WEBB ASSET MANAGEMENT

Management Report of Fund Performance

December 31, 2010

Webb Enhanced Income Fund

Contents

MANAGEMENT REPORT OF FUND PERFORMANCE

This annual management report of fund performance contains fiscal highlights but does not contain the complete audited annual financial statements for the investment fund. You may request a copy of the unaudited interim or audited annual financial statements at your request, and at no cost, by calling (toll free) 1-866-611-9590, or (416) 646-0975, by writing to us at Webb Asset Management Canada, Inc. ("WAM Funds", "Webb" or the "Manager"), 26 Wellington Street East, Suite 700, Toronto, Ontario, M5E 1S2, by visiting our website at www.WAMfunds.com or through SEDAR at www.sedar.com.

Unitholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure relating to the investment fund.

This document may contain forward-looking statements relating to anticipated future events, results, circumstances, performance, or expectations that are not historical facts but instead represent our beliefs regarding future events. By their nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that predictions and other forward-looking statements will not prove to be accurate. We caution readers of this document not to place undue reliance on our forward-looking statements as a number of factors could cause actual future results, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed or implied in the forward-looking statements.

Actual results may differ materially from management expectations as projected in such forward-looking statements for a variety of reasons, including but not limited to market and general economic conditions, interest rates, regulatory and statutory developments, the effects of competition in the geographic and business areas in which the fund may invest and the risks detailed from time to time in the fund's Simplified Prospectus. We caution that the foregoing list of factors is not exhaustive, and that when relying on forward-looking statements to make decisions with respect to investing in the fund, investors and others should carefully consider these factors, as well as other uncertainties and potential events, and the inherent uncertainty of forward-looking statements. Due to the potential impact of these factors, the fund company does not undertake, and specifically disclaims, any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by applicable law.

Management Discussion of Fund Performance

Investment Objective and Strategies

The objective of the Webb Enhanced Income Fund (the "Fund") is to provide investors with a stable stream of tax-efficient monthly distributions, consisting of returns of capital and capital gains, and to provide for modest capital growth.

In order to achieve its objectives, the Fund invests primarily in equity securities of Canadian issuers (the "Canadian Equity Portfolio"). To produce tax-efficient distributions, the Fund will also enter into one or more forward agreements to obtain exposure to an underlying portfolio (the "Underlying Portfolio"), which includes dividend-paying common and preferred shares, bonds, debentures, income trusts, equity-related securities and convertible securities issued by issuers anywhere in the world. The objective of the Fund is to provide investors with returns based on the Underlying Portfolio and not the Canadian Equity Portfolio.

The Underlying Portfolio will be invested in a manner consistent with meeting the objectives of the Fund. Unitholders will receive the performance of the Underlying Portfolio, not the Canadian Equity Portfolio. This strategy is necessary to recharacterize all realized income and dividends of the Underlying Portfolio as returns of capital and capital gains for unitholders of the Fund.

In selecting equity securities for the Underlying Portfolio, Webb Asset Management, Inc., (the "Portfolio Sub-advisor") focuses primarily on securities that offer (i) an attractive expected dividend yield as an indication of

Management Discussion of Fund Performance *(continued)*

value, (ii) low price betas as an indication of risk and volatility, and (iii) earnings acceleration, earnings surprises and growth in earnings estimates as an indication of growth. The Portfolio Sub-advisor may also purchase equities, against which call options are written and may also short sell equities, against which put options are written. The fund is permitted a maximum 100% gross long exposure and a 20% gross short exposure.

Risk

The risks to which an investment in the Fund is subject have not changed from the description found in the Fund's offering documents. There have not been any changes to the Fund during the period that would have affected the overall level of risk associated with an investment in the Fund.

The Fund is suitable for investors who seek an ongoing source of tax-efficient monthly distributions and who want a diversified fund with potential for modest capital growth. This Fund is suitable for investors with a medium risk tolerance level.

The Fund is exposed to the following risks which are described in detail in the prospectus:

- Stock market risk
- Reliance on historical data
- Specific issuer risk
- Interest rate risk
- Credit risk
- Regulatory risk
- Foreign security risk
- Currency risk
- Multiple series risk
- Derivatives risk
- Securities lending, repurchase and reverse repurchase transaction risk
- Short selling risk
- Investment trust risk

Throughout the year the Fund was invested in accordance with its investment objectives and investment strategies. The Fund remained diversified across sectors and securities throughout the year and was exposed to both Canadian and U.S. securities.

