STEADYHAND

Our clients are better investors

Better investors?

We know, it's a bold statement.

Why Steadyhand?

The investment industry is out of shape. Portfolios are overdiversified, managers are obsessed with tracking indices, fees are bloated, focus is on the short term, and poor reporting is the norm.

Enter Steadyhand. We're a different kind of money management firm – nonconforming, brutally honest and unusually simple.

We believe our clients are better investors. We can make this bold statement because they rely on:

- Experienced managers
- Concentrated portfolios
- Low fees
- Transparent reporting
- Clear-cut advice

And the best part is, our clients do next to nothing. The heavy lifting falls on us. Steadyhand has an experienced management team and a unique investment philosophy. We offer a sensible fund line-up, plain-English communications and a steady hand to guide investment decisions. The company's president and co-founder, Tom Bradley, is an industry veteran, respected Globe and Mail columnist, and former head of one of the country's largest independent investment firms.

Managing money for our clients is all we do. They have our full attention. We don't have a pension business on the side, we're not interested in insurance, and as for structured products, don't get us started.
If you're looking for an alternative to the status-quo offered by the banks and mega-fund companies, welcome to Steadyhand.

Philosophy

Our investment philosophy is based on four key principles:

- **Concentration.** By focusing on a limited number of stocks (20-30), portfolio managers have a much greater understanding of the businesses in which they invest and a higher level of conviction in their best ideas. A fund with a vast number of holdings stands little chance of outperforming the market, as it runs the risk of simply mimicking it.

- **Undexing.** Indexers seek to match the market's returns by copying its composition. Our goal is to beat the market over the long run. The best way of doing this is to build funds that look nothing like it. Call us *undexers*, if you will. Our managers run non-benchmark oriented portfolios comprised of the stocks they like best, regardless of their status in the index.

- **Unconstrained Managers.** Investment constraints dictate where a manager can and can't invest. In theory, they are designed to help reduce risk by keeping a fund within a certain "box" and preventing it from straying too far from an index or benchmark. In reality, constraints tie a manager's hands by forcing them to invest a fund's assets a certain way. We would prefer our managers seek value wherever it can be found, without looking over their shoulders at the index.

- **Low Turnover.** Frequent trading is costly in many ways. It signifies a lack of confidence, decisiveness and tax awareness. Our managers invest with conviction and typically hold the businesses in which they invest for several years.

Funds

Our fund line-up is clean and simple – we offer six well-diversified funds.

Building a portfolio doesn't need to be complicated. Our tools on steadyhand.com are designed to assist you in constructing a portfolio that meets your objectives. Or, if you'd like help determining which funds are best suited for you, give us a call.

Steadyhand Savings Fund

Nothing fancy here. Capital preservation is key. The fund invests in a number of short-term debt instruments, including T-bills, high-grade corporate bonds and commercial paper. The manager seeks to add value by employing a combination of conservative strategies to enhance the fund's yield.

Manager: Connor, Clark & Lunn Investment Management Ltd.

Steadyhand Income Fund

Our bond beater. A conservative balanced fund that invests the majority of its assets in bonds, and a smaller portion in dividend-paying stocks, Real Estate Investment Trusts (REITs), and other income-producing securities. This equity component is designed to enhance the fund's yield, provide greater growth potential and protection against inflation. The fund has an emphasis on corporate bonds, but the manager has flexibility in structuring the portfolio according to where they see the best value.

Manager: Connor, Clark & Lunn Investment Management Ltd.

Steadyhand Founders Fund

Tom Bradley's portfolio. A balanced mix of Steadyhand's income and equity funds that best reflects the president's asset mix and views on market valuations. The fund has a long-term targeted mix of 60% equities and 40% fixed income, but the equity portion may range from 40% to 75%, and the fixed income portion may range from 25% to 60%. Bradley manages the fund mix for the portfolio, which makes the Founders Fund an ideal vehicle for those who want to "invest like Tom".

Manager: Steadyhand Investment Management Ltd.

