



**AUDITED FINANCIAL STATEMENTS**  
BLUMONT X-ALPHA LIMITED PARTNERSHIP I

**DECEMBER 2010**



## CONTENTS

Management's Statement on Financial Reporting	2
Independent Auditor's Report	3
Statement of Net Assets	4
Statement of Operations	5
Statement of Changes in Net Assets	6
Statement of Cash Flows	7
Statement of Investments and Other Net Assets	8
Notes to the Financial Statements	9
Partnership Information	16

## **MANAGEMENT'S STATEMENT ON FINANCIAL REPORTING**

BluMont Capital Corporation (the "Manager"), on behalf of BCC GP No. 1 Limited (the "General Partner") is responsible for the accompanying financial statements and all information in this report. The financial statements have been approved by the Board of Directors of the Manager. The financial statements have been prepared in accordance with accounting principles generally accepted in Canada and, where appropriate, reflect management's judgment and best estimates.

Management has established systems of internal control that provide assurance that assets are safeguarded from loss or unauthorized use and produce reliable accounting records for the preparation of financial information. The systems of internal controls meet management's responsibilities for the integrity of the financial statements.

The Board of Directors meets with management and the auditors to discuss the Partnership's financial reporting and internal control. The Board of Directors reviews the results of the audits by the auditors and their audit report. The external auditors have unrestricted access to the Board of Directors.

The Manager and General Partner recognize their responsibility to conduct the Partnership's affairs in the best interest of its unitholders.

Respectfully,

"James Wanstall"

Chief Executive Officer  
BluMont Capital Corporation  
March 25, 2011

## **INDEPENDENT AUDITOR'S REPORT**

TO THE PARTNERS OF BLUMONT X-ALPHA LIMITED PARTNERSHIP I (THE "PARTNERSHIP")

We have audited the accompanying financial statements of the Partnership, which comprise the statement of investments and other net assets as at December 31, 2010, the statement of net assets as at December 31, 2010 and December 31, 2009, and the statements of operations, changes in net assets and cash flows for the years then ended, and the related notes including a summary of significant accounting policies.

### **Management's responsibility for the financial statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's responsibility**

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Partnership as at December 31, 2010 and December 31, 2009, and the results of its operations, the changes in its net assets and cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

*PricewaterhouseCoopers LLP*

PricewaterhouseCoopers LLP  
Chartered Accountants, Licensed Public Accountants  
Toronto, Ontario  
March 27, 2011

**STATEMENT OF NET ASSETS**  
As at December 31,

**BLUMONT X-ALPHA LIMITED  
PARTNERSHIP I**

	2010	2009
<b>ASSETS</b>		
Investment at fair value*		
Principal protected note	\$ 4,041,581	\$ 3,927,716
Cash	2,641	2,633
Prepaid management fees (Note 4)	8,269	12,994
Total Assets	<u>4,052,491</u>	<u>3,943,343</u>
<b>LIABILITIES</b>		
Interest payable (Note 5)	543,468	369,652
Loan payable (Note 5)	3,135,736	3,135,736
Total Liabilities	<u>3,679,204</u>	<u>3,505,388</u>
<b>NET ASSETS REPRESENTING PARTNERS' CAPITAL</b>	<u>\$ 373,287</u>	<u>\$ 437,955</u>
<b>NUMBER OF UNITS OUTSTANDING (Note 7)</b>	<u>36,000</u>	<u>36,000</u>
<b>NET ASSET VALUE PER UNIT</b>	<u>\$ 10.37</u>	<u>\$ 12.17</u>
* Investments, at cost	<u>\$ 3,995,236</u>	<u>\$ 3,995,236</u>

On behalf of the BluMont X-Alpha Limited Partnership I by BCC GP No. 1 Limited.