Any changes in the risks associated with an investment in the Fund had no affect on the suitability or investor risk tolerance stated in the prospectus.

Results of Operations

The Fund was invested in accordance with the objectives and strategies of the Fund throughout the reporting period.

There were no Series I units issued or outstanding as at December 31, 2009 through February 22, 2010 therefore the reporting period for Series I only was February 23, 2010 to December 31, 2010.

For the year ended December 31, 2010, for Series A and Series F and for the period noted above for Series I units of the Fund returned 19.75%, 21.04% and 15.98%, respectively. The Fund's blended benchmark index (the "Benchmark"), comprised of the S&P/TSX Preferred Share Total Return Index™ (40%), the Bloomberg/EFFAS Canadian Government Bond Index (20%) and the MSCI World High Dividend Yield USD Gross Total Return Index (40%), returned 7.20% for the same period.

For North American markets, 2010 proved to be a very volatile year. After torrid appreciation from the March 2009 lows, markets continued their ascent into April of 2010. However, starting in April, markets staged a significant correction during the spring and summer with the S&P 500® Index declining nearly 16% from its peak at the end of April until the beginning of July. During the same period, the S&P/TSX Composite Index™ declined almost 10%. The media's reason for the decline was the Greek debt crisis. However, markets just needed a good correction after the significant appreciation from the March 2009 lows.

Management Discussion of Fund Performance *(continued)*

After this spring/summer correction, markets then staged a spectacular rally that continued through year end. The rally was initiated with the anticipation and subsequent announcement of the U.S. Federal Reserve's (the "Fed") second round of quantitative easing. Effectively, the Fed announced that they would continue to stand behind the U.S. economy no matter the cost. Short-term interest rates are expected to remain at effectively 0% until late 2011.

The discussions of a "double dip" recession seem to have subsided. Corporations are in excellent shape. Balance sheets have never been stronger and most companies have been reporting earnings surprises. Conversely, most government balance sheets are heavily indebted but the private sector has adjusted quickly and is in good shape.

Given the struggle between the financial strength of the private sector and the weakness of the public sector, volatility remains high. We expect volatility to remain high for the next few years as sovereign finance issues shock the markets from time to time. This volatility should allow option premiums to remain high for the foreseeable future.

With interest rates so low, this has been a great market for yield investing. However, we think within the next 12 months there is a high probability of an interest rate shock that will send all yield securities lower. It is at this point when we expect to reduce many of our yield stocks and increase our option overwriting positions. As the volatility of the markets increases, option premium prices will also rise.

Recent Developments

The Fund, through the underlying portfolio, remains invested in accordance with the objectives and strategies of the Fund.

The Manager fully expects the Fund to be able to meet all of its distribution requirements through the end of the next reporting period. The Fund is generating enough cash flow from its investment strategy to meet its distribution obligations and pay the Fund's expenses.

Portfolio Advisor and Administrator

The Manager announced that effective October 19, 2009, JovInvestment Management Inc. ("JovInvestment"), a member of the Jovian Capital Corporation group of companies, has assumed the roles of portfolio advisor and administrator of the Fund, roles previously performed by the Manager. As portfolio advisor, JovInvestment will be responsible for coordinating portfolio management and advisory services to the Fund.

Webb Asset Management, Inc. ("Webb USA") was reappointed by JovInvestment as the Fund's portfolio sub-advisor. As portfolio sub-advisor, Webb USA provides portfolio management services in respect of the Fund and is supervised by JovInvestment. As administrator, JovInvestment is responsible for providing marketing and administrative services to the Manager and the Fund, including accounting facilities and clerical staff.

Changes in Accounting Standards

During the 2010 fiscal year, there were no changes in generally accepted accounting principles ("GAAP") accounting policies or disclosure requirements.