Steadyhand Equity Fund

A concentrated portfolio of North American stocks. The fund invests in businesses of all sizes and isn't confined to a particular style – i.e., growth or value. The manager holds a maximum of 25 equities in a diversified range of industries. This unique discipline ensures that the fund is not weighed down by 'filler' stocks in which the manager has low conviction. Canadian equities occupy the largest weight in the fund, but U.S. and to a lesser extent, overseas stocks, are an integral part of the portfolio.

Manager: CGOV Asset Management

Steadyhand Global Equity Fund

Our "go anywhere" fund. The fund invests in equities around the globe. Its geographic allocation may vary considerably based on where the manager is finding the best value. Based in Scotland, the manager brings an experienced and worldly eye to the portfolio. Emphasis is placed on 30-40 stocks that are undervalued based on the manager's medium-term earnings outlook and the market's near-sightedness.

Manager: Edinburgh Partners Limited

Steadyhand Small-Cap Equity Fund

Our hidden gems fund. Emphasis is placed on 15-20 small and mid-cap stocks in Canada. U.S. stocks are also included in the portfolio for added diversification. The manager pays little attention to the index and holds both value and growth-oriented stocks. The fund avoids highly-cyclical and speculative businesses and has experienced lower volatility than many of its peers as a result. That said, it will move in a cycle of its own and, accordingly, serves as a good complement to our other funds.

Manager: Wutherich & Company Investment Counsel Inc.

This industry is complicated. Our funds are simple.

The last thing you need is more confusion.

Concentrate dammit!

Our managers don’t believe in over-diversification.

Managers

We carefully hire and monitor independent money management firms to manage our funds so that you have the best in the business working for you. This is a big part of our value proposition.

You probably haven't heard of our fund managers, as they're inaccessible to most investors due to their high minimum investment requirement. And they don't advertise, because they don't need to.

Our equity fund managers are boutique firms. They are small shops structured such that they can manage money the way they want; the way that's enabled them to build successful track records. They are not owned by the big banks or mega-fund companies. And importantly, with a substantial portion of their own wealth invested in their portfolios, they eat their own cooking.

Connor, Clark & Lunn Investment Management Ltd. (CCLIM)

Based in Vancouver, Connor, Clark & Lunn is one of Canada's most respected and successful bond and income-equity managers. Established in 1982, the firm manages assets for high-net-worth individuals and institutions across the country. Their fixed income team has great depth, with resources dedicated specifically to credit analysis, risk management, trading, and economic analysis. The firm has an excellent long-term track record and a dull name. We like that in a bond manager.

CGOV Asset Management

CGOV is a Toronto-based investment boutique that caters primarily to high-net-worth individuals. The firm was established in 1995 and is owned and operated by its eight partners. CGOV's key stock pickers have refined their investment process through a number of market cycles. The firm focuses their resources and assets in their best ideas, meaning they run a concentrated portfolio with a maximum of 25 holdings. Importantly, their size allows them to pursue opportunities in all areas of the market. They don't just shop in the bulk food aisle.

Edinburgh Partners Limited (EPL)

Headquartered across the pond in the Scottish capital, EPL is an independent firm that specializes in managing global equities for European pension plans and investment trusts. The firm was founded in 2003 by a group of experienced global equity analysts. EPL's founding principal, Dr. Sandy Nairn, was the former head of Templeton's global equity research department and helped turn around the investment arm of a U.K. life insurer prior to establishing Edinburgh Partners. Sandy has surrounded himself with a group of veteran analysts with a wealth of combined experience. Turnover is low and conviction is high. It's the Scottish way.

Wutherich & Company Investment Counsel

Wil Wutherich founded the firm with his name on the door in 1999. Wil was trained as an analyst at Standard Life, and later played a key role in building an enviable track record for Van Berkom & Associates. Based in Montreal, Wutherich & Company's focus and expertise is in managing small and mid-cap North American equities. The firm runs a very concentrated portfolio (typically 15-20 holdings) and Wil calls the shots. This is what we want in a small-cap manager, where the available universe of stocks has less liquidity, less media scrutiny, and greater volatility than their larger brethren. This is the type of environment where "one smart guy" can excel in finding hidden gems.

