

# Information Folder *for*

## Clarica Portfolio Contracts



## Sun Life Assurance Company of Canada

August 2004

### Segregated Funds

*Funds with no-load and DSC class A units*

Clarica SF Alpine Canadian Resources Fund  
Clarica SF Alpine Growth Equity Fund  
Clarica SF Canadian Blue Chip Fund  
Clarica SF Canadian Diversified Fund  
Clarica SF Canadian Equity Fund  
Clarica SF Canadian Small/Mid Cap Fund  
Clarica SF CI Asian and Pacific Fund  
Clarica SF CI Canadian Balanced Portfolio  
Clarica SF CI Canadian Conservative Portfolio  
Clarica SF CI Canadian Income Portfolio  
Clarica SF CI Emerging Markets Fund  
Clarica SF CI European Fund  
Clarica SF CI Global Balanced Portfolio  
Clarica SF CI Global Conservative Portfolio  
Clarica SF CI Global Fund  
Clarica SF CI Global Growth Portfolio  
Clarica SF CI Global Maximum Growth Portfolio  
Clarica SF CI International Balanced Fund  
Clarica SF CI Money Market Fund  
Clarica SF CI Pacific Fund  
Clarica SF CI Short-Term Bond Fund  
Clarica SF CI Signature Canadian Balanced Fund  
Clarica SF CI Signature Corporate Bond Fund  
Clarica SF CI Synergy American Momentum Fund  
Clarica SF CI Value Trust Sector Fund  
Clarica SF Fidelity Canadian Asset Allocation Fund  
Clarica SF Fidelity Growth America Fund  
Clarica SF Fidelity True North® Fund  
Clarica SF Global Bond Fund  
Clarica SF Growth Fund  
Clarica SF Premier Bond Fund  
Clarica SF Premier CI Value Trust Sector Fund  
Clarica SF Premier Income Bond Fund  
Clarica SF Premier International Fund  
Clarica SF Premier Mortgage Fund  
Clarica SF Summit Canadian Equity Fund  
Clarica SF Summit Dividend Growth Fund  
Clarica SF Summit Foreign Equity Fund  
Clarica SF Summit Growth and Income Fund  
Clarica SF Trimark Balanced Fund  
Clarica SF Trimark Canadian Equity Fund  
Clarica SF Trimark Discovery Fund  
Clarica SF Trimark Global Equity Fund  
Clarica SF US Small Cap Fund

*This Information Folder  
is not an insurance contract.*



CLARICA

*distributed by Clarica Financial Services Inc.*



*managed by CI Mutual Funds Inc.*



*issued by Sun Life Assurance Company of Canada*

## About this Information Folder

This Information Folder is made up of two parts:

1. pages 1 to 22 of this document, which contain general information about the individual variable insurance contract
2. pages 23 to 67 of this document, which contain specific information about each segregated fund available including Financial Highlights

The most recently filed audited financial statements, which will be given to you as a separate document, are also considered a part of this Information Folder. You should review the audited annual financial statements which accompany this Information Folder.

In this Information Folder, *you* and *your* mean the investor or the owner of the Clarica Portfolio and we, us and our mean Sun Life Assurance Company of Canada, the issuer of the Clarica Portfolio or CI Mutual Funds Inc., the manager of the Clarica Portfolio.

There is *An explanation of some terms used in this Information Folder* starting on page 21.

Please take the time to read the entire Information Folder before you invest. If you have any questions, please talk to your agent.

## About Sun Life Assurance Company of Canada

Sun Life Assurance Company of Canada is a federally regulated life insurance company, governed by the *Insurance Companies Act* (Canada). Its Head Office address is 150 King Street West, Toronto, Ontario. It was formed by the amalgamation on December 31, 2002 of Sun Life Assurance Company of Canada and Clarica Life Insurance Company, which were originally incorporated in 1865 and 1878 respectively. The Clarica name will still be used to identify the Funds described in this Information Folder and the agents responsible for distributing and servicing Clarica Portfolio investments.

## About CI Mutual Funds Inc.

CI Mutual Funds Inc. is a Canadian-owned investment management company. It is a wholly-owned subsidiary of CI Fund Management Inc., a publicly traded company listed on the Toronto Stock Exchange. CI Mutual Funds Inc. has been appointed by Sun Life Assurance Company of Canada to perform certain administrative and management services on its behalf in relation to the segregated funds and the individual variable insurance contract described in this Information Folder. In this Information Folder, references to CI are to CI Mutual Funds Inc. acting on behalf of Sun Life Assurance Company of Canada, unless indicated otherwise.

References to actions to be taken by “Sun Life” or “Sun Life Assurance Company of Canada” mean that the action will be taken or service provided exclusively by Sun Life Assurance Company of Canada.

## Certification

Sun Life Assurance Company of Canada is the sole issuer of the individual variable insurance contract described in this Information Folder and the guarantor of any guarantees under the contract. Sun Life Assurance Company of Canada certifies that this Information Folder provides brief and plain disclosure of all material facts relating to the individual variable insurance contract issued by Sun Life Assurance Company of Canada.



Kevin P. Dougherty  
President, Canadian Operations  
Sun Life Assurance Company of Canada



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## Executive summary

- The Clarica Portfolio is an individual variable insurance contract issued by Sun Life Assurance Company of Canada. The contract is *individual* because it insures the life of an individual, called the *insured person* or *annuitant*. It's *variable* because the value of your segregated fund investments can vary or fluctuate.
- When you purchase Clarica Portfolio, you're buying an insurance contract. Your contributions can be invested in a variety of segregated funds. A segregated fund invests in units of an underlying mutual fund. For more information, see *Types of investments available in your Clarica Portfolio* on page 3.
- The Clarica Portfolio segregated funds have two types of guarantees provided by Sun Life Assurance Company of Canada – a maturity guarantee and a death benefit guarantee. The maturity guarantee is the minimum amount that your segregated funds will be worth on or after a contribution maturity date. The death benefit guarantee is the minimum amount that your segregated funds will be worth on the death of the insured person. For more information, see *Guarantees provided by your segregated funds* on page 4.
- There are two different classes of units for the segregated funds: no-load class and DSC class A. Each class of each segregated fund has a different unit price except for the Clarica SF CI Canadian Conservative Portfolio, Clarica SF CI Canadian Income Portfolio, Clarica SF CI Canadian Balanced Portfolio, Clarica SF CI Global Balanced Portfolio, Clarica SF CI Global Conservative Portfolio, Clarica SF CI Global Fund, Clarica SF CI Global Growth Portfolio, Clarica SF CI Global Maximum Growth Portfolio, Clarica SF CI International Balanced Fund, Clarica SF CI Synergy American Momentum Fund and Clarica SF CI Money Market Fund. The unit price is the price at which units of segregated funds are bought, sold and exchanged. The unit price of a segregated fund is not guaranteed and may fluctuate with the market value of the underlying assets of that segregated fund. If you invest in segregated funds, you do not have any direct claim on the assets of the segregated funds and you're not a unitholder of the underlying mutual funds. For more information, see *Segregated funds* on page 3.
- There are management fees and other expenses for both the segregated funds and the underlying mutual funds. However, these fees are not duplicated. For more information, see *Fees and expenses paid by the segregated fund* on page 13.
- You can make withdrawals from your Clarica Portfolio at any time unless your Clarica Portfolio is a Locked-In Registered Retirement Savings Plan (RRSP) or a Locked-In Retirement Account (LIRA), in which event your withdrawals are restricted under applicable provincial pension rules. There may be fees that apply when you make withdrawals. For more information, see *Fees and expenses paid directly by you* on page 14. Making a withdrawal may also have income tax consequences. For more information, see *Your income tax considerations* on page 16.
- If you have a registered Clarica Portfolio you're always the insured person. Registered Clarica Portfolios include Registered Retirement Savings Plans (RRSPs), Locked-in RRSPs, Locked-In Retirement Accounts (LIRAs), Registered Retirement Income Funds (RRIFs), Life Income Funds (LIFs) and Locked-in Retirement Income Funds (LRIFs). If you have a non-registered Clarica Portfolio, someone other than you may be the insured person.
- Depending on the type of Clarica Portfolio you have, there is normally a date after which you may no longer own the Clarica Portfolio.

*Non-registered Clarica Portfolios* may be held until December 31 of the year the insured person turns 100 years old. At age 100 you must transfer a non-registered Clarica Portfolio to a payout annuity.

*Registered Retirement Savings Plans (RRSPs), Locked-in RRSPs and Locked-In Retirement Accounts (LIRAs)* may be held until December 31 of the year you turn 69 years old. At age 69 you must transfer an RRSP to a RRIF or a payout annuity. For a Locked-in RRSP or a LIRA, you must transfer to an LIF, an LRIF or a payout annuity.

*Life Income Funds (LIFs)* in all provinces except Quebec, Nova Scotia and New Brunswick may be held until December 31 of the year you turn 80 years old.

There is no limit to how long you may hold Registered Retirement Income Funds (RRIFs), Locked-in Retirement Income Funds (LRIFs) and, in Quebec, Nova Scotia and New Brunswick, Life Income Funds (LIFs).

- You should review the Financial Highlights, starting at page 67, and the audited annual financial statements which accompany this Information Folder. The most recently filed audited financial statements are considered part of this Information Folder. We'll send you annual audited financial statements within four months of the end of every year.
- Semi-annual audited financial statements are also available upon request if received by October 31 of any year. For more information, see *Correspondence from us* on page 18.
- **We reserve the right to change underlying mutual funds.** If such a change is a Fundamental Change, you will have the rights described under "Fundamental Changes". Changing an underlying mutual fund to another substantially similar underlying mutual fund will not constitute a Fundamental Change provided immediately following the change the total management and insurance fee of the segregated fund is the same as, or lower than, its total management and insurance fee immediately before the change. A substantially similar underlying mutual fund is one that has a comparable fundamental investment objective, is in the same investment fund category and has the same or lower management fee as the underlying fund it replaces. If we change an underlying mutual fund of a segregated fund in which you hold units to a substantially similar underlying mutual fund, we will: (a) notify you, our regulators and the Canadian Life and Health Insurance Association Inc. at least 60 days in advance of the change (unless such notice is not practical in the circumstances, in which event we will provide notice as soon as reasonably practical), and (b) amend or refile this Information Folder to reflect the change. Changing an underlying mutual fund may result in a gain (or loss) being realized and allocated to you. The foregoing may be superceded by any regulatory developments governing changes to underlying funds.

Segregated funds should be part of a long-term investment strategy because the value of your investments can fluctuate over the short-term. As a result, we are required to tell you the following:

**A description of the key features of the individual variable insurance contract is contained in this Information Folder. Subject to any applicable death and maturity guarantees, any part of a contribution or other amount that is allocated to a segregated fund is invested at the risk of the owner and may increase or decrease in value according to the fluctuations in the market value of the assets of the segregated fund.**

# Types of investments available in your Clarica Portfolio

When you make contributions to the Clarica Portfolio, you can invest in a variety of segregated funds.

## Segregated funds

### What is a segregated fund?

Segregated funds allow investors who have similar investment needs and goals to combine their money in a diversified portfolio. The segregated fund invests in an underlying mutual fund. As a unitholder of the segregated fund, you're not a unitholder of the underlying mutual fund. The mutual fund, in turn, invests in a variety of other investments, making up the diversified portfolio. This diversified portfolio is managed by a professional portfolio advisor. Generally, if the value of the units of the underlying fund goes up, the value of the segregated fund units goes up. Likewise, if the value of the units of the underlying fund units goes down, the value of the segregated fund units also goes down.

When you invest in a segregated fund you do not have a direct claim on the units of the underlying mutual fund or any of the assets of the segregated fund, instead you've a contractual right to a benefit based on a portion of the assets held by the segregated fund. This contractual right is measured in units of the segregated fund. When you buy or sell units of the fund you're buying or selling the contractual rights of the fund. Each unit represents a portion of the value of all the investments of that specific segregated fund. Segregated funds do not distribute income, or capital gains or losses to investors. Instead, net income plus any net capital gains on the investments of the underlying fund are allocated to you. This allocation of income does not reduce the unit value of the segregated fund. For more information, see *Your income tax considerations* starting on page 16.

You pay fees, expenses and sales charges when you invest in segregated funds. These vary based on:

- the specific segregated fund you've invested in
- the number of units held in your contract
- the class of units held in your contract.

### About Clarica Portfolio segregated funds

There are two different classes of units, each with a different sales charge option. For more information, see *Sales charges for segregated funds* on page 14.

Both classes of a segregated fund are managed together, as one pool of assets. However, each class has its own unit price. Each segregated fund is open-ended, which means that each segregated fund can issue an unlimited number of units.

Each segregated fund is described in detail in the section *Specific information about the segregated funds described in this Information Folder* starting on page 23. In this section we explain the investment objectives and strategies of the underlying funds. These may change, but we'll let you know 60 days in advance if they do. If any such change is a Fundamental Change we will follow the procedures and give you the rights described under *Fundamental Changes* on page 15. If a change to the investment objectives of an underlying fund is approved by the unitholders of that underlying fund, we will give you notice of that change and approval. In certain circumstances and at our discretion, we may give you our right to vote on changing the investment objectives of the underlying funds.

The underlying funds must comply with standard investment practices set out by securities laws. There is important information about each underlying mutual fund in that mutual fund's simplified prospectus. These simplified prospectuses can be downloaded from [www.sedar.com](http://www.sedar.com). You can also ask for a simplified prospectus by calling CI Client Services at the number on the back cover of this Information Folder.

The Clarica Portfolio segregated funds have been established under the authority of section 451 of the Insurance Companies Act of Canada. The segregated funds comply with the Canadian Life and Health Insurance Association (CLHIA) guidelines and all applicable rules, regulations and laws for segregated funds.

We may discontinue, merge or partition any of the segregated funds available within the Clarica Portfolio. If we do, there will be no cost to you and we'll tell you in writing at least 60 days in advance. We'll tell you what we intend to do, what your choices are and when the change will be effective.

### How we determine the unit price of a segregated fund

The unit price is the price at which units of segregated funds are bought, sold and exchanged. The unit price is the fund's net asset value divided by the number of units outstanding. There is a different unit price for each class of each segregated fund.

We determine the unit price for each class of each segregated fund in the Clarica Portfolio at the end of every business day.

To determine the unit price for each class, we calculate the net asset value of each class of the segregated fund by taking that class' proportionate share of assets less its liabilities. The unit price is the net asset value of that class of the segregated fund divided by the number of units outstanding for that class of the segregated fund.

To calculate the assets:

- we calculate the market value of the underlying fund by multiplying the number of units of the underlying fund that the segregated fund owns by the closing unit price of the underlying fund. If the closing unit price of the underlying fund is not available, we'll use the last available unit price
- then we add the market value of the underlying fund to any cash held by the segregated fund that hasn't yet been invested.

The liabilities are everything that class of the segregated fund owes, which includes operating expenses that it must pay.