“Stephen Johnson”

“James Wanstall”

\_\_\_\_\_  
Stephen Johnson  
Director

\_\_\_\_\_  
James Wanstall  
Director

**STATEMENT OF OPERATIONS**

Year ended December 31,

**BLUMONT X-ALPHA LIMITED  
PARTNERSHIP I**

	2010	2009
<b>INVESTMENT INCOME</b>		
Interest	\$ <u>8</u>	\$ <u>4</u>
<b>EXPENSES</b>		
Management fees <i>(Note 4)</i>	4,725	4,725
Interest	<u>173,816</u>	<u>165,603</u>
	<u>178,541</u>	<u>170,328</u>
<b>NET INVESTMENT LOSS</b>	<u>(178,533)</u>	<u>(170,324)</u>
<b>NET CHANGE IN UNREALIZED APPRECIATION (DEPRECIATION) OF INVESTMENT</b>	<u>113,865</u>	<u>(119,149)</u>
<b>DECREASE IN NET ASSETS FROM OPERATIONS</b>	\$ <u>(64,668)</u>	\$ <u>(289,473)</u>
<b>DECREASE IN NET ASSETS FROM OPERATIONS PER UNIT</b>	\$ <u>(1.80)</u>	\$ <u>(8.04)</u>

The accompanying notes are an integral part of these financial statements.

**STATEMENT OF CHANGES IN NET ASSETS**  
Year ended December 31,

**BLUMONT X-ALPHA LIMITED  
PARTNERSHIP I**

2010

2009

<b>Net Assets, Beginning of Period</b>	\$ <u>437,955</u>	\$ <u>727,428</u>
<b>Decrease in Net Assets from Operations</b>	<u>(64,668)</u>	<u>(289,473)</u>
<b>Net Assets, End of Period</b>	\$ <u>373,287</u>	\$ <u>437,955</u>
<b>Net Assets, Comprise:</b>		
<b>Limited Partners' Equity</b>	\$ <u>362,088</u>	\$ <u>424,856</u>
<b>General Partner's Equity</b>	<u>11,199</u>	<u>13,139</u>
<b>Net Partners' Equity, End of Period</b>	\$ <u>373,287</u>	\$ <u>437,955</u>

The accompanying notes are an integral part of these financial statements.

**STATEMENT OF CASH FLOWS**  
**Year ended December 31,**

**BLUMONT X-ALPHA LIMITED  
 PARTNERSHIP I**

	2010	2009
Operating Activities		
Decrease in net assets from operations	\$ (64,668)	\$ (289,473)
Add non-cash items:		
Interest expense	173,816	165,603
Net change in unrealized (appreciation) depreciation of investments	<u>(113,865)</u>	<u>119,149</u>
	(4,717)	(4,721)
Net change in non-cash balances relating to operations	<u>4,725</u>	<u>4,725</u>
Cash used in operating activities	<u>8</u>	<u>4</u>
Increase in cash and cash equivalents	8	4
Cash and cash equivalents, beginning of year	<u>2,633</u>	<u>2,629</u>
Cash and cash equivalents, end of year	<u>\$ 2,641</u>	<u>\$ 2,633</u>

The accompanying notes are an integral part of these financial statements.

**BLUMONT X-ALPHA LIMITED PARTNERSHIP I**  
**STATEMENT OF INVESTMENTS AND OTHER NET ASSETS**  
As at December 31, 2010

	Par Value	Average Cost	Fair Value	% of Total Net Asset Value
<b>Canadian Bonds</b>				
Principal Protected Note Deutsche Bank AG, Due September 12, 2012	\$ 39,952	\$ 3,995,236	\$ 4,041,581	
		<b>\$ 3,995,236</b>	<b>4,041,581</b>	<b>1082.7</b>
Other Assets Net of Liabilities <sup>1</sup>			(3,668,294)	(1082.7)
<b>TOTAL NET ASSETS</b>			<b>\$ 373,287</b>	<b>100.0</b>

<sup>1</sup> This amount is comprised of cash and cash equivalents plus prepaid management fees less interest payable and loan payable.

## NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2010 AND 2009

### 1. FORMATION OF THE PARTNERSHIP

BluMont X-Alpha Limited Partnership I (the "Partnership") was formed on July 23, 2007 as a limited partnership under the laws of the Province of Ontario. Operations commenced on September 12, 2007 following the Partnership's first closing which resulted in the issuance of 36,000 partnership units ("Unit" or "Units") at \$25 per unit, for gross proceeds of \$900,000. The Partnership has a limited life, dissolving on September 12, 2012, subject to earlier dissolution on the terms set forth in the partnership agreement. The General Partner of the Partnership is BCC GP No.1 Limited (the "General Partner"), a company incorporated on April 19, 2007 under the Ontario Business Corporations Act. The General Partner is a wholly-owned subsidiary of BluMont Capital Inc.

BluMont Capital Corporation, a wholly-owned subsidiary of BluMont Capital Inc., is the portfolio manager (the "Portfolio Manager") of the Partnership.

The day-to-day management, supervision, administration and control of the Partnership are the responsibility of the General Partner. The Partnership made a leveraged investment in the Note disclosed in the Statement of Investments and Other Net Assets (the "Note") issued by Deutsche Bank AG. The return on the Note is linked to the performance of an index (the "Index") designed to replicate the return on a global long-short strategy in which the investor is long with respect to eight Deutsche Bank style indices and simultaneously short with respect to comparable regional benchmark indices.

The Partnership acquired the Note using a combination of Partnership capital and funds borrowed from Deutsche Bank AG (Note 5).

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian Generally Accepted Accounting Principles ("GAAP").

A summary of significant accounting policies is summarized below.

#### (I) Valuation of Investments

The Partnership is valued on the value of the underlying notes, cash and pre-paid management fees (Note 4) less the outstanding loan, accrued interest and realized management fees.

Investments are recorded in the Financial Statements at their fair value, determined as follows:

The value of the Principal Protected Note ("PPN") is determined using an amount equal to the Principal Amount<sup>1</sup> multiplied by the Participation Factor<sup>1</sup> multiplied by the Index Return<sup>1</sup>.

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Partnership are charged to net increase (decrease) in net assets from operations in the year. Accordingly, these costs are expensed and are included in the Statement of Operations. The Partnership incurred no transaction costs for the years ended December 31, 2010 and 2009.

<sup>1</sup>Please see Note 7

The difference between fair value and the average cost is shown as the net change in unrealized appreciation (depreciation) of investment.

As at December 31, 2010 and 2009 there is no difference in the net asset value computed in accordance with the partnership agreement and that computed in accordance with GAAP as reported in the Statement of Net Assets.

**(II) Cash and other monetary balances**

The carrying values of cash approximate the fair values given the short periods to maturity of the instruments.

**(III) Investment**

The General Partner, or a person designated by the General Partner, shall determine (or cause to be determined) the net asset value per unit of the Partnership as at the close of business on the last business day of each month (a "Valuation Date").

The net asset value per unit is defined in the partnership agreement but, in summary, is equal to the value at any time of the total net assets of the Partnership, being the difference between the total assets of the Partnership and the total liabilities, divided by the total number of Units of the Partnership outstanding at such time. For the foregoing purposes, the value of the Note shall be as calculated and reported by Deutsche Bank AG.

**(IV) Investment Transactions and Income Recognition**

Investment transactions are accounted for on the trade date. Income and expenses are recorded on an accrual basis. Interest income and expense is recorded daily as it is earned. Realized gains and losses from the sale of the investment are calculated using the average cost basis.

**(V) Allocation of Partnership Income or Loss**

These financial statements include only the assets, liabilities, revenues and expenses of the Partnership and do not include the other assets and liabilities including income taxes of the individual partners. The Partnership is not subject to income taxes. The increase or decrease from operations of the Partnership is allocated 0.01% to the General Partner with the balance to the limited partners in proportion to the number of Units held by each limited partner at the end of each period.

**(VI) Use of Estimates**

These financial statements, prepared in accordance with GAAP, include estimates and assumptions by management that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from these estimates.

**(VII) Increase (Decrease) in Net Assets from Operations Per Unit**

Increase (decrease) in net assets from operations per unit is determined by dividing the net increase (decrease) in net assets from operations by the average number of Units outstanding during the year.

