This document has been provided for the convenience of those individuals who prefer to print off their own Fund documents (please read the Prospectus before investing). Alternatively, do not hesitate to contact Lincluden directly to request that a package be mailed to you.

PLEASE NOTE: A COPY OF PHOTO ID MUST ACCOMPANY ALL NEW CLIENT APPLICATION FORMS

We have provided the following herein:

RELATED REGISTRANTS[1] AND DUAL OCCUPATIONS[2]

Related Registrants

Lincluden Mutual Fund Dealer Inc. (LMFDI) is registered as a mutual fund dealer with the Ontario Securities Commission to sell units of the Lincluden Balanced Fund to the public. LMFDI will complete any such trades in the normal course of its business as a mutual fund dealer in Ontario.

LMFDI is wholly owned by Lincluden Management Limited. Lincluden Management Limited (Lincluden) is a Canadian institutional investment firm that manages equity, fixed income and balanced portfolios. Lincluden is registered as an investment counsel/portfolio manager and limited market dealer with the Ontario Securities Commission and as such is a related registrant of LMFDI.

Lincluden is the manager, trustee, advisor and principal distributor of the Lincluden Balanced Fund. As such, the Lincluden Balanced Fund is a connected issuer of Lincluden. In acting for the Lincluden Balanced Fund, Lincluden is contractually bound to act in the best interests of the fund and to exercise the degree of care, diligence and skill that a prudent person would exercise in the circumstances.

Dual Occupation

C. Lynn Eplett, an Officer and Director of Lincluden, is also an Approved Person of LMFDI, and an Officer and Director and the Designated Compliance Officer. Any activities conducted by the noted Lincluden Officer with respect to the advisory business of Lincluden are neither the business of LMFDI nor the responsibility of LMFDI.

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[1] The Ontario Securities Commission's Rule 31-501 under the Regulations requires that a registrant that is related to another registrant disclose to a customer in writing before initially effecting a trade, the details of the relationship and the policies and procedures adopted to minimize the potential for conflict of interest resulting from the relationship. The Rule can be viewed in its entirety by reference to the OSC's website at www.osc.gov.on.ca.

[2]Rule 1.2.1(vi) of the Mutual Fund Dealers Associations (MFDA) states that an Approved Person may have, and continue in another gainful occupation, provided that clear disclosure is provided to clients that any activities related to such other gainful occupation are not the business of the Member and are not the responsibility of the Member. The MFDA is the recognized self-regulatory organization for mutual fund dealers in Canada. This Rule can be accessed on the MFDA's web site at www.mfda.ca.

CLIENT COMPLAINT INFORMATION[1]

Clients of a mutual fund dealer who are not satisfied with a financial product or service have a right to make a complaint and to seek resolution of the problem. If you have a complaint, these are some of the steps you can take.

- Your complaint should first be explained to your financial advisor. The person who sold you the product or service will solve most problems quickly.

- Contact your mutual fund dealer. Member firms are responsible to you, the investor, for monitoring the actions of their representatives to ensure that they are in compliance with the legislation, rules and guidelines governing their activities.

Some problems are easily solved by a phone call. Some matters can be resolved through the Branch Manager. The dealer's Compliance Department will investigate any complaint that you initiate in writing and respond back to you with the results of their investigation.

- Contact the Mutual Fund Dealers Associations of Canada (MFDA), which is the self regulatory organization in Canada to which your mutual fund dealer belongs. The MFDA investigates complaints about mutual fund dealers and their representative, and takes enforcement action where appropriate. There is no cost to clients for referring a complaint to the MFDA. The MFDA can be contacted:

  - By telephone in Toronto at (416) 361-6332, or toll free at 1-888-466-6332
  - By e-mail at complaints@mfda.ca, or
  - In writing, using the complaint form which is available on the MFDA website at www.mfda.ca

- Contact the Ombudsman for Banking Services and Investments (OBSI), an organization independent of the MFDA, government and the financial services industry. OBSI provides an independent and impartial process for the investigation and resolution of complaints about the provision of financial services to clients. OBSI will investigate your complaint only if you have first exhausted your firm's internal complaint-handling processes. OBSI can make a non-binding recommendation that your firm compensate you (up to $350,000) if it determines that you have been treated unfairly, taking into account the criteria of good financial services and business practice, relevant codes of practice or conduct, industry regulation and the law. The OBSI process is free of charge and is confidential. OBSI can be contacted:

  - By telephone in Toronto at (416) 287-2877, or toll free at 1-888-451-4519: or
  - By e-mail at ombudsman@obsi.ca.

- Retaining a lawyer to assist with the complaint.

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[1]Subsection 24.A.5 of the Mutual Fund Dealers Association's (MFDA) By-law No. 1 requires each MFDA Member to provide to new clients a copy of written material approved by the MFDA which describes the ombudservice approved by the MFDA Board of Directors. The approved ombudservice is the Ombudsman for Banking Services and Investments. The MFDA is the recognized self-regulatory organization for mutual fund dealers in Canada. This Rule and the Member Regulation Notice (MR-0020) establishing the form of this notice can be viewed on the MFDA's web site at www.mfda.ca.

RISKS OF BORROWING FOR PURCHASING INVESTMENTS[1]

Mutual fund units and other securities may be purchased using available cash, or a combination of cash and borrowed money. If cash is used to pay for the purchase in full, the percentage gain or loss will equal the percentage increase or decrease in the value of the securities. The purchase of securities using borrowed money magnifies the gain or loss on the cash invested. The effect is called leveraging.

For example, if $100,000 of mutual fund units are purchased and paid for with $25,000 from available cash and $75,000 from borrowings, and the value of the fund units declines by 10% to $90,000, your equity interest (the difference between the value of the securities and the amount borrowed) has declined by 40%, i.e. from $25,000 to $15,000.

It is important that an investor proposing to borrow for the purchase of securities be aware that a purchase with borrowed monies involves greater risk than a purchase using cash resources only.

To what extent a purchase using borrowed monies involves undue risk is a determination to be made by each purchaser and will vary depending on the circumstances of the purchaser and the securities purchased.

It is also important that the investor be aware of the terms of a loan secured by securities. The lender may require that the amount outstanding on the loan not rise above an agreed percentage of the market value of the securities. Should this occur, the borrower must pay down the loan or sell the securities so as to return the loan to the agreed percentage relationship. In our example above, the lender may require that the loan not exceed 75% of the market value of the mutual fund units. On a decline of value of the units to $90,000 the borrower must reduce the loan to $67,500 (75% of $90,000). If the borrower does not have cash available, the borrower must sell units at a loss to provide money to reduce the loan.

Money is, of course, also required to pay interest on the loan. Under these circumstances, investors who use borrowed funds to purchase their investment are advised to have adequate financial resources available both to pay interest and also to reduce the loan if the borrowing arrangements require such a payment.

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[1] Rule 2.6 of the Mutual Fund Dealers Association (MFDA) requires that all investors be provided with a risk disclosure document addressing leveraging, when opening a new account. The MFDA is the recognized self-regulatory organization for mutual fund dealers in Canada. This Rule and the Member Regulation Notice (MR-0006) establishing the form of this notice can be viewed on the MFDA's web site at www.mfda.ca.