**The unit price of a segregated fund is not guaranteed and may fluctuate with the market value of the underlying assets of that segregated fund.**

# Guarantees provided by your segregated funds

The Clarica Portfolio segregated funds have two types of guarantees – a maturity guarantee and a death benefit guarantee. The maturity guarantee is the minimum amount that your segregated funds will be worth on or after a contribution maturity date. The death benefit guarantee is the minimum amount that your segregated funds will be worth on the death of the insured person while your Clarica Portfolio is in effect.

For more information, see *Examples of how the segregated funds' guarantees work* on page 6.

## Dates that are important to your guarantees

### Contribution set date

When you invest money in segregated funds, a *contribution set date* is established. The contribution set date for that money is always January 1 of the year you invested it. Everything you invest during one calendar year is pooled together and is given the same contribution set date. You will have a separate contribution set date for every year that you invest money in segregated funds.

### Contribution maturity date

The *contribution maturity date* will be January 1 ten years after the contribution set date. For example, if you make a contribution during 2004 and do not reset your contribution set date, your contribution maturity date will be January 1, 2014.

If you've invested in segregated funds over several years, you may have several different contribution maturity dates.

### Resetting your contribution set date

When your Clarica Portfolio has been in effect for one year, you may reset your contribution set date. Your new contribution set date will be January 1 of the year you reset. When you reset your contribution set date, you combine all your existing contribution set dates into one new contribution set date. As a result, the new contribution maturity date will be January 1 ten years after the new contribution set date.

If you reset your contribution set date before the contribution maturity date, you change the amount on which your guarantees are based to the market value of all your segregated funds on the date you reset.

If you reset your contribution set date on or after a contribution maturity date, you change the amount on which your guarantees are based to the greater of:

- 75% of your contributions (including any growth locked-in by virtue of prior resets) attributed to all contribution set dates which have reached their contribution maturity date, adjusted for withdrawals and exchanges, plus 100% of the market value of the remainder of your segregated funds on the date you reset, or
- the market value of all your segregated funds on the date you reset.

You may reset your contribution set date once every calendar year by asking us in writing.

If you do not reset your contribution set date, it will **not** automatically reset on the contribution maturity date or on any other date. Your contribution maturity date will remain January 1 ten years after your contribution set date, even if you hold your investments for longer than ten years.

For non-registered plans, you cannot reset your contribution set date after December 31 of the year the insured person turns 69 years old, or if the insured person has died.

For RRSPs, Locked-in RRSPs and LIRAs, you can reset your contribution set date as long as you own your plan. However, if you reset your contribution set date after December 31 of the year you turn 59 years old, the reset is only valid if you transfer to a Clarica Portfolio

RRIF, LIF or LRIF and carry over the contribution maturity date. If you reset your contribution set date after December 31 of the year you turn 59, but transfer to a plan that is not a Clarica Portfolio, we'll revert to the previous contribution set date.

For RRIFs, LIFs, and LRIFs, you cannot reset your contribution set date after December 31 of the year you turn 69 years old.

## Contributions made during the last 10 years of a plan

Any contributions that you make during the last 10 years that you may own a Clarica Portfolio have contribution maturity dates of the last day you may own your plan.

Therefore, for a non-registered Clarica Portfolio, any contributions you make after December 31 of the year the insured person turns 90 will have a contribution maturity date of December 31 of the year the insured person turns 100.

For RRSPs, Locked-in RRSPs and LIRAs, any contributions you make after December 31 of the year you turn 59 will have a contribution maturity date of December 31 of the year you turn 69, unless you transfer to a Clarica Portfolio RRIF, LIF or LRIF. For more information, see *Transferring from an RRSP, Locked-in RRSP or LIRA Clarica Portfolio to a RRIF, LIF or LRIF Clarica Portfolio* on page 11.

For LIFs in all provinces except Quebec, Nova Scotia and New Brunswick, any transfers you make after December 31 of the year you turn 70 will have a contribution maturity date of December 31 of the year you turn 80.

There is no limit to how long you may hold RRIFs, LRIFs and, in Quebec, Nova Scotia and New Brunswick, LIFs, as long as there is money in your Clarica Portfolio.

## The segregated funds' maturity guarantee

On or after a contribution maturity date, your guaranteed minimum value is the greater of:

- 75% of your contributions (including any growth locked-in by virtue of prior resets) attributed to that contribution set date, adjusted for withdrawals and exchanges, or
- the market value, at the time you exercise your guarantee, of the portion of your segregated funds attributed to that contribution set date.

## The segregated funds' death benefit guarantee

If the insured person dies, Sun Life will pay a death benefit to the beneficiary you've named. We must receive proof that the insured person died while your Clarica Portfolio was in effect and you must give us any other information we need to pay the death benefit.

For a non-registered Clarica Portfolio, if the insured person dies before they are 69 years old, Sun Life will pay a death benefit that is the greater of:

- 100% of your contributions (including any growth locked-in by virtue of prior resets), adjusted for withdrawals and exchanges, or
- the market value of your segregated funds on the date we receive notification of the insured person's death together with all the required documentation.

For a non-registered Clarica Portfolio, if the insured person dies when they are 69 or older, Sun Life will pay a death benefit that is the greater of:

- 75% of your contributions (including any growth locked-in by virtue of prior resets), adjusted for withdrawals and exchanges, or
- the market value of your segregated funds on the date we receive notification of the insured person's death together with all the required documentation.

## Guarantees provided by your segregated funds (continued)

For Registered Retirement Savings Plans (RRSPs), Locked-in RRSPs and Locked-In Retirement Accounts (LIRAs), Sun Life will pay a death benefit that is the greater of:

- 100% of your contributions (including any growth locked-in by virtue of prior resets), adjusted for withdrawals and exchanges, or
- the market value of your segregated funds on the date we receive notification of the insured person's death together with all the required documentation.

For Registered Retirement Income Funds (RRIFs), Locked-in Retirement Income Funds (LRIFs) and, Life Income Funds (LIFs), Sun Life will pay a death benefit that is the greater of:

- 75% of your contributions (including any growth locked-in by virtue of prior resets), adjusted for withdrawals and exchanges, or
- the market value of your segregated funds on the date we receive notification of the insured person's death together with all the required documentation.

If your spouse is named as the beneficiary of your RRIF, instead of a lump sum payment, they can choose to continue to receive the periodic income payments you established. If they do, the maturity guarantees will remain in place.

### **How withdrawals affect your guarantees**

If you make a withdrawal from your segregated funds, it will affect your guarantees.

This is how we calculate the effect on your guarantee:

- first, we take 75% of your contributions (including any growth locked-in by virtue of prior resets), adjusted for any previous withdrawals or exchanges,
- then we multiply this amount by the amount of your withdrawal divided by the total market value of all your segregated funds on the day you make the withdrawal.

This gives us the amount by which your guarantees will be reduced.

We apply this reduction to the value of your segregated funds attributed to your earliest contribution set date. Then, as necessary, we'll reduce the value of your segregated funds attributed to later contribution set dates on a first in first out basis.

# Examples of how the segregated funds' guarantees work

## When the market value is greater than the guaranteed value on the contribution maturity date

Let's assume you made the following contributions to your Clarica Portfolio and bought units in segregated funds:

- January 3, 2004 ..... \$1,000
- March 7, 2004 ..... \$2,000
- December 1, 2004 ..... \$3,000

We'll also assume that you made no withdrawals or exchanges.

The contribution set date for all these contributions is ..... January 1, 2004

The value of your segregated funds units attributed to the contribution set date is ..... \$6,000

The contribution maturity date is ..... January 1, 2014

We'll assume that the market value on January 1, 2014 is \$11,900.

On your contribution maturity date you're guaranteed the greater of:

- 75% of your contributions (including any growth locked-in by virtue of prior resets) attributed to that contribution set date, adjusted for withdrawals and exchanges ( $75\% \times \$6,000 = \$4,500$ ), or
- the market value, at the time you exercise your guarantee, of the portion of your segregated funds units attributed to that contribution set date (\$11,900).

Therefore, on January 1, 2014, if you withdrew your money from your segregated funds, Sun Life would pay you \$11,900.

## When the market value is less than the guaranteed value on the contribution maturity date

Let's assume you made the following contributions to your Clarica Portfolio and bought units in segregated funds:

- January 3, 2004 ..... \$1,000
- March 7, 2004 ..... \$2,000
- December 1, 2004 ..... \$3,000

We'll also assume that you made no withdrawals or exchanges.

The contribution set date for all these contributions is ..... January 1, 2004

The value of your segregated funds units attributed to the contribution set date is ..... \$6,000

The contribution maturity date is ..... January 1, 2014

We'll assume that the market value on January 1, 2014 is \$4,200.

On your contribution maturity date you're guaranteed the greater of:

- 75% of your contributions (including any growth locked-in by virtue of prior resets) attributed to that contribution set date, adjusted for withdrawals and exchanges ( $75\% \times \$6,000 = \$4,500$ ), or
- the market value, at the time you exercise your guarantee, of the portion of your segregated funds units attributed to that contribution set date (\$4,200).

Therefore, on January 1, 2014, if you withdrew your money from your segregated funds, Sun Life would pay you \$4,500.

## When you reset your contribution set date before the contribution maturity date

Let's assume you made the following contributions to your Clarica Portfolio and bought units in segregated funds:

- January 3, 2004 ..... \$1,000
- October 9, 2004 ..... \$2,000

We'll also assume that you made no withdrawals, exchanges or additional contributions.

The contribution set date for both these contributions is ..... January 1, 2004

The value of your segregated funds units attributed to the contribution set date is ..... \$3,000

The contribution maturity date is ..... January 1, 2014

Now let's assume that on August 10, 2006 you decide to reset your contribution set date. We'll assume that the market value on August 10, 2006 is \$4,000.

Your new contribution set date is ..... January 1, 2006

Since you're resetting your contribution set date before the contribution maturity date, the value of your segregated funds units attributed to the new contribution set date is the market value of all your segregated funds, ..... \$4,000

Your new contribution maturity date is ..... January 1, 2016

## When you reset your contribution set date after the contribution maturity date

Let's assume that on August 10, 2004 you contributed \$4,000 to your Clarica Portfolio and bought units in segregated funds.

Your contribution set date is ..... January 1, 2004

The value of your segregated funds units attributed to this contribution set date is ..... \$4,000

Your contribution maturity date is ..... January 1, 2014

We'll assume that you made no withdrawals, exchanges or additional contributions.

Now let's assume that on February 1, 2015 you decided to reset your contribution set date. We'll assume that the market value on February 1, 2015 is \$8,500.

Your new contribution set date is ..... January 1, 2015

Since you're resetting your contribution set date after the contribution maturity date, the value of your segregated funds units attributed to the new contribution set date is the greater of:

- 75% of your contributions attributed to all contribution set dates which have reached their contribution maturity date, or ( $75\% \times \$4,000 = \$3,000$ ), or
- the market value of your segregated funds units on the date you reset (\$8,500).

Therefore, the value of your segregated funds units attributed to the new contribution set date is \$8,500.

Your new contribution maturity date is ..... January 1, 2025



# Examples of how the segregated funds' guarantees work (continued)

## When you make withdrawals from your segregated funds

Let's assume you made the following contributions to your Clarica Portfolio and bought units in segregated funds:

Date of contribution	Amount of contribution	Contribution set date	Contribution maturity date
March 30, 2004	\$3,000	January 1, 2004	January 1, 2014
February 15, 2007	\$2,000	January 1, 2007	January 1, 2017

Let's also assume the following:

- on October 10, 2007 you withdrew \$1,000
- on October 10, 2007 the total market value of your segregated funds units is \$6,000
- you made no other withdrawals, exchanges or additional contributions.

We adjust the amount that we guarantee by reducing the guaranteed value of the earliest contribution set date first.

This is how we calculate the effect on your maturity guarantee:

- first, we calculate the value of your contributions, adjusted for previous withdrawals and exchanges, . . . . (\$3,000 + \$2,000 = \$5,000)
- then we multiply it by 75% . . . . . (\$5,000 x 75% = \$3,750)
- then we multiply this amount by the amount of your withdrawal divided by the total market value of all your segregated funds units on the day you make the withdrawal . . . . (\$3,750 x \$1,000 ÷ \$6,000 = \$625).

This gives us the amount by which your maturity guarantee will be reduced.

We apply this reduction to 75% of the value of your segregated funds units attributed to your earliest contribution set date of January 1, 2004. [(\$3,000 x 75%) - \$625 = \$1,625]

After your withdrawal, this is how your maturity guarantee would be affected:

Contribution set date	Contribution maturity date	75% of the value of your segregated funds units attributed to the contribution set date, adjusted for withdrawals
January 1, 2004	January 1, 2014	\$1,625
January 1, 2007	January 1, 2017	\$1,500

This is how we calculate the effect on your death benefit guarantee:

- first, we calculate the value of your contributions, adjusted for previous withdrawals and exchanges, (\$3,000 + \$2,000 = \$5,000)
- then we multiply this amount by the amount of your withdrawal divided by the total market value of all your segregated funds units on the day you make the withdrawal (\$5,000 x \$1,000 ÷ \$6,000 = \$833).

This gives us the amount by which your death benefit guarantee will be reduced.

We apply this reduction to the value of your segregated funds units attributed to your earliest contribution set date of January 1, 2004. (\$3,000 - \$833 = \$2,167)

After your withdrawal, this is how your death benefit guarantee would be affected:

Contribution set date	Contribution maturity date	Value of your segregated funds units attributed to the contribution set date, adjusted for withdrawals
January 1, 2004	January 1, 2014	\$2,167
January 1, 2007	January 1, 2017	\$2,000

## When you receive periodic income payments from a RRIF

Let's make the following assumptions:

- you transferred \$20,000 from your RRSP to a new RRIF on May 1, 2004
- you chose not to carry over your contribution set dates from your RRSP. Instead you reset your contribution set date at the time of the transfer, so your contribution set date became January 1, 2004
- you receive monthly periodic income payments of \$750 starting June 1, 2004.

This is how we calculate the effect on your guarantee:

- first, we multiply the value of your contributions, adjusted for previous withdrawals and exchanges, by 75%
- then we multiply this amount by the amount of your withdrawal divided by the total market value of all your segregated funds units before the withdrawal on the day you make the withdrawal
- we subtract this amount from 75% of the value of your contributions, adjusted for previous withdrawals and exchanges.

The following table shows how six months of periodic income payments would affect your guarantee. In this example, we've also shown you the impact of declining market value.