**(VIII) National Instrument 81-106**

As a Non-Reporting Issuer under National Instrument 81-106 (“NI 81-106”), the Partnership is relying on Part 2.14 of NI 81-106, Filing Exemption for Investment Funds that are Non-Reporting Issuers, for the exemption not to file its financial statements with securities regulators.

**3. FINANCIAL RISK MANAGEMENT**

In the normal course of business, the Partnership is exposed to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate risk, other price risk and currency risk) that could result in a reduction in the value of the Partnership’s net assets. The value of the Index (Note 7) linked to the Partnership’s investment can fluctuate on a daily basis as a result of changes in interest rates, economic conditions, and market and company news related to specific securities within the Index. The level of risk depends on the Partnership’s investment objectives and the type of securities it invests in.

The Partnership’s investment objective is to seek superior investment returns through a leveraged investment linked to the Index.

**(I) Credit Risk**

Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Partnership.

Where the Partnership invests in debt instruments and derivatives, this represents the main concentration of credit risk. The fair value of debt instruments and derivatives includes consideration of the credit worthiness of the issuer, and accordingly, represents the maximum credit risk exposure of the Partnership.

The Partnerships’ sole investment is in the Note issued by Deutsche Bank AG. The principal amount of the Loan from Deutsche Bank AG to the Partnership is secured by the guarantee within the Note that has been purchased on a leveraged basis. As at December 31, 2010, Deutsche Bank AG’s credit rating was A+.

Credit ratings are obtained from Standard & Poor’s, Moody’s and/or Fitch Bond Rating Services. Where one or more rating is obtained for Deutsche Bank AG, the lowest rating has been used.

**(II) Liquidity Risk**

Liquidity risk is defined as the risk that the Partnership may not be able to settle or meet its obligations on time or at a reasonable price.

Until the time of dissolution of the Partnership, the limited partners cannot redeem units. There is no market for units of the Partnership and it is unlikely that any public market will develop through which units may be sold.

Similarly, the Partnerships’ sole investment in the Note is illiquid until the time of dissolution of the Partnership.

The following table outlines cash flows associated with the maturities of the Partnership’s financial liabilities as of December 31, 2010:

**December 31, 2010**

	Less than 1 year (\$)	1 - 3 years (\$)
<b>Financial Assets</b>		
Principal Protected Note	-	4,041,581
Cash	2,641	-
<b>Total</b>	<b>2,641</b>	<b>4,041,581</b>
<b>Liabilities</b>		
Interest Payable	-	543,468
Loan Payable	-	3,135,736
<b>Total</b>	<b>-</b>	<b>3,679,204</b>

**December 31, 2009**

	Less than 1 year (\$)	1 - 3 years (\$)
<b>Financial Assets</b>		
Principal Protected Note	-	3,927,716
Cash	2,633	-
<b>Total</b>	<b>2,633</b>	<b>3,927,716</b>
<b>Liabilities</b>		
Interest Payable	-	369,652
Loan Payable	-	3,135,736
<b>Total</b>	<b>-</b>	<b>3,505,388</b>

**(III) Interest Rate Risk**

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or fair values of financial instruments.

Interest rate risk arises when a Partnership invests in interest-bearing financial instruments or incur interest bearing liabilities. The Partnership is exposed to the risk that the value of such financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. There is minimal sensitivity to interest rate fluctuations on any cash and cash equivalents invested at short-term market interest rates. Interest on the loan payable is fixed and is hence not subject to significant amounts of risk due to fluctuations in the prevailing level of interest rate.

As at December 31, 2010, the Partnership held an investment in the Note with a cost of \$3,995,236 and a fair value of \$4,041,581 (2009 - \$3,927,716). Each Unit is exposed to 4.44 Notes (2009 - 4.44) which matures on September 12, 2012. As such, each \$100 Unit is exposed to government bonds with a maturity value of \$444 (2009 - \$444) and duration of 1 year and 9 months.

