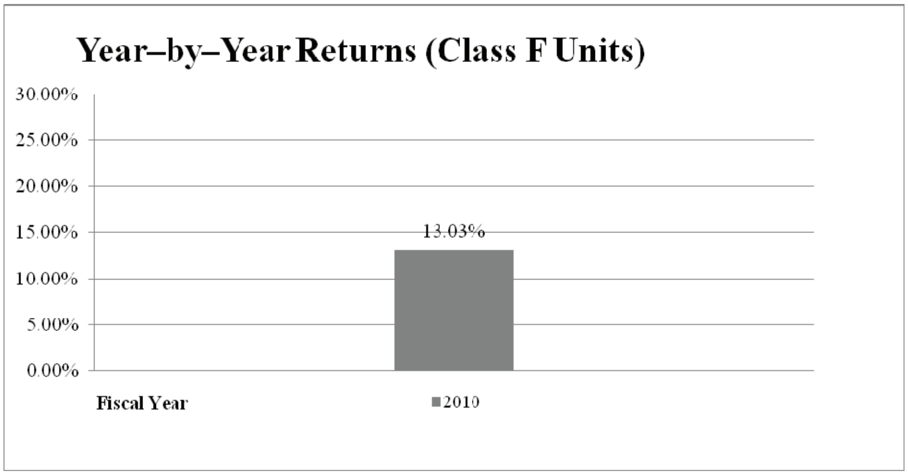
Past Performance

The following bar chart and table show the Fund's annual performance of the Class A Units and the F Class Units by showing both annual returns by fiscal year and annualized compound returns from inception assuming all the distributions made by the Fund during the periods shown were reinvested. Past performance is not necessarily indicative of future performance.

Year – by– Year Returns

The following bar charts show the Fund's annual performance for the years shown. These bar charts show, in percentage terms, how much an investment made on the first day of the period would have grown or decreased by the last day of the period.





Annual Compound Returns

	Past Year	Since Inception (1)
Based on NAV (Class A Units)	12.56%	12.67%
Based on share price (Class A Units)	13.03%	13.09%
Based on NAV (Class F Units)	10.80%	6.37%
DEX Universe Bond Index	6.74%	6.21%

(1) Annualized for the period October 23, 2009 (Commencement of operations) to December 31, 2010.

The Dex index is the broadest and most widely used measure of performance of marketable bonds outstanding in the Canadian market. The fund performed well compared to the index. Tier 1 securities issued by financial companies were some of the best performing bonds during the period as the banking system continued to improve its capitalization and the regulatory environment encouraged risk reducing endeavours.

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to aid in understanding the Fund's financial performance since inception. This information is derived from the Fund's audited annual financial statements:

Class A Units:

The Fund's Net Assets per Class A Unit:

	December 31, 2010	December 31, 2009 (1)
Net Assets, beginning of period	**23.50**	25.00
Unit issue expense (2)	**(0.01)**	**(1.61)**
Increase (decrease) from operations:		
Total revenues	–	–
Total expenses	(0.45)	(0.09)
Realized gains (losses) for the period	0.15	–
Unrealized gains (losses) for the period	3.30	0.46
Total increase (decrease) from operations (3)	**3.00**	**(0.37)**
Distributions:		
From income (excluding dividends)	–	–
From dividends	–	–
From capital gains	–	–
Return of capital	(1.50)	(0.28)
Total Distributions (4)	**(1.50)**	**(0.28)**
Net Assets, end of period (5)	**24.99**	**23.50**

(1) Results for the period from October 23, 2009 (commencement of operations) to December 31, 2009.

(2) Issue expense of $3,423,910 incurred in connection with the Class A Units issuance. The full amount of issue expenses was deducted from the unit capital for accounting purposes and is amortized over a period of five years for tax purposes. Additional issue expense of $11,549 incurred in connection with the Class A Units issuance during the year ended December 31, 2010.