## Examples of how the segregated funds' guarantees work (continued)

<i>Date</i>	<i>75% of the value of your segregated funds units attributed to the contribution set date, adjusted for withdrawals</i>	<b>X</b> <i>Amount of the withdrawal</i>	$\div$ <i>Market value before the withdrawal</i>	<b>=</b> <i>Amount by which guarantee is reduced</i>	<i>75% of the value of your segregated funds units attributed to the contribution set date, adjusted for withdrawals</i>	<b>-</b> <i>Amount by which guarantee is reduced</i>	<b>=</b> <i>75% of the new value of your segregated funds units attributed to the contribution set date, adjusted for withdrawals</i>
Jun 1, 2004	\$15,000	\$750	\$19,000	\$592	\$15,000	\$592	\$14,408
Jul 1, 2004	\$14,408	\$750	\$18,250	\$592	\$14,408	\$592	\$13,816
Aug1, 2004	\$13,816	\$750	\$16,625	\$623	\$13,816	\$623	\$13,193
Sep 1, 2004	\$13,193	\$750	\$14,285	\$693	\$13,193	\$693	\$12,500
Oct 1, 2004	\$12,500	\$750	\$13,670	\$686	\$12,500	\$686	\$11,814
Nov1, 2004	\$11,814	\$750	\$11,500	\$770	\$11,814	\$770	\$11,044

# Contributions, withdrawals and exchanges

## How to make contributions to your Clarica Portfolio

You can make contributions to your Clarica Portfolio through your agent. You must pay us at the time you give your agent instructions as to how you would like your contribution invested.

Your agent then sends your instructions to CI. If CI receives your instructions on a business day before 4 p.m. we'll process them at the unit price determined at the close of business on that day. If CI receives your instructions after 4 p.m., we'll process them at the unit price determined at the close of business on the next business day.

If your payment comes back to CI because there are not sufficient funds (NSF) in your bank account, CI may charge you an NSF cheque charge of up to \$25. For more information, see *Fees and expenses paid directly by you* on page 14.

CI may reject your contribution within one business day of receiving it. If CI does, all your money will be refunded immediately without interest.

If you do not give CI clear instructions about your contribution, CI will reject your contribution.

**When you buy units, the unit price of a segregated fund is not guaranteed and may fluctuate with the market value of the underlying assets of that segregated fund.**

## Lump sum contributions

You can make contributions to your Clarica Portfolio with a lump sum payment. However, you must invest a minimum amount. As described below, this amount varies according to the type of Clarica Portfolio you have and type of investment you make. We may change these minimum amounts at any time.

*Non-registered plans, Registered Retirement Savings Plans (RRSPs), Locked-in RRSPs and Locked-In Retirement Accounts (LIRAs)*

To open one of these plans, you must invest at least \$500. The \$500 can be divided among any number of segregated funds. You may make additional investments of at least \$50 for any segregated fund.

*Registered Retirement Income Funds (RRIFs), Life Income Funds (LIFs) and Locked-in Retirement Income Funds (LRIFs)*

To open one of these plans, you must invest at least \$5,000 in each plan. In addition, you can only invest in them with money transferred from another registered plan. The \$5,000 can be divided among any number of segregated funds. You may make additional transfers of at least \$50 for any segregated fund.

## Pre-Authorized Chequing Plans

You can also make contributions to your Clarica Portfolio through a regular contribution plan, sometimes called a *Pre-Authorized Chequing Plan* or PAC. When you establish a regular contribution plan, you authorize CI to withdraw money from your bank account on a regular basis to make contributions to your Clarica Portfolio.

You can choose any day of the week or any day of the month to contribute and your bank account will be debited that day. If the day you choose falls on a day that is not a business day, your money will be invested the next business day.

There is no minimum amount you must have in your Clarica Portfolio when you make regular contributions. However, there are minimum amounts you must invest each time. If you invest every week or every two weeks, you must invest at least \$25 in a segregated fund. If you invest every month or every three months, you must invest at least \$50 in a segregated fund. We may change these minimum amounts at any time.

We do not send separate confirmation notices for each regular contribution you make. Instead, these transactions are reported on your annual and semi-annual statements.

You cannot set up a regular contribution plan for a RRIF.

## How to make withdrawals from your Clarica Portfolio

You can withdraw money from most Clarica Portfolio plans at any time by sending a written request to your agent or directly to CI at the address on the back of this Information Folder. You may also give your agent instructions over the phone, by fax or by other electronic means. If you choose one of these methods, we must have a way of verifying your request.

In order to process your request, we must have all the information we need. This includes:

- your name and plan number
- the amount you want to withdraw
- how you would like to receive that money, for example, cheque or direct deposit to your bank account
- the name of the segregated fund from which you wish to sell units and the class of the units you wish to sell
- in certain circumstances, the signatures of all the owners of your Clarica Portfolio
- any legal documents, such as a power of attorney, that may be needed
- any other legal requirements there may be.

When you make a withdrawal, you must withdraw at least \$100. Also, when you withdraw money, it's important that the value of your Clarica Portfolio not fall below \$500. If your Clarica Portfolio falls below \$500, CI will tell you and give you 30 days to increase the total value of your Clarica Portfolio to at least \$500. If you do not increase it to \$500 within 30 days, CI may sell your investments, send you the proceeds, and close your Clarica Portfolio. When you withdraw money, if the value of all your investments falls to zero your Clarica Portfolio will be closed automatically.

Sun Life is the party responsible for all payments to you from your Clarica Portfolio. As part of its duties as manager, CI will process such payments on behalf of Sun Life.

CI will process your payment from a segregated fund at the unit price at the close of business on that day if CI receives your request on a business day before 4 p.m. Eastern standard time. If CI receives your request after 4 p.m., we will process it at the unit price at the close of business on the next business day.

**When you sell units, the unit price of a segregated fund is not guaranteed and may fluctuate with the market value of the underlying assets of that segregated fund.**

If you sell units of your segregated funds on or after a contribution maturity date, you will receive the greater of:

- 75% of your contributions (including any growth locked-in by virtue of prior resets) attributed to that contribution set date, adjusted for withdrawals and exchanges, or
- the market value, at the time you sell your units, of the portion of your segregated funds attributed to that contribution set date.

For more information, see *Guarantees provided by your segregated funds* on page 4.

If your units are DSC class A units, you may have to pay a deferred sales charge when you sell your units. For more information, see *Sales charges for segregated funds* on page 14.

CI may temporarily suspend your right to sell units of your segregated funds if the units of the underlying funds are suspended. This will only happen if:

- normal trading is suspended on The Toronto Stock Exchange, the Montreal Exchange or any other exchange on which securities or derivatives that make up more than half of the underlying fund's total assets by value are traded, or
- the underlying fund manager has permission from the appropriate regulator.

## Contributions, withdrawals and exchanges (continued)

If you've asked us to sell your segregated fund units when trading is suspended, we'll process your request on the first business day after the suspension at the unit price determined at the close of business on that day.

CI cannot accept requests to sell units of segregated funds at a future date or at a future price.

If you recently made a contribution to your Clarica Portfolio and you withdraw that same money, CI won't be able to give you the proceeds of your withdrawal until you've paid for your contribution and your cheque has cleared your bank account.

If your Clarica Portfolio is a Locked-in Registered Retirement Savings Plan (RRSP) or a Locked-In Retirement Account (LIRA), you cannot withdraw cash except as allowed under the applicable provincial pension rules. For more information, see Part D of the *RRSP and LIRA contract* on page 22.

CI will deposit the amount of your withdrawal directly into your bank account or, if you request, provide you with a cheque. For more information, see *Fees and expenses paid directly by you* on page 14.

When you make a withdrawal, you may be subject to certain fees and expenses. For more information about these fees, see *Fees and expenses paid directly by you* on page 14.

Making a withdrawal may have income tax consequences. For more information, see *Your income tax considerations* on page 16.

### Periodic income payments from RRIFs, LIFs and LRIFs

If you've a Registered Retirement Income Fund (RRIF), Life Income Fund (LIF) or Locked-in Retirement Income Fund (LRIF), you must set up a regular withdrawal plan called a periodic income payment plan. By law, you must withdraw a minimum amount of money from a RRIF, LIF or LRIF on a regular basis, starting the year after you open it.

There are four different payment options:

1. *minimum payment amount* – the minimum amount you must withdraw is calculated by multiplying the total value of your Clarica Portfolio on January 1 each year, by a percentage determined by the Income Tax Act (Canada). For RRIFs, this percentage is based on your age or your spouse's age, depending on which you selected at the time you opened your Clarica Portfolio. For LIFs and LRIFs, this percentage is always based on your age. You can choose the date you receive your payment.
2. *maximum payment amount* (LIF and LRIF only) – the maximum amount you can withdraw is calculated according to the pension legislation governing your LIF or LRIF. You can choose the date you receive your payment.
3. *level payment amount* – you can choose the amount you want to receive before or after taxes, but each payment must be at least \$50. You can choose the date you receive your payment.
4. *unscheduled payment amount* – there is no payment schedule established. You can tell us during the year if you would like a payment. If, by December 15, you've not withdrawn at least the minimum amount, CI will make a payment equal to the difference between the payments you've received and the minimum amount.

If, for any reason, the total payments made to you during a calendar year are less than the minimum amount you must receive that year, CI will make an additional payment to you before the end of the year.

You can choose to receive your periodic income payments monthly, quarterly, semi-annually or annually. You may change the frequency once every 12 months.

CI will deposit the proceeds from your periodic income payment directly into your bank account.

CI will make your periodic income payments by selling units of your segregated funds. If you've more than one fund and you do not specify which fund we should use, we'll sell units from each fund. The amount we withdraw from each fund will be based on the percentage of the total value of your RRIF, LIF or LRIF in each fund on the day the payment is made.

We'll process your periodic income payment at the unit price determined at the close of business on that day.

### How to exchange investments within your Clarica Portfolio

You may exchange investments between segregated funds. To do so, you must send a written request to your agent, or directly to CI at the address on the back of this Information Folder. You may also give your agent instructions over the phone, by fax or by other electronic means. If you choose one of these methods, we must have a way of verifying your request.

When you exchange investments, you effectively withdraw your money from one investment and invest it in another. The procedures and minimum purchase amounts are exactly the same as those described in *How to make contributions to your Clarica Portfolio* and *How to make withdrawals from your Clarica Portfolio* on page 9.

You may only exchange no-load units of a segregated fund for no-load units of another fund. There are no sales charges when you exchange no-load units of a segregated fund.

You may only exchange DSC class A units of a segregated fund for DSC class A units of another fund. There are no sales charges when you exchange between segregated funds.

If you exchange units of one segregated fund for units of another segregated fund, it will not change the contribution maturity date. For more information, see *Guarantees provided by your segregated funds* on page 4.

**When you exchange units, the unit price of a segregated fund is not guaranteed and may fluctuate with the market value of the underlying assets of that segregated fund.**

If you exchange units of a segregated fund within 60 days of buying them, we may charge you a 60 day exchange fee. For more information, see *Fees and expenses paid directly by you* on page 14. We may also reject your request to exchange units of your segregated funds if, within 60 days of selling or exchanging units, you ask for an exchange back to units of the original fund. The exchange privilege is not meant for speculating on short-term movements in the markets. This can hurt a segregated fund's performance and negatively affect the remaining investors in the fund.

Exchanging investments in a non-registered Clarica Portfolio may have income tax consequences. For more information, see *Your income tax considerations* on page 16.

### Automatic exchanges for segregated funds

You can set up automatic exchanges so that units of one segregated fund can regularly be exchanged for units of another segregated fund. Automatic exchanges can only be set up between funds with the same class of units.

We do not send separate confirmations for each automatic exchange. Instead, these transactions will be reported on your annual and semi-annual statements.

## Optional services

### Transferring from a non-registered Clarica Portfolio to an RRSP Clarica Portfolio

You may transfer all or part of a non-registered Clarica Portfolio to a Registered Retirement Savings Plan (RRSP) Clarica Portfolio at any time by contacting your agent.

If CI receives your instructions on a business day before 4 p.m. Eastern standard time, we'll process them at the close of business on that day. If we receive your instructions after 4 p.m., we'll process them at the close of business on the next business day.

For more information about investing in an RRSP, see *How to make contributions to your Clarica Portfolio* on page 9.

The following components of your non-registered Clarica Portfolio are carried over to your RRSP:

- the length of time you're considered to have owned your segregated funds units for the purpose of calculating deferred sales charges
- the contribution set dates for your segregated funds units, unless you tell us otherwise. For more information, see *Resetting your contribution set date* on page 4.

Transferring from a non-registered Clarica Portfolio to an RRSP Clarica Portfolio may have income tax consequences. For more information, see *Your income tax considerations* on page 16.

### Transferring from an RRSP, Locked-in RRSP or LIRA Clarica Portfolio to a RRIF, LIF or LRIF Clarica Portfolio

You may transfer all or part of a Registered Retirement Savings Plan (RRSP), Locked-in RRSP or Locked-In Retirement Account (LIRA) Clarica Portfolio to a Registered Retirement Income Fund (RRIF), Life Income Fund (LIF) or Locked-in Retirement Income Fund (LRIF) Clarica Portfolio at any time. However, you cannot own an RRSP, Locked-in RRSP or LIRA after December 31 of the year you turn 69 years old. At that time, you must transfer your entire RRSP, Locked-in RRSP or LIRA to a RRIF, LIF, LRIF or payout annuity.

You can transfer from an RRSP, Locked-in RRSP or LIRA to a RRIF, LIF or LRIF by contacting your agent.

If CI receives your instructions on a business day before 4 p.m. Eastern standard time, we'll process them at the close of business on that day. If CI receives your instructions after 4 p.m., we'll process them at the close of business on the next business day.

For more information about investing in a RRIF, LIF or LRIF, see *How to make contributions to your Clarica Portfolio* on page 9.

The following components of your RRSP, Locked-in RRSP or LIRA are automatically carried over to your RRIF, LIF or LRIF:

- the length of time you're considered to have owned your segregated funds units for the purpose of calculating deferred sales charges
- the contribution set dates for your segregated funds units, unless you tell us otherwise. For more information, see *Resetting your contribution set date* on page 4.

When you transfer from an RRSP, Locked-in RRSP or LIRA to a RRIF, LIF or LRIF, the amount of your segregated funds death benefit guarantee will change to the greater of:

- 75% of your contributions (including any growth locked-in by virtue of prior resets) attributed to all contribution set dates, adjusted for withdrawals and exchanges, or

- the market value of your segregated funds units on the date we receive notification of the insured person's death together with all the required documentation.

For more information about the guarantees, see *Guarantees provided by your segregated funds* on page 4.

### Transferring to another financial institution

You may transfer all or a portion of your Clarica Portfolio to another financial institution at any time by sending a written request to your agent or directly to CI at the address on the back of this Information Folder.

CI will treat your transfer to another financial institution as if you were selling your investments. For more information, see *How to make withdrawals from your Clarica Portfolio* on page 9.

If you transfer to another financial institution within 60 days of making a contribution, you may have to pay a 60 day exchange fee. For more information, see *Fees and expenses paid directly by you* on page 14.

Making a transfer to another financial institution may have income tax consequences. For more information, see *Your income tax considerations* on page 16.

### CI's asset allocation process

Clarica agents may use the asset allocation process developed and managed by CI to help you develop an Investment Plan that meets your investment objectives. It's important that you review this Investment Plan on a regular basis to ensure it's up to date and is still consistent with your investment objectives.

You and your agent will discuss your investment objectives and your tolerance for risk to map out recommended percentages of your investments that should be in cash equivalents, fixed income securities, equities and foreign investments. A mix of investments that are available in the Clarica Portfolio will be suggested using these percentages. You may then select the types of investment and percentages suggested, or by making some adjustments to them, create your own model portfolio.