For every 50 basis point move up or down in interest rates, a Unit would expect a corresponding move of approximately 3.89% (2009 - 6.11%), or \$0.48 (2009 - \$0.74) per Unit, resulting in an increase (decrease) in net assets from operations of approximately \$17,000 (2009 - \$27,000).

In practice, actual trading results may differ from the above sensitivity analysis and the difference could be material.

**(IV) Other Price Risk**

Other price risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk).

All investments represent a risk of loss of capital. The Notes within the Partnership moderate this risk through a careful selection and diversification of securities and other financial instruments within the limits of the Partnership's investment objectives and strategy. The maximum risk resulting from financial instruments is determined by the fair value of the financial instruments. Financial instruments held by the Partnership are susceptible to market price risk arising from uncertainties about future prices of the instruments.

The impact on net assets of the Partnership due to a 5 percent change in the fair value of the Index (Note 7), as at December 31, 2010 with all other variables held constant, is included in the following table.

	5% Increase in Fair Value	5% Decrease in Fair Value
2010 Net Assets From Operations	\$202,000	\$(202,000)
2009 Net Assets From Operations	\$196,000	\$(196,000)

**(V) Currency Risk**

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

All currency risk that resides in the Note is fully hedged back to Canadian Dollars.

**(VI) Fair Value Estimation**

The Partnership classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

**Level 1** - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2** - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

**Level 3** - Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The level in the fair value hierarchy within which the fair value measurement is categorized in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgment by the Partnership. The Partnership considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The following table analyses the Partnership's financial assets and liabilities within the fair value hierarchy measured at fair value at December 31, 2010 and December 31, 2009.

	Level 2	Total
December 2010 Principal Protected Note (PPN)	\$4,041,581	\$4,041,581
December 2009 Principal Protected Note (PPN)	\$3,927,716	\$3,927,716

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. These include principal protected notes. The return on the Note is linked to the performance of an index (the "Index") designed to replicate the return on a global long-short strategy in which the investor is long eight Deutsche Bank style indices and simultaneously short comparable regional benchmark indices. The value of the PPN is determined using amount equal to the Principal Amount multiplied by the Participation Factor multiplied by the Index Return.

There were no transfers between levels for the year ended December 31, 2010.

#### **4. FEES AND OPERATING EXPENSES**

On September 12, 2007, the General Partner was owed a one-time management fee of 2.50% of the gross proceeds of the offering. The management fee was subsequently paid on March 20, 2008. The General Partner is responsible for paying all offering expenses, other than sales commissions, and for paying all ongoing operating expenses of the Partnership. Selling dealers were paid a commission of 2% in respect of Units sold by them.

The General Partner's one time management fee is accrued monthly and amortized over the life of the Partnership. \$4,725 was accrued in 2010, leaving \$8,269 as an unamortized asset of the Partnership as shown in the Statement of Net Assets "Prepaid management fees."

3% of the net asset value of the Partnership, calculated as at the Maturity Date (as defined in Note 5); will be paid by the Partnership to the General Partner by the third business day following the Maturity Date. The General Partner will pay to dealers of record, as at the Maturity Date, a servicing fee of 3% of the net asset value of the Units at the Maturity Date in respect of Units held by the clients of such dealers. As at December 31, 2010, \$11,199 (2009 - \$13,139) of net assets representing partner's capital is attributable to the General Partner in respect of this arrangement.

#### **5. LOAN FACILITY AND NOTE**

On September 12, 2007, the Partnership entered into a term loan facility with a Canadian chartered bank. For the purpose of investing in the Note, Deutsche Bank AG, agreed to loan (the "Loan") funds to the Partnership, subject to certain conditions. The Loan is secured by, and recourse limited to, the Note. The Loan matures on September 12, 2012 and bears interest at a 4.8689% with all principal and interest payable at maturity. The principal

amount of the Note will be equal or in excess of the principal and accumulated interest on the Loan at September 12, 2012 (the "Maturity Date").