On January 1, 2009, the Fund adopted Canadian Institute of Chartered Accountants ("CICA") Emerging Issues Committee Abstract 173 - Credit Risk and the Fair Value of Financial Assets and Financial Liabilities ("EIC-173"). EIC-173 clarifies how the Fund's own credit risk and counterparty risk should be taken into account in determining the fair value of financial instruments. The application of EIC-173 did not have a significant impact on the valuation of the Fund's financial instruments or its net assets.

Management Discussion of Fund Performance *(continued)*

On January 1, 2009, the Fund also adopted amendments to CICA Handbook Section 3862 "Financial Instruments – Disclosures" which require the Fund to present, in the notes to the financial statements, a classification of fair value measurements of the Fund's investments based on a three level fair value hierarchy and a reconciliation of transactions and transfers within that hierarchy. The three levels will be reported as: i) securities that are valued based on quoted prices in active markets; ii) securities that are valued based on inputs other than quoted prices that are observable; and iii) securities that are valued with no observable market data. The new reporting standards do not impact the net assets or net asset value of the Fund or the net asset value per unit used to process capital unit transactions, they are simply enhanced disclosures about fair value measurements and the liquidity risk of financial instruments.

Harmonized Sales Tax

Effective July 1, 2010, the provinces of Ontario and British Columbia have implemented their previously announced plan to harmonize their existing provincial sales tax with the federal goods and services tax (‘‘GST’’). The Fund is subject to the new harmonized tax and is required to pay the harmonized sales tax on expenses such as management fees and other operating expenses, rather than the previously imposed 5% GST. This resulted in an increase in costs borne by the Fund.

Future Accounting Standards

In February 2008, the Canadian Accounting Standards Board (the "AcSB") originally confirmed January 1, 2011 as the date International Financial Reporting Standards ("IFRS") would replace current Canadian standards and interpretations as Canadian GAAP for publicly accountable enterprises such as investment funds and other reporting issuers.

The AcSB has recently decided that the implementation of IFRS for investment funds be postponed and instead be adopted for all fiscal years beginning on or after January 1, 2013.

The Canadian Securities Administrators (the "CSA") has issued CSA Staff Notice 52-320, which requires the Manager to provide progress updates on the changeover plan to the new reporting standards at each interim and annual reporting period up until the changeover date.

For the Fund, IFRS will be effective for the interim and annual periods starting January 1, 2013, including the preparation and reporting of one year of comparative figures. In order to prepare for the transition to IFRS, the Manager has developed an implementation plan and has commenced assessing the impact of significant accounting differences between IFRS and Canadian GAAP. The Manager has presently determined that there will be no material impact to the net asset value per unit from the changeover to IFRS as it is currently drafted. The impact of IFRS on accounting policies and implementation decisions will mainly be in the areas of presentation and additional note disclosures in the financial statements of the Fund.

Further updates on implementation progress and potential reporting impact from the adoption of IFRS will be provided during the implementation period. The Manager's current assessment is subject to change resulting from the issuance of new standards or new interpretations of existing standards.

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance since inception on January 11, 2008. This information is derived from the Fund's annual audited financial statements. Please see the front page for information on how you may obtain the fund's annual or interim financial statements.

The Fund's Net Assets per Unit

Series A

Year		2010	2009	2008
Net assets, beginning of year (1)	$	7.53	6.12	10.00
Increase (decrease) from operations:				
Total revenue		–	–	0.02
Total expenses		(0.29)	(0.39)	(0.38)
Realized gains (losses) for the year		0.66	(1.73)	(2.03)
Unrealized gains (losses) for the year		0.99	4.10	(2.94)
Total increase (decrease) from operations (3)		1.36	1.98	(5.33)
Distributions:				
Return of capital		(0.60)	(0.60)	(0.60)
Total annual distributions (4)		(0.60)	(0.60)	(0.60)
Net assets, end of year (2)(5)	$	8.36	7.53	6.12

Series F

Year		2010	2009	2008
Net assets, beginning of year (1)	$	7.72	6.20	10.00
Increase (decrease) from operations:				
Total revenue		–	–	0.03
Total expenses		(0.21)	(0.32)	(0.29)
Realized gains (losses) for the year		0.68	(1.75)	(2.07)
Unrealized gains (losses) for the year		0.87	4.13	(2.87)
Total increase (decrease) from operations (3)		1.34	2.06	(5.20)
Distributions:				
Return of capital		(0.60)	(0.60)	(0.60)
Total annual distributions (4)		(0.60)	(0.60)	(0.60)
Net assets, end of year (2)(5)	$	8.67	7.72	6.20