You can advise CI of your target fund allocation and CI will review your current fund allocation compared to your target fund allocation monthly, quarterly, semi-annually or annually. We review your account to determine if you're scheduled for a target fund allocation review and if so, if your investment in any fund varies by more than the percentage of variance you have selected for your target fund allocation, we will automatically switch your investments to return to your target fund allocation.

You may change your model portfolio or your option of how to rebalance the investments in your Clarica Portfolio at any time by meeting with your agent.

We may change the asset allocation process at any time.

You may only establish a model portfolio using funds with the same load type and the same class of units.

Rebalancing the investments in a non-registered Clarica Portfolio may have income tax consequences. For more information, see *Your income tax considerations* on page 16.

You do not have to use CI's asset allocation process to invest in a Clarica Portfolio.

## Optional services (continued)

### **Foreign content rebalancing service**

Currently, Canadian tax laws do not consider any of the investments available in the Clarica Portfolio to be foreign property. However, these laws may change at any time and some of the segregated funds may be considered foreign property. If that happens, there will be limits on the percentage of your registered Clarica Portfolio that can be considered foreign content. If the foreign content in your registered Clarica Portfolio is over that limit you may be charged a penalty tax.

If these laws come into effect, we'll make our foreign content rebalancing service available for your registered Clarica Portfolios. CI will provide this service so you don't have to pay the penalty tax. However, neither CI nor Sun Life assumes responsibility for any penalty taxes that may be charged to you.

At the time the legislation comes into effect and on the last business day of each month after that, if the cost of the foreign property in your registered plan exceeds the limit for foreign property, CI will rebalance your Clarica Portfolio. We will do this by selling enough units of the segregated funds that are considered foreign property to bring your foreign property to the prescribed limit. CI will then use the proceeds of the sale the same day to buy units in your highest valued 100% Canadian content fund. If you do not own a 100% Canadian content fund, the amount will be transferred to the Clarica SF CI Money Market Fund.

You will not have to pay deferred sales charges for any DSC class A units that are sold under the foreign content rebalancing service if you rebalance to DSC class A units of another segregated fund.

Because the asset allocation process is based on the market value of your Clarica Portfolio and the foreign content limit applies to the cost of the investments in your Clarica Portfolio, there's a chance that the asset allocation process could cause the foreign property in your registered plan to exceed the limit. If this happens, the foreign content rebalancing service will be triggered at the end of the month, so that the foreign property remains below the limit.

# Fees and expenses

## Fees and expenses paid by the segregated fund

Some fees and expenses are paid by the segregated funds. This reduces the value of the segregated funds.

## Management fees and other expenses of the segregated funds

Management fees and other expenses vary for each segregated fund. Management fees are calculated daily and paid daily as an annualized percentage of the net asset value of each class of segregated fund. Other expenses are accrued daily and paid when they are due. For specific fees, see the table, *Management fees and other expenses*, starting below.

Management fees include insurance fees for the cost of the guarantees provided by Sun Life. Sun Life may change, from time to time, the insurance fee applicable to any fund or class in which you hold units by giving you written notice of the change at least 60 days in advance. If the change results in an insurance fee that exceeds the insurance fee limit referred to in the table, *Management fees and other expenses*, we'll give you the notice and rights described in *Fundamental Changes* on page 15.

We may also change the management fees that do not form part of the insurance fees, but if we do, we'll give you the notice and rights described in *Fundamental Changes* on page 15.

Other expenses that may be charged to the segregated funds include:

- audit fees, bank charges, interest expenses, custodial and safekeeping fees
- regulatory fees
- taxes, including the Goods and Services Tax (GST)
- any other expenses related to their investment activities
- legal costs, and
- investor and fund administration costs, including financial and tax reporting, and the preparation and distribution of this Information Folder.

The management expense ratios include the Goods and Services Tax (GST), interest charges and expenses that are allowed to be charged to the fund. The annual management fee of the fund and the annual insurance fee of each class of units of the fund do not include GST.

## Management fees and other expenses

Fund Names	Annual Management Fee of the Fund (No-load Units)	Annual Management Fee of the Fund (DSC Class A Units)	Annual Insurance Fee of each Class of Units of the Fund (%)	Insurance Fee Limit of each Class of Units of the Fund (%)	Management Expense Ratio of the No-Load Class Units of the Fund as of December 31, 2003	Management Expense Ratio of the DSC Class A Units of the Fund as of December 31, 2003
Clarica SF Alpine Canadian Resources Fund	2.75%	2.65%	0.45%	0.70%	3.76%	3.76%
Clarica SF Alpine Growth Equity Fund	2.75%	2.65%	0.45%	0.70%	3.74%	3.74%
Clarica SF Canadian Blue Chip Fund	2.25%	2.15%	0.45%	0.70%	3.21%	3.21%
Clarica SF Canadian Diversified Fund	2.25%	2.15%	0.45%	0.70%	3.21%	3.19%
Clarica SF Canadian Equity Fund	2.70%	2.60%	0.45%	0.70%	3.69%	3.69%
Clarica SF Canadian Small/Mid Cap Fund	2.25%	2.15%	0.45%	0.70%	3.20%	3.19%
Clarica SF CI Asian and Pacific Fund	2.75%	2.65%	0.45%	0.70%	4.12%	4.05%
Clarica SF CI Canadian Balanced Portfolio	2.20%	2.20%	0.45%	0.70%	3.22%	3.22%
Clarica SF CI Canadian Conservative Portfolio	2.10%	2.10%	0.45%	0.70%	3.02%	3.02%
Clarica SF CI Canadian Income Portfolio	1.85%	1.85%	0.45%	0.70%	2.78%	2.78%
Clarica SF CI Emerging Markets Fund	2.90%	2.80%	0.45%	0.70%	4.05%	4.02%
Clarica SF CI European Fund	2.70%	2.60%	0.45%	0.70%	3.80%	3.77%
Clarica SF CI Global Balanced Portfolio	2.20%	2.20%	0.45%	0.70%	3.25%	3.25%
Clarica SF CI Global Conservative Portfolio	2.20%	2.20%	0.45%	0.70%	3.21%	3.21%
Clarica SF CI Global Fund	2.20%	2.20%	0.45%	0.70%	3.26%	3.26%
Clarica SF CI Global Growth Portfolio	2.20%	2.20%	0.45%	0.70%	3.27%	3.27%
Clarica SF CI Global Maximum Growth Portfolio	2.20%	2.20%	0.45%	0.70%	3.32%	3.32%
Clarica SF CI International Balanced Fund	2.20%	2.20%	0.45%	0.70%	3.25%	3.25%
Clarica SF CI Money Market Fund	1.10%	1.10%	0.45%	0.70%	1.69%	1.69%
Clarica SF CI Pacific Fund	2.75%	2.65%	0.45%	0.70%	3.85%	3.82%
Clarica SF CI Short-Term Bond Fund	1.30%	1.20%	0.45%	0.70%	2.07%	2.05%
Clarica SF CI Signature Canadian Balanced Fund	2.25%	2.25%	0.45%	0.70%	3.12%	3.11%
Clarica SF CI Signature Corporate Bond Fund	2.25%	2.15%	0.45%	0.70%	3.23%	3.10%
Clarica SF CI Synergy American Momentum Fund	2.20%	2.20%	0.45%	0.70%	3.27%	3.27%
Clarica SF CI Value Trust Sector Fund	2.70%	2.60%	0.45%	0.70%	3.72%	3.66%
Clarica SF Fidelity Canadian Asset Allocation Fund	2.85%	2.75%	0.45%	0.70%	3.85%	3.74%
Clarica SF Fidelity Growth America Fund	2.85%	2.75%	0.45%	0.70%	3.80%	3.67%
Clarica SF Fidelity True North® Fund	2.85%	2.75%	0.45%	0.70%	3.78%	3.69%
Clarica SF Global Bond Fund	1.95%	1.85%	0.45%	0.70%	2.80%	2.79%
Clarica SF Growth Fund	2.40%	2.30%	0.45%	0.70%	3.41%	3.37%
Clarica SF Premier Bond Fund	1.85%	1.75%	0.45%	0.70%	2.67%	2.66%
Clarica SF Premier CI Value Trust Sector Fund	2.25%	2.15%	0.45%	0.70%	3.24%	3.21%
Clarica SF Premier Income Bond Fund	1.85%	1.75%	0.45%	0.70%	2.68%	2.65%
Clarica SF Premier International Fund	2.25%	2.15%	0.45%	0.70%	3.27%	3.27%
Clarica SF Premier Mortgage Fund	1.75%	1.65%	0.45%	0.70%	2.71%	2.70%
Clarica SF Summit Canadian Equity Fund	2.60%	2.50%	0.45%	0.70%	3.58%	3.57%
Clarica SF Summit Dividend Growth Fund	2.60%	2.50%	0.45%	0.70%	3.59%	3.59%
Clarica SF Summit Foreign Equity Fund	2.60%	2.50%	0.45%	0.70%	3.61%	3.61%
Clarica SF Summit Growth and Income Fund	2.60%	2.50%	0.45%	0.70%	3.58%	3.57%
Clarica SF Trimark Balanced Fund	2.85%	2.75%	0.45%	0.70%	3.76%	3.64%
Clarica SF Trimark Canadian Equity Fund	2.85%	2.75%	0.45%	0.70%	3.73%	3.61%
Clarica SF Trimark Discovery Fund	2.85%	2.75%	0.45%	0.70%	3.81%	3.70%
Clarica SF Trimark Global Equity Fund	2.85%	2.75%	0.45%	0.70%	3.77%	3.65%
Clarica SF U.S. Small Cap Fund	2.70%	2.60%	0.45%	0.70%	3.72%	3.72%

\*These include management fees and other expenses, net of rebates (if any) at the underlying fund level.

## Fees and expenses

On October 1, 2003, the annual insurance fee charged as a percentage of the net asset value of each class of Units of the fund changed. Had this change been in effect throughout the last completed fiscal year,

Fund Names	Management Expense Ratio of the No-Load Class Units	Management Expense Ratio of the DSC Class A Units
Clarica SF Alpine Canadian Resources Fund	3.80%	3.69%
Clarica SF Alpine Growth Equity Fund	3.80%	3.69%
Clarica SF Canadian Blue Chip Fund	3.26%	3.16%
Clarica SF Canadian Diversified Fund	3.26%	3.16%
Clarica SF Canadian Equity Fund	3.75%	3.64%
Clarica SF Canadian Small/Mid Cap Fund	3.26%	3.16%
Clarica SF CI Asian and Pacific Fund	3.80%	3.69%
Clarica SF CI Canadian Balanced Portfolio	3.21%	3.21%
Clarica SF CI Canadian Conservative Portfolio	3.10%	3.10%
Clarica SF CI Canadian Income Portfolio	2.84%	2.84%
Clarica SF CI Emerging Markets Fund	3.96%	3.85%
Clarica SF CI European Fund	3.75%	3.64%
Clarica SF CI Global Balanced Portfolio	3.21%	3.21%
Clarica SF CI Global Conservative Portfolio	3.21%	3.21%
Clarica SF CI Global Fund	3.21%	3.21%
Clarica SF CI Global Growth Portfolio	3.21%	3.21%
Clarica SF CI Global Maximum Growth Portfolio	3.21%	3.21%
Clarica SF CI International Balanced Fund	3.21%	3.21%
Clarica SF CI Money Market Fund	2.03%	2.03%
Clarica SF CI Pacific Fund	3.80%	3.69%
Clarica SF CI Short-Term Bond Fund	2.25%	2.14%
Clarica SF CI Signature Canadian Balanced Fund	3.26%	3.26%

### Fees and expenses paid directly by you

You may pay the following fees and expenses directly when you invest in the Clarica Portfolio:

- deferred sales charges on DSC class A units for segregated funds
- 60 day exchange fee
- charge for NSF (not sufficient funds) cheques

These fees and expenses are explained in more detail below.

You do **not** pay any additional fees or expenses for the following services:

- establishing a registered plan
- regular contribution plans (PACs)
- periodic income payments
- automatic exchanges
- asset allocation process
- foreign content rebalancing service.

### Deferred sales charges

For more information, see *Sales charges for segregated funds* on page 14.

### 60 day exchange fee

CI may charge up to 2% of the amount you exchange or transfer. If you exchange units of any segregated fund, or sell them and transfer the proceeds to another financial institution, within 60 days of buying units in the same fund, we may charge this fee and deduct it from the proceeds of the units sold. We may also charge this fee if you transfer between investments or withdraw money from an investment and transfer it to another financial institution within 60 days of making a contribution. It does **not** apply to exchanges as a result of the asset allocation process or foreign content rebalancing service.

### Charge for NSF (not sufficient funds) cheques

CI may charge up to \$25 for each cheque or payment that is returned to us. The fee is deducted from your Clarica Portfolio.

### Sales charges for segregated funds

You may have to pay a sales charge when you invest in segregated funds. There are different types of sales charges and each has different management fees. The specific management fees for each sales

the MERs of the funds for the year ended December 31, 2003 would have been as follows:

Fund Names	Management Expense Ratio of the No-Load Class Units	Management Expense Ratio of the DSC Class A Units
Clarica SF CI Signature Corporate Bond Fund	3.26%	3.16%
Clarica SF CI Synergy American Momentum Fund	3.21%	3.21%
Clarica SF CI Value Trust Sector Fund	3.75%	3.64%
Clarica SF Fidelity Canadian Asset Allocation Fund	3.91%	3.80%
Clarica SF Fidelity Growth America Fund	3.91%	3.80%
Clarica SF Fidelity True North® Fund	3.91%	3.80%
Clarica SF Global Bond Fund	2.94%	2.84%
Clarica SF Growth Fund	3.42%	3.32%
Clarica SF Premier Bond Fund	2.84%	2.73%
Clarica SF Premier CI Value Trust Sector Fund	3.26%	3.16%
Clarica SF Premier Income Bond Fund	2.84%	2.73%
Clarica SF Premier International Fund	3.26%	3.16%
Clarica SF Premier Mortgage Fund	2.73%	2.62%
Clarica SF Summit Canadian Equity Fund	3.64%	3.53%
Clarica SF Summit Dividend Growth Fund	3.64%	3.53%
Clarica SF Summit Foreign Equity Fund	3.64%	3.53%
Clarica SF Summit Growth and Income Fund	3.64%	3.53%
Clarica SF Trimark Balanced Fund	3.91%	3.80%
Clarica SF Trimark Canadian Equity Fund	3.91%	3.80%
Clarica SF Trimark Discovery Fund	3.91%	3.80%
Clarica SF Trimark Global Equity Fund	3.91%	3.80%
Clarica SF U.S. Small Cap Fund	3.75%	3.64%

charge are listed on page 13 in the table, *Management fees and other expenses*.

The sales charge you choose will also affect the compensation paid to your agent. For more information, see *Compensation paid to your agent* on page 15.

Each segregated fund offers both no-load units and deferred sales charge (DSC) units.

### No-load units

If you choose the no-load option, you do not pay a sales charge when you buy or sell units.