(3) 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 weighted average number of units of 2,158,940 units outstanding as of December 31, 2010 (2009 – 2,128,689).

(4) The percentages used to allocate distributions among income, dividends, capital gain and return on capital are based on estimates.

(5) This is not reconciliation between the opening and the closing net assets per unit.

Ratios and Supplemental Data (Class A Units):

	December 31, 2010	December 31, 2009 (1)
Net asset value (000's)	54,174	51,099
Number of units outstanding	2,158,940	2,158,940
Base Management expense ratio (2) (3)	1.36%	1.72%
Issue expenses ratio (2) (3)	0.02%	6.90%
Interest expense ratio (2) (3)	0.48%	0.37%
Management expense ratio (annualized) (3)	1.86%	8.99%
Management expense ratio before waivers or absorptions (annualized) (3)	1.86%	8.99%
Portfolio turnover rate (4)	0.00%	0.00%
Trading expense ratio (5)	0.00%	0.00%
Net asset value per unit	25.09	23.67
Closing market price (TSX)	25.00	24.00

(1) Results for the period from October 23, 2009 (commencement of operations) to December 31, 2009.

(2) A separate base management expense ratio has been presented to include the normal operating expenses and exclude the Issue expense ratio: representing all agents' fees and unit issue expenses, and Interest expense ratio: representing cost of leverage.

(3) Management expense ratio is based on total expenses for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. Unit issue expenses, representing all Agents' fees and other offering expenses, which are one-time expenses, have not been annualized.

(4) The Fund's turnover rate indicates how actively the Fund's portfolio adviser manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund's buying and selling all of the securities (including fixed income) in its portfolio once in the course of the year. There is not necessarily a relationship between turnover rate and the performance of the Fund.

(5) 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.

(6) The net asset value (Transactional NAV) per unit is based on the last traded price for the day of the underlying portfolio, whereas the net assets per unit (GAAP Net Assets) is based on the closing bid prices of the underlying portfolio; hence the difference between the two amounts.

Class F Units:

The Fund's Net Assets per Class F Unit:

	December 31, 2010	December 31, 2009 (1)
Net Assets, beginning of period	**24.26**	25.00
Unit issue expense (2)	**(0.01)**	**(0.86)**
Increase (decrease) from operations:		
Total revenues	–	–
Total expenses	(0.47)	(0.09)
Realized gains (losses) for the period	0.15	–
Unrealized gains (losses) for the period	3.53	0.49
Total increase (decrease) from operations (3)	**3.21**	**(0.40)**
Distributions:		
From income (excluding dividends)	–	–
From dividends	–	–
From capital gains	–	–
Return of capital	(1.50)	(0.28)
Total Distributions (4)	**(1.50)**	**(0.28)**
Net Assets, end of period (5)	**25.97**	**24.26**

(1) Results for the period from October 23, 2009 (commencement of operations) to December 31, 2009.
(2) Issue expense of $28,182 incurred in connection with the Class F Units issuance. The full amount of issue expenses was deducted from the unit capital for accounting purposes and is amortized over a period of five years for tax purposes. Additional issue expense of $182 incurred in connection with the Class F Units issuance during the year ended December 31, 2010.
(3) 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 weighted average number of units of 32,860 units outstanding as of December 31, 2010 (2009 – 32,860).
(4) The percentages used to allocate distributions among income, dividends, capital gain and return on capital are based on estimates.
(5) This is not reconciliation between the opening and the closing net assets per unit.