Financial Highlights *(continued)*

Series I

Year		2010	2009	2008
Net assets, beginning of year (1)	$	–	6.37	10.00
Increase (decrease) from operations:				
Total revenue		–	–	0.03
Total expenses		(0.11)	(0.13)	(0.02)
Realized gains (losses) for the year		0.56	(1.53)	(6.53)
Unrealized gains (losses) for the year		0.70	3.41	3.12
Total increase (decrease) from operations (3)		1.15	1.75	(3.40)
Distributions:				
Return of capital		(0.55)	(0.55)	(0.60)
Total annual distributions (4)		(0.55)	(0.55)	(0.60)
Net assets, end of year (2)(5)	$	8.21	–	6.37

(1) This information is derived from the Fund's audited annual financial statements as at December 31 of the years shown. Series A units, Series F units and Series I units list their initial offering price of $10.00 per unit as the opening net asset value although such units may not have actually been issued at the beginning of the period. The inception date for Series A, F and I units was January 11, 2008. There were no Series I units issued or outstanding as at December 31, 2009. However, Series I was never closed to purchase and units were issued during the current period.

(2) The application of CICA Handbook Section 3855 "Financial Instruments – Recognition and Measurement" may result in a different fair valuation of securities held by the Fund for financial reporting purposes under Canadian GAAP, than the market value used to determine the net asset value of the Fund for the purchase and redemption of the Fund's units. As a result, the net assets per unit presented in the financial statements may differ from the net asset value per unit presented in these Financial Highlights.

(3) Net assets per security and distributions are based on the actual number of units outstanding at the relevant time. The increase (decrease) from operations is based on the average number of units outstanding over the financial period.

(4) Distributions, if any, were paid in cash/reinvested in additional units of the Fund, or both.

(5) The Financial Highlights are not intended to act as a continuity of the opening and closing net assets per unit.

Financial Highlights *(continued)*

Ratios and Supplemental Data

Series A

Year [1]	**2010**	**2009**	**2008**
Net asset value [2] (000's)	$ 9,823	8,769	6,893
Number of units outstanding	1,171,983	1,160,598	1,121,353
Management expense ratio [3]	3.70%	5.57%	4.79%
Management expense ratio before waivers or absorptions [4]	3.70%	5.57%	6.00%
Trading expense ratio [5]	0.60%	0.59%	0.63%
Portfolio turnover rate [6]	52.34%	60.95%	77.01%
Net asset value per unit, end of year [2]	$ 8.38	7.56	6.15

Series F

Year [1]	**2010**	**2009**	**2008**
Net asset value [2] (000's)	$ 1,606	1,542	1,262
Number of units outstanding	184,647	199,244	202,833
Management expense ratio [3]	2.61%	4.56%	3.63%
Management expense ratio before waivers or absorptions [4]	2.61%	4.56%	4.81%
Trading expense ratio [5]	0.60%	0.59%	0.63%
Portfolio turnover rate [6]	52.34%	60.95%	77.01%
Net asset value per unit, end of year [2]	$ 8.70	7.74	6.22

Financial Highlights *(continued)*

Series I

Year (1)		2010	2009	2008
Net asset value (2) (000's)	$	7	–	191
Number of units outstanding		846	–	29,811
Management expense ratio (3)		1.69%	2.18%	0.21%
Management expense ratio before waivers or absorptions (4)		1.69%	2.18%	1.19%
Trading expense ratio (5)		0.60%	0.59%	0.63%
Portfolio turnover rate (6)		52.34%	60.95%	77.01%
Net asset value per unit, end of year (2)	$	8.23	–	6.40

(1) This information is provided as at December 31 of the years shown. The inception date for Series A, F and I units was January 11, 2008. There were no Series I units issued or outstanding as at December 31, 2009. However, Series I was never closed to purchase and units were issued during the current period.