### Deferred sales charge or DSC class A units and redemption fees

The deferred sales charge option has redemption fees that you may pay at the time you make withdrawals from a segregated fund, except as provided below in this section. We reserve the right to change redemption fees from time to time. No sales charge amount is deducted from the amount of your premium.

Redemption fees are calculated as a percentage of the original cost to you of the units that you redeem from your contract. Please see Schedule of sales charges and redemption fees for more information regarding Redemption fees.

Redemption fees apply to any withdrawal, except as provided below in this section, including any withdrawal on contract termination, within the first seven years following the date of the deposit of the premium you pay.

If a redemption fee applies, it will be calculated beginning with the units within the segregated fund purchased by the earliest premium deposited to your contract. If you reset your guarantee or make segregated fund transfers, the age of your premium will not be affected for redemption fee purposes. Please see Optional services for more information on resetting your guarantee and Examples of how the segregated funds' guarantees work for more information on segregated fund transfers.



## Fees and expenses (continued)

### Free redemption withdrawals

Each year, you may redeem at no charge some of the units for which the deferred sales charge option applies, which would otherwise be subject to redemption fees. This is called your free redemption right.

The available numbers of units are calculated as follows:

- 10% of the number of deferred sales charge units purchased in the current calendar year, multiplied by the number of months remaining in the calendar year (including the month of purchase) divided by 12, plus
- 10% of the number of deferred sales charge units held on December 31 of the preceding year that are subject to the redemption fee.

We reserve the right to modify or discontinue your free redemption right at any time in our sole discretion.

Redemption fees apply in full for transfers to other financial institutions. Please see *Transferring to another financial institution* for more information on how withdrawals affect your guarantee.

There are no sales charges or redemption fees payable by you in respect of the underlying mutual funds. Any sales charges and redemption fees in respect of the segregated funds are not a duplication.

### Schedule of sales charges and redemption fees

	Sales Charges as a Percentage of Premium	Year of Withdrawal (withdrawal including Contract termination)	Redemption Fees as a Percentage of the Original Cost of the Units Withdrawn
<b>No-load Sales Charge option</b>			
All Clarica Portfolio segregated funds	0.0%	-	0.0%
<b>Deferred Sales Charge option</b>			
All Clarica Portfolio segregated funds	0.0%	year 1	5.5%
		year 2	5.0%
		year 3	4.5%
		year 4	4.0%
		year 5	3.0%
		year 6	2.0%
		year 7	1.0%
		year 8	0.0%

If you exchange DSC class A units of one segregated fund for DSC class A units of another segregated fund, the value of the new units that you exchange to will be considered to have been acquired during the calendar year that the units of the segregated fund you exchanged from were originally bought. This means that the percentage of the deferred sales charge will not increase when you exchange DSC class A units of one segregated fund for DSC class A units of another segregated fund. For more information, see *How to exchange investments within your Clarica Portfolio* on page 10.

The deferred sales charge will not be applied to withdrawals or exchanges which occur as a result of the annuitant's death.

### Compensation paid to your agent

#### Sales commissions

There are no sales commissions paid to the agents when you buy no-load units of segregated funds.

CI pays a one time sales commission to your agent when you buy DSC class A units of segregated funds.

### Service fees

CI pays monthly service fees to agents for providing you with ongoing service. These fees are not an extra cost to you, or the segregated funds.

### Fundamental Changes

#### General information

If we wish to make any of the following Fundamental Changes, we'll notify you at least 60 days prior to making the change:

- we increase the management fee charged against the assets of any of the segregated funds in which you hold units;
- we change the fundamental investment objective of any of the segregated funds in which you hold units;
- we decrease the frequency with which we value units of any of the segregated funds in which you hold units;
- we increase the insurance fee charged against the assets of any of the segregated funds in which you hold units to an amount that is greater than the insurance fee limit for that fund specified in the table under *Management fees and other expenses*.

#### Your rights in the event of a Fundamental Change

Should we make one of the Fundamental Changes listed above to any of the segregated funds in which you hold units, we'll give you the right to:

- transfer the value of your units in the segregated fund affected by the Fundamental Change to a similar fund without incurring any redemption fees or similar charges; or
- if we do not offer a segregated fund similar to the fund affected by the Fundamental Change, redeem your units in the affected fund without incurring any redemption fees or similar charges.

Your right to elect either option is effective only if we receive your election within 5 business days prior to the end of the 60 day notice period. During this 60 day notice period, you may not transfer to a segregated fund subject to a Fundamental Change from a fund which is not subject to a Fundamental Change unless you agree to waive the right to redeem without incurring redemption fees or similar charges.

We also reserve the right to change underlying mutual funds. If such a change is a Fundamental Change, you will have the rights described above. Changing an underlying mutual fund to another substantially similar underlying mutual fund will not constitute a Fundamental Change provided immediately following the change the total management and insurance fee of the segregated fund is the same as, or lower than, its total management and insurance fee immediately before the change. A substantially similar underlying fund is one that has a comparable fundamental investment objective, is in the same investment fund category and has the same or lower management fee as the underlying fund it replaces. If we change an underlying mutual fund of a fund in which you hold units to a substantially similar underlying mutual fund, we will: (a) notify you, our regulators and the Canadian Life and Health Insurance Association Inc. at least 60 days in advance of the change (unless such notice is not practical in the circumstances, in which event we will provide notice as soon as reasonably practical), and (b) amend or refile this Information Folder to reflect the change. The foregoing may be superceded by any regulatory developments governing changes to underlying funds.

# Your income tax considerations

This is a general summary of income tax considerations for owners of a Clarica Portfolio who are Canadian residents. You should consult your own tax advisor about your personal circumstances.

## Taxation of non-registered plans

### Segregated funds

We allocate segregated fund income to you annually.

Income net of fund expenses may contain capital gains or capital losses, Canadian dividends, Canadian interest, foreign income and other income. CI will send you a tax slip at the end of each year showing each type of income separately. You must report these amounts on your income tax return.

Income allocation will increase the adjusted cost base of your segregated fund holding to ensure these amounts are not taxed again on withdrawal. If the fund has a capital loss, the loss allocation will decrease the adjusted cost base of your segregated fund holding.

If you've withdrawn or exchanged units from a segregated fund, the withdrawal or exchange will result in either a capital gain or a capital loss. The capital gain or loss equals the difference between the market value of the units on the day of the withdrawal or exchange and the adjusted cost base. The capital gain or loss is combined with the capital gains or losses that the segregated fund has allocated to you on the same tax slip.

You must report capital gains or losses on your income tax return.

Changing an underlying mutual fund may result in a gain (or loss) being realized and allocated to you.

For example, let us assume:

- you contribute \$5,000 to a segregated fund
- at the end of the year, the segregated fund allocates income of \$300, which is made up of \$100 capital gain, \$100 interest and \$100 foreign income
- five months later, you contribute another \$1,000 to the segregated fund
- three months after that, you withdraw \$3,000 from the segregated fund.

The adjusted cost base per unit would work like this:

Transaction	Total market value	Price per unit <sup>1</sup>	Number of units	Total adjusted cost base of the units of the fund <sup>1</sup>	Total number of units	Adjusted cost base per unit
Initial contribution	\$5,000.00	\$10.00	500.0000	\$5,000.00	500.0000	\$10.00
Income allocation	-	-	-	\$5,300.00	500.0000	\$10.60
Contribution 5 months later	\$1,000.00	\$11.00	90.9091	\$6,300.00	590.9091	\$10.66
Withdrawal 3 months later	(\$3,000.00)	\$11.50	(260.8696)	\$3,519.13	330.0395	\$10.66

<sup>1</sup> The price per unit is based on an estimated rate of return and does not reflect actual rates of return.

As the table shows, the following principles apply to calculating the adjusted cost base:

- the adjusted cost base per unit changes with every new contribution
- the adjusted cost base per unit changes with income allocation
- withdrawals do not affect the adjusted cost base per unit
- after a withdrawal the adjusted cost base of the remaining units is calculated by subtracting the adjusted cost base (and not the market value) of the units withdrawn.

We'll use the following formula to calculate the capital gain or loss on withdrawal or exchange:

- market value of the units withdrawn or exchanged
- **minus** the adjusted cost base of the units withdrawn or exchanged
- **minus** any costs of withdrawing or exchanging those units.

Using the example above, the capital gains on the withdrawal would be:

Market value of the units withdrawn	.....	\$3,000.00
Adjusted cost base of units withdrawn (260.8696 x \$10.66)	.....	(\$2,780.87)
Capital gain	.....	\$219.13

## Taxation of registered plans

You do not have to pay tax on any investment gains or interest in your RRSP, locked-in RRSP, LIRA, RRIF, LIF or LRIF because these plans are tax-sheltered until you make a withdrawal. You also don't have to pay tax on any fees that are deducted from your withdrawal amount. These fees include deferred sales charges, 60-day exchange fees and charges for NSF cheques. For more information about these fees, see *Fees and expenses paid directly by you* on page 14.

Transfers between different segregated funds will not have tax consequences, but they may affect the foreign content in your Clarica Portfolio. For more information about foreign content, see *Foreign content rebalancing service* on page 12.

### Registered Retirement Savings Plans (RRSPs)

When cash contributions are made to an RRSP, CI (in the name of and on behalf of Sun Life) will issue an RRSP contribution receipt. If the contribution is made to a spousal RRSP, the RRSP receipt will show the names and social insurance numbers of both the owner of the Clarica Portfolio and the contributor. The contributor may claim the tax deduction for any contributions made.

If money is transferred from another RRSP or registered pension plan to an RRSP, we'll not issue an RRSP receipt because the transfer is considered a tax-sheltered transfer.

When you withdraw money from an RRSP, we will withhold tax from the amount you withdraw after any fees and expenses have been deducted. We'll also withhold more than the minimum tax required if you instruct us to do so. We'll send you a tax slip at the end of every year showing the total amount you've withdrawn and the total income tax we have withheld during that year. You must report these amounts on your income tax return.

### Locked-in Registered Retirement Savings Plans (Locked-in RRSPs) and Locked-In Retirement Accounts (LIRAs)

According to provincial pension laws, you cannot make cash contributions to a Locked-in RRSP or a LIRA.

Pension laws in most provinces do not allow you to make cash withdrawals from a Locked-in RRSP or LIRA except under unusual situations. For more information, refer to the applicable provincial LIRA or locked-in provisions in Part D of the *RRSP and LIRA contract* starting on page 22.

### Registered Retirement Income Funds (RRIFs), Life Income Funds (LIFs) and Locked-in Retirement Income Funds (LRIFs)

You're not allowed to make cash contributions to a RRIF, LIF or LRIF. You can only make contributions to these plans by way of a transfer from an RRSP, Locked-in RRSP or LIRA. We do not issue tax receipts for the amount being transferred because the transfer is considered a tax-sheltered transfer.

We'll not withhold tax on the government-required annual minimum that you withdraw as periodic income payments from a RRIF, LIF or LRIF. However, if the amount you withdraw is over the government required annual minimum, we will withhold tax on the amount over the minimum amount. We will also withhold more than the minimum tax required if you instruct us to do so. We send you a tax slip at the end of every year showing the total amount you've withdrawn and the total income tax we have withheld during that year. You must report these amounts on your income tax return.

# Organization and management of the Clarica Portfolio segregated funds

## The insurer

Sun Life Assurance Company of Canada is the insurer of the Clarica Portfolio segregated funds. Our Head Office is on the inside cover. Our address for purposes of the Clarica Portfolio is:

### Sun Life Assurance Company of Canada

227 King Street South  
PO Box 1601, STN Waterloo  
Waterloo, Ontario  
N2J 4C5

## The manager

CI Mutual Funds Inc. ("CI") is the manager of the Clarica Portfolio segregated funds. CI has the responsibility for the daily operations of the Clarica Portfolio. CI's address is:

### CI Mutual Funds Inc.

CI Place  
151 Yonge Street, 11<sup>th</sup> Floor  
Toronto, Ontario  
M5C 2W7

## The portfolio advisors

The portfolio advisors manage the investment portfolios of the underlying funds. The portfolio advisors vary from fund to fund. For more information, see *Fund details* at the beginning of each fund description starting on page 23.

Mutual Fund Company	Portfolio Advisors	Custodian of Assets
<b>AIM Funds Management Inc.</b> 5140 Yonge Street Suite 900 Toronto, Ontario M2N 6X7	<b>AIM Funds Management Inc.</b> Toronto, Ontario	<b>Bank of Montreal</b> First Canadian Place 100 King Street West Toronto, Ontario M5X 1A1
<b>CI Mutual Funds Inc.</b> CI Place Eleventh Floor 151 Yonge Street Toronto, Ontario M5C 2W7	<b>Altrinsic Advisors, LLC</b> Stamford, Connecticut  <b>CI Mutual Funds Inc.</b> Toronto, Ontario  <b>Trilogy Advisors, LLC</b> New York, New York  <b>Legg Mason Funds</b> Baltimore, Maryland  <b>Sionna Investment Managers Inc.</b> Toronto, Ontario  <b>Howson Tattersall Investment Counsel Ltd.</b> Toronto, Ontario  <b>Trident Investment Management, LLC</b> New York, New York  <b>Epoch Investment Partners, Inc.</b> New York, New York  <b>BPI Global Asset Management LLP</b> Orlando, Florida	<b>Royal Trust Corporation of Canada</b> Royal Trust Tower 77 King Street West, 11th Floor P.O. Box 7500 Stn. "A" Toronto, Ontario M5W 1P9
<b>Fidelity Investments Canada Limited</b> 483 Bay Street, Suite 200 Toronto, Ontario M5G 2H7	<b>Fidelity Investments Canada Limited</b> Toronto, Ontario	<b>Royal Bank of Canada</b> Global Securities Services Clients Services Financial Institutions Suite 1500, Royal Bank Plaza 200 Bay Street, 15th Floor Toronto, Ontario M5J 2J5

# Organization and management of the Clarica Portfolio segregated funds (continued)

## The custodian

Sun Life and CI have appointed Royal Trust Corporation of Canada as the custodian of the cash and securities that make up the investment portfolio of each of the Funds. The custodian's principal place of business is:

### Royal Trust Corporation of Canada

Royal Trust Tower  
77 King Street West  
Toronto, Ontario  
M5W 1V9

## The auditor

Deloitte & Touche LLP in Toronto, Ontario, is the auditor of the Clarica Portfolio segregated funds. The auditor provides an independent opinion on the fairness of financial presentation in accordance with Generally Accepted Accounting Principles (GAAP) in Canada. The auditor's principal place of business is:

### Deloitte & Touche LLP

Suite 1400  
BCE Place  
181 Bay Street  
Toronto, Ontario  
M5J 2V1

## Additional information

### Confidentiality of client information

CI and Sun Life keep the information you provided on your application form. We may share the information we collect from you with our affiliates. The information will be used mainly for administrative and regulatory compliance purposes, as well as to allow us to better understand your needs.

We have very strict policies prohibiting the disclosure of confidential client information to parties outside Sun Life Assurance Company of Canada, our affiliates and CI. You can be assured that your information will be kept in strict confidence.