No interest has been paid by the Partnership during the year ended December 31, 2010; however \$173,816 has been accrued for the current period (2009 - \$165,603).

## **6. INCOME TAXES**

The Partnership itself is not a taxable entity and, therefore, no provision for income taxes is required.

## **7. PARTNERS' EQUITY**

Units issued and outstanding represent the capital of the Partnership. The Partnership issued 36,000 units in 2007 for \$900,000 net of issue costs. The Partnership cannot issue any additional units. Until the time of dissolution of the Partnership, the Limited Partners cannot redeem units. There is no market for units of the Partnership and it is unlikely that any public market will develop through which units may be sold. The Partnership has a limited life dissolution on September 12, 2012, subject to earlier dissolution on the terms set forth in the partnership agreement.

The Partnership made a leveraged investment in the Note disclosed in the Statement of Investments and Other Net Assets issued by Deutsche Bank AG. The return on the Note is linked to the performance of the Index designed to replicate the return on a global long-short strategy in which the investor is long with respect to eight Deutsche Bank style indices and simultaneously short with respect to comparable regional benchmark indices.

The General Partner will be allocated 0.01% of any net income or net loss of the Partnership. The balance of 99.99% will be allocated to the Limited Partners in accordance with their proportionate Units.

The Note will mature on September 12, 2012 (the "Maturity Date"). At the Maturity Date, the Partnership will receive an amount per Note equal to: (i) the principal amount of the Note (the "Principal Amount") and (ii) the variable return (the "Variable Return"), if any, in an amount equal to the Principal Amount multiplied by the Participation Factor multiplied by the Index Return. The Participation Factor is 140%. The Index Return is the percentage increase or decrease in the closing value of the Index between the Issue Date and the date that is two Business Days (as defined herein) prior to the Maturity Date (the "Calculation Date"). Unless the Index Return is positive, no Variable Return will be payable on the Note and investors in the Partnership will lose their entire investment. The Note does not carry a fixed rate of interest.

## **8. FUTURE ACCOUNTING CHANGE**

In February 2008, the Canadian Accounting Standards Board ("CASB") confirmed that International Financial Reporting Standards ("IFRS") will replace current Canadian standards and interpretations for publicly accountable enterprises, which includes investment funds, effective January 1, 2011. However, the CASB has deferred the mandatory transition date to January 1, 2013 for investment fund, in light of delays with the International Accounting Standards Boards project on investment companies. Therefore for the Partnership, IFRS will apply to semiannual and annual financial statements for fiscal years beginning on or after January 1, 2013. Since the Partnership is scheduled to dissolve on September 12, 2012, it will not adopt IFRS unless its life is extended in accordance with the terms of the Partnership Agreement.

## **PARTNERSHIP INFORMATION**

### **PORTFOLIO MANAGER AND PRINCIPAL DISTRIBUTOR**

BluMont Capital Corporation  
70 University Avenue  
Suite 1200, P.O. Box 16  
Toronto, ON M5J 2M4  
Telephone: (416) 216-3566  
Fax: (416) 360-1102  
Toll Free: 1 (866) 473-7376

### **REGISTRAR AND TRANSFER AGENT**

Citigroup Fund Services Canada, Inc.  
2920 Matheson Blvd. East  
Mississauga, ON L4W 5J4

### **AUDITORS**

PricewaterhouseCoopers LLP  
Suite 3000 Box 82  
Royal Trust Tower TD Centre  
Toronto, ON M5K 1G8

### **LEGAL COUNSEL**

Ogilvy Renault LLP  
Barristers & Solicitors  
Royal Bank Plaza  
South Tower, Suite 3800  
200 Bay Street, P.O. Box 84  
Toronto, ON M5J 2Z4



**BLUMONT**  
C A P I T A L

70 University Avenue, Suite 1200 P.O. Box 16 Toronto, ON M5J 2M4 | Tel: 416.216.3566 | 1.866.473.7376 | Fax: 416.360.1102 | [blumontcapital.com](http://blumontcapital.com)

VANCOUVER | CALGARY | TORONTO | MONTRÉAL