(2) The application of CICA Handbook Section 3855 "Financial Instruments – Recognition and Measurement" may result in a different fair valuation of securities held by the Fund for financial reporting purposes under Canadian GAAP, than the market value used to determine the net asset value of the Fund for the purchase and redemption of the Fund's units. As a result, the net assets per unit presented in the financial statements may differ from the net asset value per unit presented in these Financial Highlights.

(3) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the year. Out of its management fees, the Manager pays for such services to the Fund as portfolio advisor compensation, service fees and marketing.

(4) The Manager, at its discretion, may waive and/or absorb a portion of the fees and/or expenses otherwise payable by the Fund. The waiving and/or absorption of such fees and/or expenses by the Manager may be terminated at anytime, or continued indefinitely, at the discretion of the Manager. Management expense ratio is inclusive of performance fees.

(5) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the year.

(6) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio adviser trades its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of a year. The higher a Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

Financial Highlights *(continued)*

Management Fees

The following table shows the Fund's annual management fee rates and the maximum trailer fee rates for each series of units. Webb pays trailer fees to dealers out of management fees. The trailer fees are a percentage of the average daily value of the units of the Fund held by the dealer's clients. The fees depend on the series of units held.

In addition, the Fund pays to the Manager a performance fee equal to 20% of the amount by which the Fund outperforms its benchmark (the "Benchmark"). The Benchmark for the Fund is a combination of the S&P/TSX Preferred Share Total Return Index (40% weighting), the MSCI World High Dividend Yield USD Gross Total Return Index (40% weighting) and the Bloomberg/EFFAS Canadian Government Bond Total Return Index (20% weighting).

Performance fees will be payable in all circumstances where the performance of the Fund exceeds its Benchmark (even in circumstances where the overall performance of the Fund has declined, but is still positive relative to its Benchmark). Performance fees will be calculated and accrued daily (and payable by the Fund quarterly) such that, to the extent possible, the unit price each day will reflect any performance fees payable as at the end of such day. If at any time the performance of a Fund is less than its Benchmark (a "Return Deficiency"), then no performance fees will be payable for any subsequent period until the performance of such Fund relative to its Benchmark has exceeded the amount of the Return Deficiency. For the year ended December 31, 2010, the Fund did not pay a performance fee.

SERIES OF UNIT	MANAGEMENT FEE	TRAILER FEES	PERFORMANCE FEE
Series A Units	2.00%	1.00%	20.00% of performance over benchmark
Series F Units	1.00%	N/A	20.00% of performance over benchmark
Series I Units	Negotiable	Negotiable	Negotiable

The Manager has retained JovInvestment to provide investment advisory and portfolio management services to the Fund. The Manager is responsible for the payment of the portfolio management fees out of its fees. Additionally, as disclosed in the Ratios and Supplemental Data charts, the Manager may absorb or waive other fees and expenses of the Fund. The Manager is responsible for the marketing, managerial and operational functions of the Fund, though many of these functions have been contracted to JovInvestment as the administrator for the Fund. In addition, the Manager will monitor the performance of the portfolio manager to ensure compliance with the investment guidelines.

Fully 100% of the Fund's management fees are used for portfolio management fees, trailer fees, general administrative costs and profit.

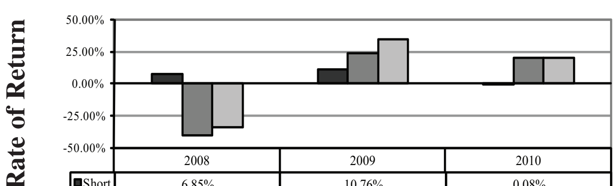
Past Performance

Sales commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The indicated rates of return are the historical annual compounded total returns including changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any investor that would have reduced returns. Mutual funds are not guaranteed. Their values change frequently and past performance may not be repeated. The Fund's performance numbers assume that all distributions are reinvested in additional units of the Fund. If you hold this Fund outside of a registered plan, income and capital gains distributions that are paid to you increase your income for tax purposes whether paid to you in cash or reinvested in additional units. The amount of the reinvested taxable distributions is added to the adjusted cost base of the units that you own. This would decrease your capital gain or increase your capital loss when you later redeem from the Fund, thereby ensuring that you are not taxed on this amount again. Please consult your tax advisor regarding your personal tax situation.