### Correspondence from us

When you buy, sell or exchange units, CI will send you a confirmation notice to help you keep track of your transactions. The confirmation notice includes the amount of each transaction, the number of units bought, sold or exchanged, and the unit prices used.

We don't send confirmation notices for the following transactions:

- buying units using a regular contribution plan (PAC)
- receiving periodic income payments, and
- exchanging units of segregated funds using an automatic exchange plan.

These transactions are included in your annual and semi-annual statements.

CI will automatically send you statements in January and July. The annual statement in January reports the value of the investments you bought, sold or exchanged in the previous calendar year. The semi-annual statement in July reports the value of the investments you bought, sold or exchanged during the first six months of that year.

CI will send you all the required income tax slips.

CI will send you a Clarica Portfolio annual report every year within four months of the end of the year. The annual report includes the annualized rate of return for the segregated funds for 1, 3, 5 and 10-year periods, the segregated funds management expense ratio and the total management expense ratio. The report also includes audited financial statements for the segregated funds as at December 31.

Semi-annual unaudited financial statements of the segregated funds are also available upon request if received by October 31 of any year. You may address your requests to CI, CI Place, 151

Yonge Street, Eleventh Floor, Toronto, Ontario M5C 2W7. You may also contact CI by telephone at its Client Services Department, toll free at 1-888-771-2999 or by email at [service@cifunds.com](mailto:service@cifunds.com).

Upon your request, we will send to you copies of the simplified prospectus, annual information folder, financial highlights and audited financial statements required for an underlying fund.

Upon your request, we will send to you copies of the annual or the semi-annual unaudited financial statements for each underlying fund. You may choose to receive them in hard copy format or by electronic transmission.

### Interest of management and others in material transactions

In the last three years, neither the principal broker nor any director or senior officer of Sun Life Assurance Company of Canada or any associate or affiliate of the foregoing persons or companies has had any material direct or indirect interest in any transactions or in any proposed transactions that would materially affect our segregated funds.

### Material contracts

Sun Life Financial Services of Canada Inc., Sun Life Assurance Company of Canada, Clarica Life Insurance Company, CI Fund Management Inc. and CI Mutual Funds Inc. entered into an Administrative Services Agreement dated as of July 25, 2002 pursuant to which Sun Life has retained CI to manage the day-to-day operations of the Clarica Portfolio. In the last two years, neither Sun Life Assurance Company of Canada nor its affiliates have entered into any other contracts that reasonably could be considered material to present or future owners of the Clarica Portfolio segregated funds other than contracts entered into in the ordinary and normal course of business.

### Additional coverage

Sun Life Assurance Company of Canada is a member of the Canadian Life and Health Insurance Compensation Corporation (CompCorp).

Policyholders and prospective policyholders should read the CompCorp brochure for details and limitations of coverage. Please visit CompCorp's website at [www.compcorp.ca](http://www.compcorp.ca) or call the Consumer Assistance Centre at 1-800-268-8099 for more information regarding your coverage.

### Fund on fund investments

Certain underlying funds may invest in units of other mutual funds. The underlying funds which invest in other funds are called *top funds*. The other mutual funds which are invested in are called *bottom funds*.

A top fund may only invest in another fund if the investment is consistent with the top fund's investment objectives. Buying units of another mutual fund allows the top fund to invest indirectly in foreign equity markets cost effectively. The top funds' investments, including units of the bottom fund, must comply with the foreign property limits set by the *Income Tax Act* (Canada).

To avoid the duplication of management fees, when the management fees for the top funds are calculated, the net asset value of the top fund does not include any units they own of a bottom fund.

The top fund may only invest up to 10% of its net assets, at the time it makes the investment, in units of the bottom mutual fund.

The top fund cannot buy units of a bottom fund if it would result in:

- the top fund owning more than 10% of the outstanding units of the bottom fund, or
- the top fund together with any related funds owning more than 20% of the outstanding units of the bottom fund.

# The risks of investing in segregated funds

## General risk factors

The market value of the investments that make up the portfolio of the underlying fund changes from day to day. As a result, the unit price of each segregated fund goes up and down with these changes. The market value of the underlying fund's investments can be affected by many different factors, including:

- general economic and political conditions
- general stock market conditions
- news about the governments or companies that issue the securities.

In limited circumstances, you may not be able to sell your units exactly when you want to because the right of the underlying funds to sell their units may have been temporarily suspended. For more information, see *How to make withdrawals from your Clarica Portfolio* on page 9.

## Risks that apply to specific segregated funds

In addition to the general risks outlined above, there are additional risks that may apply to some of the underlying funds. These are:

- interest rate risk
- credit risk
- liquidity risk
- foreign exchange risk
- foreign investment risk
- bottom fund risk
- class risk
- concentration risk
- government regulation risk
- short selling risk
- small capitalization risk
- risk of investing in fixed income investments
- risk of investing in equities
- risk of investing in derivatives
- risk of securities lending
- risk of repurchase and reverse repurchase agreements
- segregated funds with more than one class of units.

Which of these risks apply to the underlying fund, as well as any additional risks specific to that fund, are explained under *What are the risks of investing in the fund?* in each fund description starting on page 23.

### Interest rate risk

The value of fixed income securities can fluctuate as interest rates change. Generally, as interest rates fall, the underlying fund's unit price will go up. On the other hand, when interest rates rise, the underlying fund's unit price can be expected to fall.

### Credit risk

Some of the securities in the underlying fund's portfolio may be at risk if the government or company who issued the security fails to repay the principal, interest or both. If this happens, the underlying fund could lose money and the underlying fund's unit price may fall.

### Liquidity risk

Liquidity risk is the ease with which an investment may be converted to cash at a reasonable price. It may be difficult to buy or sell some of the securities in the underlying fund's portfolio because the government or company who issued the security is not well known or because economic, political and stock market conditions are not favourable. This means these securities are less liquid and, as a result, their value may rise and fall significantly, affecting the unit price of the underlying fund.

### Foreign exchange risk

Changes in the value of foreign currencies affect the performance of an underlying fund. If the Canadian dollar goes down relative to foreign currencies, the value of the investments held in those countries goes up. This results in an increase in the underlying fund's

unit price. On the other hand, if the Canadian dollar strengthens relative to foreign currencies, the underlying fund's unit price will go down.

### Foreign investment risk

Underlying funds that invest in securities in other countries will be affected by several factors:

- general economic and political conditions in those countries
- in some countries, accounting, auditing, financial reporting and other disclosure rules may be less stringent than in Canada
- in some countries, foreign custodians may not provide as high a level of security as is provided in Canada
- the risk of foreign investment controls, foreign exchange controls or other foreign laws that result in the confiscation of assets.

### Bottom fund risk

Some underlying funds may have one or more other large investors or may invest in units or shares of another mutual fund which has large investors (the mutual fund with the large investors being called the *bottom fund*). Any significant transaction made by a large investor could significantly impact the bottom fund's cash flow. If a large investor buys a large amount of units or shares of the bottom fund, the bottom fund could temporarily have a high cash balance. If a large investor redeems a large amount of its investment in the bottom fund, the bottom fund may have to sell its investments at unfavourable prices to meet the redemption requests. This can reduce the returns of the bottom fund.

### Class risk

Underlying funds sometimes issue different classes of units of the same underlying fund. Similarly, some underlying funds are structured as different classes of shares of the same mutual fund corporation. Each class has its own fees and expenses, which the underlying fund tracks separately. However, if one class is unable to meet its financial obligations, the other classes are legally responsible for making up the difference.

### Concentration risk

Some of the underlying funds may concentrate their investments in a relatively small number of securities, certain sectors or specific regions or countries. This may result in higher volatility, as the value of the portfolio will vary more in response to changes in the market value of these securities, sectors or regions or countries.

### Government regulation risk

Government policies or regulations are more prevalent in some sectors than in others. Underlying funds that invest in these sectors - such as health sciences or telecommunications - may be affected when these regulations or policies change.

### Short selling risk

Certain underlying funds may engage in a disciplined amount of short selling. A "short sale" is where an underlying fund borrows securities from a lender and then sells the borrowed securities (or sells short the securities) in the open market. At a later date, the same number of securities are repurchased by the underlying fund and returned to the lender. In the interim, the proceeds from the first sale are deposited with the lender and the underlying fund pays interest to the lender. If the value of the securities declines between the time that the underlying fund borrows the securities and the time it repurchases and returns the securities, the underlying fund makes a profit for the difference (less any interest the underlying fund pays to the lender). Short selling involves certain risks. There is no assurance that securities will decline in value during the period of the short sale sufficient to offset the interest paid by the underlying fund and make a profit for the underlying fund, and securities sold short may instead increase in value. The underlying fund may also experience difficulties repurchasing and returning the borrowed securities if a liquid market for the securities does not exist. The

## The risks of investing in segregated funds (continued)

lender from whom the underlying fund has borrowed securities may go bankrupt and the underlying fund may lose the collateral it has deposited with the lender. Each underlying fund that engages in short selling generally will adhere to controls and limits that are intended to offset these risks by selling short only securities of larger issuers for which a liquid market is expected to be maintained and by limiting the amount of exposure for short sales. The underlying funds also will deposit collateral only with lenders that meet certain criteria for creditworthiness and only up to certain limits.

### Small capitalization risk

Capitalization is a measure of the value of a company. It is the current price of a company's stock, multiplied by the number of shares issued by the company. Companies with small capitalization may not have a well-developed market for their securities. As a result, these securities may be difficult to trade, making their prices more volatile than those of large companies.

### Risk of investing in fixed income investments

The underlying fund's unit price will be affected by the average term to maturity of the underlying fund's investment portfolio. The longer the average term to maturity, the more volatile the market value will be if there's a change in interest rates.

### Risk of investing in equities

The value of equities is affected by economic, political and stock market conditions as well as the outlook for the company that issued the security. Generally, if these factors are favourable, the value of the security, and the underlying fund's unit price, will rise. On the other hand, if these factors are unfavourable, the value of the security, and the underlying fund's unit price, will fall.

### Risk of investing in derivatives

A derivative is a contract whose value is based on, or derived from, a separate investment such as a stock, bond, foreign currency or market index. A derivative can be bought and sold like an investment, but it's not a direct investment in the underlying security.

Underlying funds often use derivatives for hedging. This means they are used to protect the underlying fund against the changes in the value of a stock, bond, foreign currency or market index. Funds sometimes use derivatives instead of making a direct investment in the underlying security.

There are several risks associated with investing in derivatives:

- one party in a derivative contract may not be able to honour its obligation and the underlying fund could lose money
- when derivatives are used for hedging, there's no guarantee that the hedging strategy will work or that losses will be avoided
- when derivatives are used for hedging, the underlying securities in the portfolio will still change in value
- derivatives could limit the amount of gain, if the value of the underlying investment rises, because the cost of the derivatives would offset the gain
- for derivatives that are options, futures or forward contracts, there's no guarantee that the underlying fund will be able to sell those derivatives when it wants, which could result in a loss for the underlying fund
- for derivatives that are options or futures contracts, there may be daily trading limits which might prevent the underlying fund from selling the derivatives when it wants, which could result in a loss for the underlying fund
- derivatives traded in smaller foreign markets may be less liquid and have greater credit risk than derivatives traded in Canada
- for derivatives that are linked to an index, if trading is halted in the stocks or bonds that are included in the index, the price of those derivatives might be distorted or trading in the derivatives might also be halted. This could mean a loss for the underlying fund.

### Risk of securities lending

Securities lending is when a fund lends some of its investments to qualified borrowers in exchange for fees or interest.

The underlying fund's custodian would hold qualified collateral from each borrower. If cash collateral is provided, the underlying fund keeps a portion of the interest earned on the investment of the cash collateral. Where non-cash collateral is provided, the underlying fund receives a fee from the borrower.

The underlying fund continues to receive any interest, dividends or other distributions paid on the investment loaned. The loan may be terminated by the underlying fund at any time. Where the loan is terminated the investment loaned will be returned to the underlying fund in accordance with standard settlement procedures.

Since securities lending is a means of extending credit, if the borrower becomes insolvent, there may be a delay in recovering the securities and the underlying fund may lose voting and other rights on the securities loaned.

To minimize the risk of securities lending, the market value of the collateral held by the underlying fund at the end of each business day must not be less than 102% of the market value of the investment being loaned.

### Risk of repurchase and reverse repurchase agreements

A repurchase agreement takes place when investments are sold by the fund for cash and the fund agrees to repurchase the investment back from the purchaser at a specific date and at a higher price. A reverse repurchase agreement is when the fund buys an investment at one price and agrees to sell it back to the same person at a specific date and at a higher price.

For a repurchase agreement there is a risk that if the purchaser cannot complete the agreement, the underlying fund may not be able to acquire the investment at a price equivalent to the price in the repurchase agreement and there may be a delay acquiring the investment.

For a reverse repurchase agreement there is a risk that if the other person cannot complete the agreement, the underlying fund may be left holding the investment. The underlying fund may be at risk in this situation, if the value of the investment has dropped since the agreement was entered into.

To minimize the risk of repurchase agreements, the underlying fund holds collateral from the purchaser and the market value of the collateral held by the underlying fund at the end of each business day must not be less than 102% of the market value of the investment sold. To minimize the risk of reverse repurchase agreements, the market value of the investment held by the underlying fund at the end of each business day must not be less than 102% of the collateral paid for the investment.

### Segregated funds with more than one class of units

All our segregated funds have both no-load class units and DSC class A units. The investments of the segregated fund are the same for both classes. However, the unit prices may be different because sales charges and management fees, which are different for each class, affect the unit price. It's possible that a segregated fund may not be able to pay the expenses of one class of units using that class' proportionate share of the assets. If that were to happen, the segregated fund would have to pay the expenses of that class out of the other assets of the segregated fund. For more information, see *Sales charges for segregated funds* on page 14.

# An explanation of some terms used in this Information Folder

## **adjusted cost base**

The total dollar amounts spent to buy units in the segregated fund, including any sales charges paid at the time you bought your units:  
**plus** the amount of income allocated  
**minus** the adjusted cost base of any units you've already sold.

## **affiliate**

A person or group closely related to an organization.

## **annuitant**

The person insured under the plan, also called the *insured person*. For registered plans, the owner of the plan must be the annuitant.

## **Asian equity fund**

A mutual fund that invests primarily in common shares of companies in Asia.

## **balanced fund**

A mutual fund that has an investment policy of *balancing* its portfolio, generally by including bonds and shares in varying proportions according to its investment objectives.

## **beneficiary**

The person, persons or estate you name in writing to receive any death benefit when the insured person dies.

## **bottom-up**

An investment management approach that focuses on the best securities for the portfolio. The portfolio advisors assess each company based on a range of criteria such as the quality of management, financial resources available to achieve its objectives, corporate strategies and tactics, the quality of products, and market acceptance.

## **business day**

Any day The Toronto Stock Exchange and CI's head office is open for business.

## **Canadian equity fund**

A mutual fund that invests primarily in common shares of Canadian companies.

## **Canadian resources equity fund**

A mutual fund that invests primarily in common shares of Canadian companies engaged in the discovery, development or extraction of oil, gas and metals.