Fees

One Simple Fee

Each Steadyhand fund charges One Simple Fee, which is a fixed amount that includes the fee for our services as manager and all of the fund's operating expenses. In essence, this fee is the same as an MER (management expense ratio). The difference being that in our case, you know what the fee is in advance, before you invest. The table to the right lists each fund's One Simple Fee.

Steadyhand Fund	One Simple Fee
Savings Fund	0.65%
Income Fund	1.04%
Founders Fund	1.34%
Equity Fund	1.42%
Global Equity Fund	1.78%
Small-Cap Equity Fund	1.78%

Fee Reduction Program

Our Fee Reduction Program is designed to reward investors who have entrusted significant assets with Steadyhand, as well as long-standing investors in our funds.

We offer a reduction to the One Simple Fee based on (1) the size of your account(s) with Steadyhand and (2) your tenure with the firm. Fee rebates are made in the form of special distributions of additional fund units, and are distributed monthly.

Fee rebates are calculated based on your total consolidated assets in accounts held directly with Steadyhand, and are applied to each fund in which you own units. If you hold Steadyhand funds through another dealer, for example a discount broker, fee rebates are calculated separately for each individual account in which you hold an interest (i.e., if you hold multiple accounts, they are not combined when calculating rebates).

Assets Invested	Fee reduction
Up to $100,000	0%
On amounts between $100,000 – $250,000	20%
On amounts between $250,000 – $500,000	30%
On amounts above $500,000	40%

Tenure with Steadyhand	Additional reduction to your total fee
0 – 5 Years	0%
5 – 10 Years	7%
10+ Years	14%

No unexpected fees. Now there's a surprise.

Fees that don't creep up on you.

We admit it – we’re selfish.

We manage your money the way we want our money managed.

The Steadyhand Experience

Call us selfish. We've built a firm around the way we want our own money managed. And we provide a level of service and reporting that makes sense to us. This means your experience with Steadyhand is likely to be a little, well, different than what you may be used to.

A Live Voice

When you call 1 888 888 3147, you'll get a live voice. Automated switchboards are for the banks. You'll be speaking with an investment professional. We're happy to answer account-related inquiries, discuss your asset mix, or share a laugh with you over the latest fund-of-the-week.

Client Statements

Transparency is a key value of ours. On your quarterly account statement, we show the performance of your account(s) front and center. You'll also see the fees that you paid to us over the quarter in both dollar terms and as a percentage of your total assets.

steadyhand.com

Our website is designed to engage you in the investment process, if you choose. Integral to our site is our blog, Cutting Through the Noise, the medium by which we aim to keep you informed, educated, and dare we say entertained, on investment matters of interest. We strive to provide an objective viewpoint on the good, the bad, and the ugly so that you can make informed decisions. You can also view your account details online 24/7.

Direct Distribution

We offer our funds directly to investors. There's no middleman, sales commissions, or transaction costs when you deal with us. Even better, the more you invest, and the longer you hold your investments with us, the lower your fees will be thanks to our Fee Reduction Program (see page 8).

Electronic Delivery

We deliver all client reporting materials (statements, confirms, regulatory documents) electronically through the secured portion of our website in order to ensure that you receive information in a timely and efficient manner. And we're helping to save a tree or two.

Investment Returns

At the end of the day, you're here for returns. Take comfort knowing that we're invested alongside you. In fact, we're Steadyhand's largest clients. And we like making money in the markets. Again, call us selfish.

Opening an Account

Nobody likes paperwork, but opening an account with Steadyhand is quite painless. All you need to do is complete the appropriate application form (available on our website), attach a personal cheque, and mail the documentation to our processing department. You can learn more about the process on our website, or give us a call and we can walk you through it.

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