Year-by-Year Returns

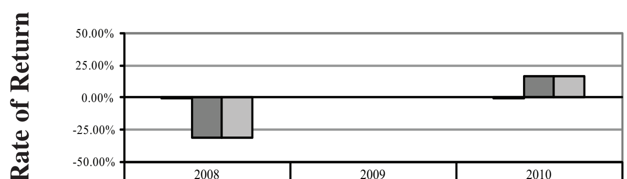
The following charts show the investment Fund's performance for each of the years shown, and illustrate how the investment Fund's performance has changed year to year. In percentage terms, the charts show how much an investment made on the first day of the financial period would have grown or decreased by the last day of the financial period.

Webb Enhanced Income Fund Series A



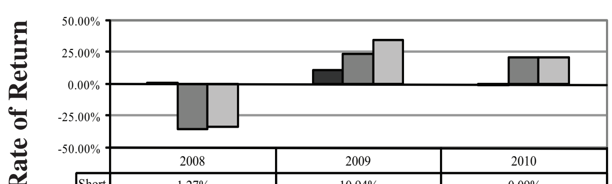
	2008	2009	2010
Short	6.85%	10.76%	0.08%
Long	-40.93%	23.25%	19.66%
Total	-34.09%	34.01%	19.75%

Webb Enhanced Income Fund Series I



	2008	2009	2010
Short	0.22%	0.00%	0.08%
Long	-31.71%	0.00%	15.90%
Total	-31.49%	0.00%	15.98%

Webb Enhanced Income Fund Series F



	2008	2009	2010
Short	1.27%	10.94%	0.09%
Long	-34.58%	24.48%	20.94%
Total	-33.31%	35.42%	21.04%

The returns indicated for 2008 represent the period from inception to December 31, 2008 only. Series A, Series F, and Series I started to price on January 25, 2008. There were no Series I units issued or outstanding as at December 31, 2009 through February 22, 2010, therefore, no performance information has been presented for 2009 for Series I units and the 2010 performance data is for the period from February 23 to December 31, 2010.

The performance shown for short positions is based on pure performance of such positions, while the performance shown for long positions is comprehensive of all fees and expenses, as is the performance for each Series of the Fund as a total.

Past Performance *(continued)*

Annual Compound Returns

The following table shows the Fund's historical annual compound total returns since inception and for the periods ended December 31, 2010 compared with the Fund's applicable benchmark. The table shown is used only to illustrate the effects of the compound growth rate and is not intended to reflect future values of the Fund or future returns on investments in the Fund.

	1 Year			
	Long Position	**Short Position**	**Total Return**	**Since Inception**
Series A Return %	19.67%	0.08%	19.75%	1.94%
Series F Return %	20.95%	0.09%	21.04%	3.08%
Series I Return %	15.90%	0.08%	15.98%	0.74%
Blended Benchmark %			7.20%	1.61%
S&P/TSX Preferred Share Total Return Index (40%)			7.73%	4.68%
Bloomberg/EFFAS Canadian Government Bond Index (20%)			6.11%	5.11%
MSCI World High Dividend Yield USD Gross Total Return Index (40%)			7.22%	-3.20%

Series A, Series F and Series I started to price on January 25, 2008.

The S&P/TSX Preferred Share Total Return Index is comprised of preferred stocks trading on the Toronto Stock Exchange that meet criteria relating to minimum size, liquidity, issuer rating, and exchange listing. The index is rebalanced twice a year, in January and July, when index shares and constituents are reviewed. The index assumes dividends are reinvested in the index after the close on the ex-date.

The MSCI World High Dividend Yield USD Gross Total Return Index serves as a performance benchmark for investors focusing on dividend yield. The Index objectively and passively depicts the high dividend yield opportunity set within the MSCI World Index and is intended to reflect dividend yield focused investment processes. The MSCI World High Dividend Yield USD Gross Total Index includes only securities that offer a meaningfully higher than average dividend yield relative to the MSCI World Index and pass dividend sustainability and persistence screens. The Index is priced in U.S. dollars and is rebalanced annually and reviewed quarterly.