## **capital gain**

The difference between what an investment is sold for, after paying any costs of selling it, and the investment's adjusted cost base. If the investment is sold for more than the adjusted cost base, you realize a capital gain.

## **capital loss**

The difference between what an investment is sold for, after paying any costs of selling it, and the investment's adjusted cost base. If the investment is sold for less than the adjusted cost base, you realize a capital loss.

## **CLHIA**

Canadian Life and Health Insurance Association Inc. (CLHIA), the national trade association of life and health insurance companies in Canada. CLHIA has issued guidelines detailing the form and content of information related to segregated funds.

## **contribution set date**

January 1 of the year you invest money in your Clarica Portfolio.

## **contribution maturity date**

January 1 ten years after the contribution set date or after the date you reset your contribution set date.

## **cost**

The dollar amount spent to buy units of a fund.

## **deferred sales charge or DSC units**

Segregated fund units that don't charge a fee to buy them. However, you may pay a sales charge when you sell the units within seven years of buying them.

## **derivative**

A contract whose value is based on, or derived from, a separate investment such as a stock, bond, foreign currency or market index. A derivative can be bought and sold like an investment, but it's not a direct investment in the security.

## **emerging market**

A market in any country that has:

- a low or middle income economy, or
- a total market capitalization of less than 3% of the Morgan Stanley Capital International World Index (an index that measures the performance of a broad selection of world equity markets).

## **European equity fund**

A mutual fund that invests primarily in common shares of European companies.

## **fixed-income investments**

Investments that generate a fixed amount of income that does not vary over the life of the investment.

## **fixed income fund**

A mutual fund that invests primarily in fixed-income investments.

## **foreign equity fund**

A mutual fund that invests primarily in common shares of non-Canadian companies.

## **forward contract**

A contract to buy or sell a specific amount of a certain commodity at a fixed price at a future date.

## **Fundamental Change**

An increase in the management fee charged against the assets of a segregated fund; a change in the investment objective of a segregated fund; a decrease in the frequency with which we value the units of a segregated fund; or an increase in insurance fee charged against the assets of a segregated fund to an amount that is greater than the prescribed limit.

## **future**

An agreement to buy or sell a specified quantity of a commodity at a fixed price at a future date. These are specific types of forward contracts that are traded on securities exchanges.

## **guaranteed minimum value**

On or after a contribution maturity date, the greater of:

- 75% of your contributions (including any growth locked-in by virtue of prior resets) attributed to that contribution set date, adjusted for withdrawals and exchanges, or
- the market value, at the time you exercise your guarantee, of the portion of your segregated funds units attributed to that contribution set date.

# An explanation of some terms used in this Information Folder (continued)

## **hedging**

Using derivatives or other investments to protect the fund against the changes in value of a stock, bond, foreign currency or market index.

## **insured person**

The person insured under the plan, sometimes called the *annuitant*. For registered plans, the insured person must be the owner of the plan. For non-registered plans, the insured person can be the owner of the plan or another person chosen by the owner of the plan.

## **Life Income Fund (LIF)**

A life income fund similar to a RRIF but subject to pension regulations. It's a plan that can be used to convert investments in a Locked in RRSP or a LIRA to a steady stream of income. Once funds are in an LIF, you must withdraw at least the minimum specified by the Income Tax Act (Canada). There is a limit on the maximum amount you can withdraw each year.

## **Locked-In Retirement Account (LIRA)**

A locked-in retirement account similar to an RRSP but subject to pension regulations. It's a tax-deferred plan that allows you to invest money until age 69. Cash contributions are not accepted.

## **Locked-in Retirement Income Fund (LRIF)**

A locked-in retirement income fund similar to a RRIF but subject to pension regulations. It's a plan that can be used to convert investments in a Locked in RRSP or a LIRA to a steady stream of income. Once funds are in a LRIF, you must withdraw at least the minimum specified by the Income Tax Act (Canada). There is a limit on the maximum amount you can withdraw each year.

## **management expense ratio**

The total of all fees and expenses that the segregated fund must pay during the period expressed as an annualized percentage of the average net assets of the underlying fund and the segregated fund during the period. The management expense ratio varies from one fund to another.

## **management fee**

A fee paid by the fund for management services related to the operation of the segregated fund.

## **maturity**

The date when a loan, bond or debenture comes due and must be redeemed or paid off.

## **mortgage fund**

A mutual fund that invests primarily in mortgages on real estate located in Canada.

## **mutual fund**

A fund that invests in a variety of other investments and is managed by a professional portfolio advisor.

## **net asset value**

The value of the segregated fund's total assets less its total liabilities.

## **net asset value per unit**

The net asset value of a segregated fund divided by the number of units outstanding. It's also known as the unit price.

## **no-load units**

Units of a segregated fund that don't charge a fee to buy or sell them.

## **option**

The right or obligation to buy or sell a specified quantity of a security at a fixed price within a stipulated time.

## **payout annuity**

An investment that provides you with a series of guaranteed payments for a specified number of years after retirement, for your lifetime, or for the lifetime of both you and the joint annuitant. The amount of the payments depends on your age, the amount of money invested and the type of annuity selected.

## **portfolio turnover rate**

An indicator of how actively the fund's portfolio advisor trades the fund's investments. If the fund bought and sold all of its investments once during the year, it would have a portfolio turnover rate of 100%. The higher a fund's portfolio turnover rate in a year:

- the more the fund must pay during the year for costs associated with trading, and
- the greater the chance the fund will generate taxable capital gains or losses in that year.

There is not necessarily a relationship between a high turnover rate and the performance of a fund.

## **registered plan**

A tax-sheltered plan that is a Registered Retirement Savings Plan (RRSP), Locked in RRSP, Locked-In Retirement Account (LIRA), Registered Retirement Income Fund (RRIF), Life Income Fund (LIF) or Locked-in Retirement Income Fund (LRIF).

## **Registered Retirement Income Fund (RRIF)**

A plan that can be used to convert investments in an RRSP to a steady stream of income (Funds in an RRSP must be either withdrawn or converted to such a plan, no later than December 31 of the year you turn 69.) Once funds are in a RRIF, each year you may withdraw as much as you like, however, you must withdraw at least the minimum specified by the Income Tax Act (Canada).

## **Registered Retirement Savings Plan (RRSP)**

A tax-deferred plan that allows you to invest money within certain limits until age 69. Contributions are deductible from your taxable income and can grow tax-free.

## **subsidiary**

A company owned and controlled by another company.

## **term to maturity**

The time until a loan, bond or debenture comes due and must be redeemed or paid off.

## **top-down**

An investment management approach that looks at a market or country in general to see if there are favourable opportunities for investing.

## **treasury bill (T-bill)**

Short-term government debt that doesn't pay interest, but are sold at a discount. The difference between the discounted price and the face (or par) value is the return you receive on your investment.

## **underlying fund**

A mutual fund in which a segregated fund invests.

## **unit price**

The price at which units of the segregated funds are bought, exchanged and sold. It's the fund's net asset value divided by the number of units outstanding. The unit price is also known as the net asset value per unit.

## **U.S. equity fund**

A mutual fund that invests primarily in common shares of companies in the United States.



# Clarica SF Alpine Canadian Resources Fund (Inception Date: January 1998)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of Clarica Alpine Canadian Resources Fund or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of Clarica Alpine Canadian Resources Fund or another substantially similar mutual fund.

## Underlying Fund

Clarica Alpine Canadian Resources Fund

## Investment Objective of the Underlying Fund

To provide long-term capital growth. The underlying fund will invest mainly in equity securities of Canadian companies engaged in the discovery, development or extraction of oil, gas or metals.

## Investment Policy of the Underlying Fund

The portfolio adviser uses a bottom-up growth style of investing. It uses the following strategies to achieve the fund's investment objectives:

- a focus on small to large-size companies associated with the natural resource industry. The portfolio adviser chooses what it believes are the best companies for the portfolio, looking for those with a growth management style and good growth prospects
- a relatively high number of holdings allows the portfolio adviser to invest in small and mid-size companies in a specific market sector without substantially increasing the risk commonly associated with these types of companies
- investing in companies outside of Canada to access sectors of the market that are not adequately represented in Canada. The fund may invest in foreign stocks up to the limit allowed.
- investing in stocks for the long term, using a 'buy and hold' philosophy.

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- interest rate risk
- liquidity risk
- foreign exchange risk
- foreign investment risk
- risk of investing in equities
- risk of investing in derivatives
- risk of securities lending
- small capitalization risk
- class risk.

## Top 10 Holdings of the Underlying Fund (May 31, 2004)

Teck Cominco Ltd.	3.9%
Nexen Inc.	3.8%
EnCana Corp.	3.4%
Alcan Inc.	3.0%
Fording Canadian Coal Trust	3.0%
Inco Ltd.	2.8%
Precision Drilling Corp.	2.8%
Penn West Petroleum Ltd.	2.7%
Domtar Inc.	2.7%
Trican Well Service Ltd.	2.5%

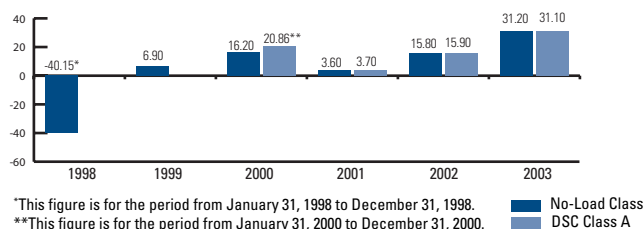
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance.

**Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.**

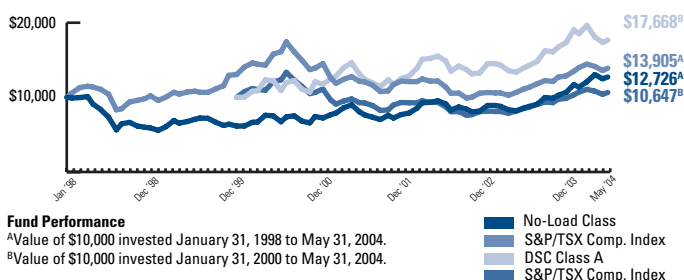
## Year-by-year returns of the Segregated Fund (%)

The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.



## Overall past performance of the Segregated Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to the S&P/TSX Composite Index.



## Compound Annual Returns of the Segregated Fund (May 31, 2004)

The following table shows the annual compound total return of the Fund, as compared to the S&P/TSX Composite Index.

	1 year	3 years	5 years	10 years	Life
No-Load Class (%)	36.8	9.3	12.4	-	3.8
DSC Class A (%)	36.8	9.3	-	-	13.4
S&P/TSX Composite Index (%)	24.9	2.9	5.9	-	5.3

# Clarica SF Alpine Growth Equity Fund (Inception Date: January 1998)

## Investment Objectives of the Segregated Fund

To invest all of its net assets in units of Clarica Alpine Growth Equity Fund or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of Clarica Alpine Growth Equity Fund or another substantially similar mutual fund.

## Underlying Fund

Clarica Alpine Growth Equity Fund

## Investment Objective of the Underlying Fund

To provide capital growth through investments in growth industries. The underlying fund will invest mainly in equity securities of small to medium sized Canadian companies that are expected to profit from future economic growth.

## Investment Policy of the Underlying Fund

The underlying fund's portfolio adviser uses a bottom-up style of investing. It uses the following strategies to achieve the fund's investment objectives:

- a focus on small and medium-sized Canadian companies. The portfolio adviser chooses what it believes are the best companies for the portfolio, looking for those with good growth prospects. The underlying fund may hold these companies as they grow to become large companies, resulting in some large-capitalization holdings in the portfolio
- investing in stocks for the long term, using a 'buy and hold' philosophy.

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- liquidity risk
- foreign exchange risk
- foreign investment risk
- risk of investing in equities
- risk of investing in derivatives
- risk of securities lending
- class risk.

In addition, stocks issued by small and medium sized companies are generally more volatile than stocks of larger companies.

## Top 10 Holdings of the Underlying Fund (May 31, 2004)

Cambior Inc.	2.4%
Compton Petroleum Corp.	2.4%
Sherritt International Corp.	2.2%
Geac Computer Corp., Ltd.	2.1%
Extendicare Inc.	1.9%
Open Text Corp.	1.9%
Canfor Corp.	1.9%
Methanex Corp.	1.8%
IPSCO Inc.	1.8%
Toromont Industries Ltd.	1.7%

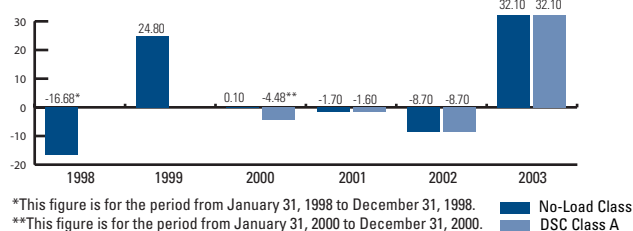
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance.

**Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.**

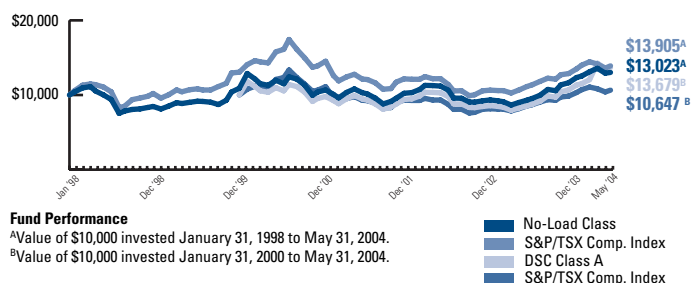
## Year-by-year returns of the Segregated Fund (%)

The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.



## Overall past performance of the Segregated Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to the S&P/TSX Composite Index.



## Compound Annual Returns of the Segregated Fund (May 31, 2004)

The following table shows the annual compound total return of the Fund, as compared to the S&P/TSX Composite Index.

	1 year	3 years	5 years	10 years	Life
No-Load Class (%)	34.9	5.1	7.2	-	4.2
DSC Class A (%)	34.9	5.1	-	-	7.1
S&P/TSX Composite Index (%)	24.9	2.9	5.9	-	5.3

# Clarica SF Canadian Blue Chip Fund (Inception Date: January 1998)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of Clarica Canadian Blue Chip Fund or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of Clarica Canadian Blue Chip Fund or another substantially similar mutual fund.

## Underlying Fund

Clarica Canadian Blue Chip Fund

## Investment Objective of the Underlying Fund

To provide investors with long-term capital growth by investing in equity securities of large companies with above average growth potential. Under normal circumstances, the underlying fund will invest mainly in common stocks of large Canadian companies. When considered appropriate, in light of economic and market conditions, the underlying fund may also invest in preferred shares, short-term debt securities and debt securities convertible to equity securities.

## Investment Policy of the Underlying Fund

The portfolio adviser uses a combination of top-down and bottom-up styles of investing, seeking growth at a reasonable price through fundamental research while maintaining a prudent level of diversification.

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- interest rate risk
- foreign exchange risk
- foreign investment risk
- risk of investing in fixed income investments
- risk of investing in equities
- risk of securities lending
- risk of repurchase and reverse repurchase agreements
- segregated funds with more than one class of units
- risk of investing in derivatives
- class risk.