Ratios and Supplemental Data (Class F Units):

	December 31, 2010	December 31, 2009 (1)
Net asset value (000's)	857	803
Number of units outstanding	32,860	32,860
Base Management expense ratio (2) (3)	0.94%	1.25%
Issue expenses ratio (2) (3)	0.02%	3.56%
Interest expense ratio (2) (3)	0.48%	0.37%
Management expense ratio (annualized) (3)	1.44%	5.18%
Management expense ratio before waivers or absorptions (annualized) (3)	1.44%	5.18%
Portfolio turnover rate (4)	0.00%	0.00%
Trading expense ratio (5)	0.00%	0.00%
Net asset value per unit	26.08	24.44

(1) Results for the period from October 23, 2009 (commencement of operations) to December 31, 2009.
(2) A separate base management expense ratio has been presented to include the normal operating expenses and exclude the Issue expense ratio: representing all agents' fees and unit issue expenses, and Interest expense ratio: representing cost of leverage.
(3) Management expense ratio is based on total expenses for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. Unit issue expenses, representing all Agents' fees and other offering expenses, which are one-time expenses, have not been annualized.
(4) The Fund's turnover rate indicates how actively the Fund's portfolio adviser manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund's buying and selling all of the securities (including fixed income) in its portfolio once in the course of the year. There is not necessarily a relationship between turnover rate and the performance of the Fund.
(5) 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.
(6) The net asset value (Transactional NAV) per unit is based on the last traded price for the day of the underlying portfolio, whereas the net assets per unit (GAAP Net Assets) is based on the closing bid prices of the underlying portfolio; hence the difference between the two amounts.

Summary of Investment Portfolio as of December 31, 2010

The summary of investment portfolio may change due to ongoing portfolio transactions of the Fund. A quarterly update is available at www.cclcapitalmarkets.com and at www.sedar.com.

Investment portfolio of the Fund

	Fair value $	% of NAV
Portfolio by Category		
Equity Derivatives	69,512,984	126.3%
Materials	8,685	0.0%
Top 25 Holdings		
Equity Derivatives	69,512,984	126.3%
Celestica Inc.	8,685	0.0%
Net asset value	**53,030,900**	

Investment portfolio of the North American Portfolio Trust

	Coupon Rate %	Maturity date	Fair value $	% of NAV
Portfolio by Category				
Foreign Corporate Bonds (US$)			30,804,328	44.2%
Domestic Corporate Bonds			29,860,660	43.1%
Foreign Preferred Stock (US$) / Financials			5,744,836	8.3%
Cash and Short term investments			2,346,828	3.5%
Foreign currency forward contracts			379,077	0.5%
Top 25 Holdings				
TD Capital Trust III	7.24%	12/31/2018	7,058,739	10.2%
Manulife Financial Capital Trust II	7.41%	12/31/2019	6,935,685	10.0%
GE Capital Trust I (U.S. Dollars)	6.38%	11/15/2017	6,215,073	8.9%
Wachovia Capital Trust III (U.S. Dollars)	5.80%	3/15/2049	6,060,026	8.7%
Citigroup Capital XIII			5,347,827	7.7%
JPMorgan Chase & Co. (U.S. Dollars)	7.90%	4/30/2018	5,299,064	7.6%
NBC Asset Trust	7.24%	6/30/2018	4,971,333	7.2%
Northgroup Preferred Capital Corp. (U.S. Dollars)	6.38%	10/15/2017	4,665,905	6.7%
The Toronto-Dominion Bank	5.76%	12/18/2017	4,645,961	6.7%
Morgan Stanley	4.90%	2/23/2017	3,467,183	5.0%
Great-West Life & Annuity Insurance Co. (U.S. Dollars)	7.15%	5/16/2016	3,010,761	4.3%
RBC Capital Trust	6.82%	6/30/2018	2,719,602	3.9%
NBC Asset Trust	7.45%	6/30/2020	2,559,364	3.7%
Cash and Short term investments			2,346,828	3.5%
Merrill Lynch & Co., Inc.	5.29%	5/30/2017	1,239,229	1.8%
Great-West Lifeco Finance Delaware LP II	7.13%	6/26/2018	969,976	1.4%
Goldman Sachs Capital II (U.S. Dollars)	5.79%	6/1/2012	847,087	1.2%
Citigroup Capital XII			397,009	0.6%
Foreign currency forward contracts			379,077	0.5%
Net asset value			**69,512,984**	