The Bloomberg/EFFAS Canadian Government Bond Total Return Index was created by Bloomberg in conjunction with the European Federation of Financial Analyst Societies (EFFAS). The Index is designed as a transparent benchmark for Canadian government bonds with maturities greater than one year. The value of the Index is calculated assuming that all coupon payments and partial redemptions are reinvested at the time they are received.

The Benchmark for the Fund is a combination of the S&P/TSX Preferred Share Total Return Index (40% weighting), the MSCI World High Dividend Yield USD Gross Total Return Index (40% weighting) and the Bloomberg/EFFAS Canadian Government Bond Total Return Index (20% weighting).

Summary of Investment Portfolio *(Underlying Portfolio)*
As at December 31, 2010

Asset Mix	Net Asset Value	% of Fund's Net Asset Value
Long Positions		
Canadian Equities	$ 8,445,312	73.8%
U.S. Equities	1,281,431	11.2%
Cash and Cash Equivalents	1,461,784	12.8%
Cash and Cash Equivalents, Canadian Equity Portfolio	399,282	3.5%
Net Other Assets	57,816	0.5%
Short Positions		
Foreign Derivatives	(35,309)	-0.3%
U.S. Derivatives	(47,442)	-0.4%
Canadian Derivatives	(83,036)	-0.7%
Net Other Assets, Canadian Equity Portfolio	(44,359)	-0.4%
	$ 11,435,479	**100.0%**

Sector Mix	Net Asset Value	% of Fund's Net Asset Value
Long Positions		
Materials	$ 3,107,124	27.2%
Energy	2,140,924	18.7%
Industrials	1,114,969	9.7%
Consumer Staples	919,302	8.0%
Telecommunications	674,835	5.9%
Mutual Funds	654,621	5.7%
Consumer Discretionary	502,200	4.4%
Financials	432,678	3.8%
Utilities	180,090	1.6%
Cash and Cash Equivalents	1,461,784	12.8%
Cash and Cash Equivalents, Canadian Equity Portfolio	399,282	3.5%
Net Other Assets	57,816	0.5%
Short Positions		
Equity Options	(165,787)	-1.4%
Net Other Assets, Canadian Equity Portfolio	(44,359)	-0.4%
	$ 11,435,479	**100.0%**

Summary of Investment Portfolio *(Underlying Portfolio) (continued)*
As at December 31, 2010

Top 25 Holdings	% of Fund's Net Asset Value
Chemtrade Logistics Income Fund	7.7%
iPath S&P 500 VIX Short-Term Futures ETN	5.7%
Potash Corp. of Saskatchewan Inc.	5.4%
Bonavista Energy Trust	5.0%
Labrador Iron Ore Royalty Corp.	4.4%
Yellow Media Inc.	4.4%
Fort Chicago Energy Partners L.P.	4.2%
Enerplus Resources Fund	4.0%
AGF Management Ltd.	3.8%
North West Co. Fund (The)	3.6%
Canfor Pulp Income Fund	3.1%
IAMGOLD Corp.	3.1%
BCE Inc.	3.1%
Genivar Income Fund	2.9%
Pembina Pipeline Corp.	2.9%
AT&T Inc.	2.8%
Terra Nitrogen Co. L.P.	2.6%
Boston Pizza Royalties Income Fund	2.6%
Pengrowth Energy Trust	2.6%
AG Growth International Inc.	2.5%
IBI Income Fund	2.2%
Wajax Income Fund	2.0%
Keg Royalties Income Fund (The)	1.8%
Northland Power Income Fund	1.6%
Norsemont Mining Inc., Warrants, 2011/04/30	0.7%

The summary of investment portfolio may change due to the ongoing portfolio transactions of the Fund. The most recent interim and annual reports are available at no cost by calling 1-866-611-9590, by writing to us at 26 Wellington Street East, Suite 700, Toronto, Ontario, M5E 1S2, by visiting our website at www.WAMfunds.com or through SEDAR at www.sedar.com.

WEBB ASSET MANAGEMENT CANADA, INC.

26 Wellington Street East, Suite 700
Toronto, Ontario
M5E 1S2
www.WAMfunds.com

Printed on Rolland Enviro 100, which contains 100% recycled post-consumer fiber, is EcoLogo, Processed Chlorine Free and manufactured using biogas energy.