## Top 10 Holdings of the Underlying Fund (May 31, 2004)

Petro-Canada	5.2%
Manulife Financial Corp.	4.9%
Royal Bank of Canada	3.9%
EnCana Corp.	3.3%
Toronto-Dominion Bank	3.0%
CP Railway Ltd.	2.8%
Bank of Nova Scotia	2.8%
Alcan Inc.	2.8%
Barrick Gold Corp.	2.6%
Cameco Corp.	2.3%

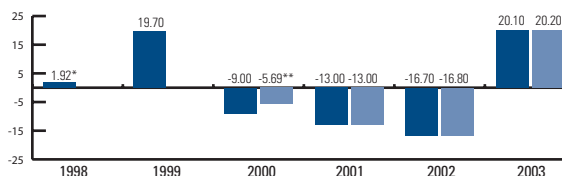
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance.

**Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.**

## Year-by-year returns of the Segregated Fund (%)

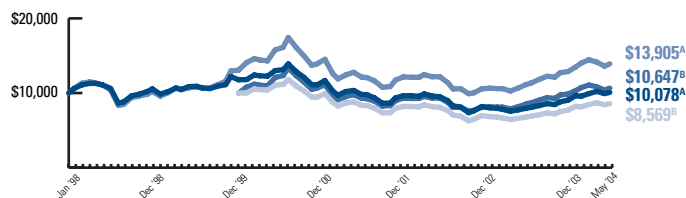
The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.



\*This figure is for the period from January 31, 1998 to December 31, 1998. \*\*This figure is for the period from January 31, 2000 to December 31, 2000.

## Overall past performance of the Segregated Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to S&P/TSX Composite Index.



## Fund Performance

<sup>A</sup>Value of \$10,000 invested January 31, 1998 to May 31, 2004.

<sup>B</sup>Value of \$10,000 invested January 31, 2000 to May 31, 2004.

## Compound Annual Returns of the Segregated Fund (May 31, 2004)

The following table shows the annual compound total return of the Fund, as compared to the S&P/TSX Composite Index.

	1 year	3 years	5 years	10 years	Life
No-Load Class (%)	21.7	-2.2	-1.6	-	0.1
DSC Class A (%)	21.7	-2.1	-	-	-3.3
S&P/TSX Composite Index (%)	24.9	2.9	5.9	-	5.3

# Clarica SF Canadian Diversified Fund (Inception Date: January 1998)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of Clarica Canadian Diversified Fund or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of Clarica Canadian Diversified Fund or another substantially similar mutual fund.

## Underlying Fund

Clarica Canadian Diversified Fund

## Investment Objective of the Underlying Fund

To provide investors with a portfolio of diversified investments, which emphasizes long-term growth, while also providing a moderate source of income. Under normal circumstances, the underlying fund will invest mainly in equity securities, bonds, debentures, mortgages, asset-backed securities, short-term debt securities, and other investments.

## Investment Policy of the Underlying Fund

The portfolio adviser uses a bottom-up style of investing for equity securities emphasizing internally generated research. In choosing equity securities, the portfolio adviser focuses on large, financially sound companies that are expected to generate above average long-term earnings growth and/or offer attractive relative value. For bonds, it uses a conservative management style, in that it reviews economic and financial market conditions and adjust the portfolio's duration to optimize the effect interest rate changes may have on unit values. The underlying fund generally maintains an asset mix of:

- equity securities (including foreign equities), bonds, debentures and first mortgages based on the outlook of the portfolio adviser
- investing any balance in short-term debt securities, cash and other investments.

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- interest rate risk
- credit risk
- foreign exchange risk
- foreign investment risk
- risk of investing in fixed income investments
- risk of investing in equities
- risk of investing in derivatives
- risk of securities lending
- risk of repurchase and reverse repurchase agreements
- class risk.

In addition, the Underlying Fund's market value can be expected to be more volatile, the more its portfolio is invested in equity securities.

## Top 10 Holdings of the Underlying Fund (May 31, 2004)

Canada Government Bond 5.75% 09/01/06	4.0%
Canada Government Bond 7% 12/01/06	3.3%
Petro-Canada	3.2%
Manulife Financial Corp.	3.0%
Royal Bank of Canada	2.7%
EnCana Corp.	2.2%
Toronto-Dominion Bank	2.0%
CP Railway Ltd.	1.9%
Barrick Gold Corp.	1.8%
Cameco Corp.	1.6%

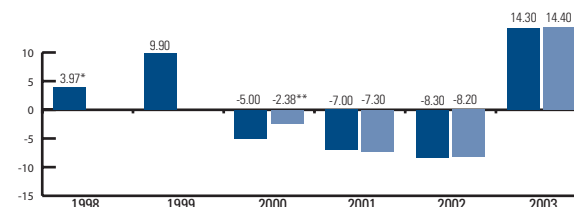
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance.

**Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.**

## Year-by-year returns of the Segregated Fund (%)

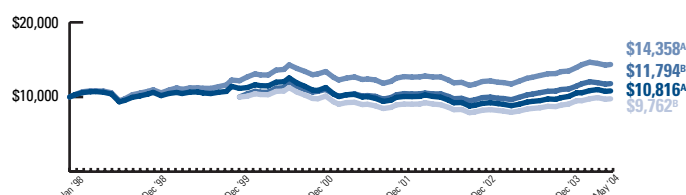
The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.



\*This figure is for the period from January 31, 1998 to December 31, 1998.  
\*\*This figure is for the period from January 31, 2000 to December 31, 2000.

## Overall past performance of the Segregated Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to a blend of 45% SC Universe Bond Index, 40% S&P/TSX Composite Index, 10% S&P 500 and 5% MSCI EAFE.



**Fund Performance**  
<sup>A</sup>Value of \$10,000 invested January 31, 1998 to May 31, 2004.  
<sup>B</sup>Value of \$10,000 invested January 31, 2000 to May 31, 2004.

## Compound Annual Returns of the Segregated Fund (May 31, 2004)

The following table shows the annual compound total return of the Fund, as compared to a blend of 45% SC Universe Bond Index, 40% S&P/TSX Composite Index, 10% S&P 500 and 5% MSCI EAFE.

	1 year	3 years	5 years	10 years	Life
No-Load Class (%)	13.9	0.8	0.3	-	1.2
DSC Class A (%)	14.0	0.9	-	-	-0.5
Blended Index (%)	14.8	4.2	5.4	-	5.9

# Clarica SF Canadian Equity Fund (Inception Date: January 2000)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of Clarica Canadian Equity Fund or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of Clarica Canadian Equity Fund or another substantially similar mutual fund.

## Underlying Fund

Clarica Canadian Equity Fund

## Investment Objective of the Underlying Fund

To provide long-term capital growth. The underlying fund will invest primarily in common shares of Canadian companies listed on the S&P/TSX Composite Index.

## Investment Policy of the Underlying Fund

The portfolio adviser uses a bottom-up growth style of investing. It chooses what they believe are the best companies for the portfolio, looking for those with good growth prospects.

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- risk of investing in equities
- risk of investing in derivatives
- risk of securities lending
- class risk.

## Top 10 Holdings of the Underlying Fund (May 31, 2004)

Royal Bank of Canada	7.4%
Bank of Nova Scotia	6.2%
Bank of Montreal	5.2%
Petro-Canada	4.0%
Imperial Oil Ltd.	3.8%
Alcan Inc.	3.6%
Barrick Gold Corp.	3.2%
Quebecor World Inc.	3.1%
Magna International Inc.	3.0%
Power Corp. of Canada	2.9%

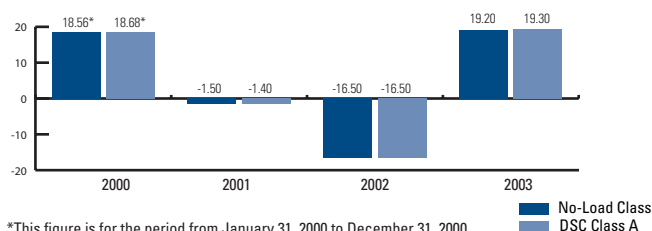
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance.

**Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.**

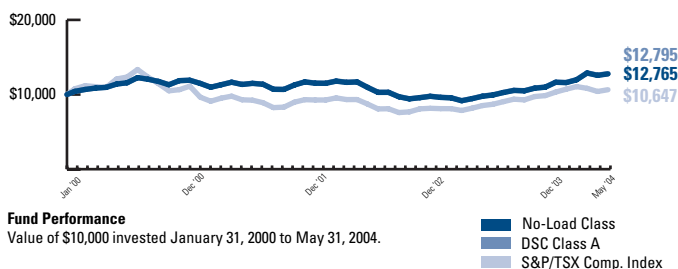
## Year-by-year returns of the Segregated Fund (%)

The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.



## Overall past performance of the Segregated Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to the S&P/TSX Composite Index.



## Compound Annual Returns of the Segregated Fund (May 31, 2004)

The following table shows the annual compound total return of the Fund, as compared to the S&P/TSX Composite Index.

	1 year	3 years	5 years	10 years	Life
No-Load Class (%)	20.8	0.5	-	-	5.5
DSC Class A (%)	20.8	0.5	-	-	5.6
S&P/TSX Composite Index (%)	24.9	2.9	-	-	1.5

# Clarica SF Canadian Small/Mid Cap Fund (Inception Date: January 1998)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of Clarica Canadian Small/Mid Cap Fund or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of Clarica Canadian Small/Mid Cap Fund or another substantially similar mutual fund.

## Underlying Fund

Clarica Canadian Small/Mid Cap Fund

## Investment Objective of the Underlying Fund

To provide investors with long-term capital growth through investment in equity securities of small and medium size companies with above average growth potential. Under normal circumstances, the underlying fund will invest mainly in common stocks of small and medium size Canadian companies which are listed for trading on a stock exchange. When considered appropriate, in light of economic and market conditions, the underlying fund may also invest in short-term debt securities, preferred shares and debt securities convertible into equity securities.

## Investment Policy of the Underlying Fund

The portfolio adviser uses a combination of top-down and bottom-up styles of investing, seeking growth at a reasonable price.

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- interest rate risk
- liquidity risk
- foreign exchange risk
- foreign investment risk
- risk of investing in fixed income investments
- risk of investing in equities
- risk of securities lending
- risk of repurchase and reverse repurchase agreements
- segregated funds with more than one class of units
- credit risk
- small capitalization risk.

In addition, stocks issued by small and medium sized companies are generally more volatile than stocks of larger companies.

## Top 10 Holdings of the Underlying Fund (May 31, 2004)

Transcontinental Inc.	2.3%
Shoppers Drug Mart Corp.	2.2%
Axcan Pharmaceutical Inc.	2.2%
Vincor International Inc.	2.0%
Manitoba Telecom Services Inc.	2.0%
Lionore Mining International Ltd.	1.9%
Power Corp. of Canada	1.9%
Penn West Petroleum Ltd.	1.9%
PetroKazakhstan Inc.	1.9%
Power Financial Corp.	1.8%

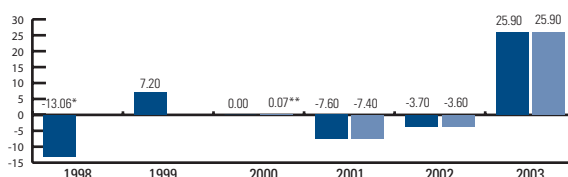
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance.

**Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.**

## Year-by-year returns of the Segregated Fund (%)

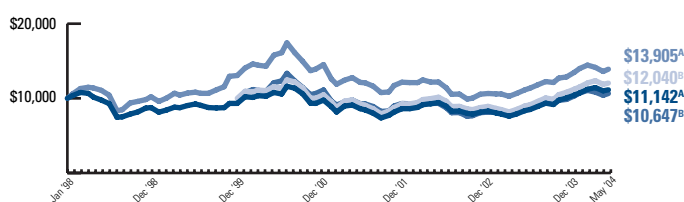
The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.



\*This figure is for the period from January 31, 1998 to December 31, 1998. **No-Load Class**  
 \*\*This figure is for the period from January 31, 2000 to December 31, 2000. **DSC Class A**

## Overall past performance of the Segregated Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to the the S&P/TSX Composite Index.



**Fund Performance**  
<sup>A</sup>Value of \$10,000 invested January 31, 1998 to May 31, 2004.  
<sup>B</sup>Value of \$10,000 invested January 31, 2000 to May 31, 2004.

## Compound Annual Returns of the Segregated Fund (May 31, 2004)

The following table shows the annual compound total return of the Fund, as compared to the S&P/TSX Composite Index.

	1 year	3 years	5 years	10 years	Life
No-Load Class (%)	29.7	5.9	4.4	-	1.7
DSC Class A (%)	29.7	6.0	-	-	4.2
S&P/TSX Composite Index (%)	24.9	2.9	5.9	-	5.3

# Clarica SF CI Asian and Pacific Fund (Inception Date: January 2001)

(formerly Clarica SF Asia & Pacific Rim Equity Fund)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of CI Pacific Fund or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of CI Pacific Fund or another substantially similar mutual fund.

## Underlying Fund

CI Pacific Fund

## Investment Objective of the Underlying Fund

To obtain maximum long-term capital growth. It invests primarily in equity and equity-related securities of established companies that the portfolio adviser believes have good growth potential. These companies operate in or are listed on stock exchanges in the Asia and Pacific Rim region. The underlying fund may invest in any country in the region.

## Investment Policy of the Underlying Fund

The portfolio adviser analyzes the global economy and the economies of Asia and the Pacific Rim, as well as the industries in those regions. Based on this analysis, it identifies the countries and then selects the companies that it believes offer potential for strong growth.

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- liquidity risk
- foreign exchange risk
- foreign investment risk
- risk of investing in fixed income investments
- risk of investing in equities
- risk of investing in derivatives
- risk of securities lending
- risk of repurchase and reverse repurchase agreements
- interest rate risk
- bottom fund risk
- class risk.

## Top 10 Holdings of the Underlying Fund (May 31, 2004)

SMFG Finance Ltd., 2.25% 7/11/05	4.1%
PTT Exploration & Production PCL	3.4%
Sumitomo Realty & Development Co. Ltd.	2.7%
Beijing Datang Power Generation Co., Ltd.	2.7%
Toyota Industries Corp.	2.0%
State Bank of India Ltd.	2.0%
Ito-Yokado Co. Ltd.	1.9%
Mitsubishi Corp.	1.9%
Mitsubishi Estate Co. Ltd.	1.9%
CNOOC LTD	1.8%

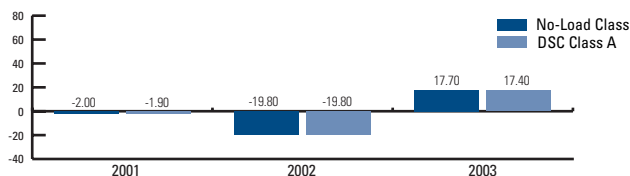
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance. Prior to August 29, 2003 this segregated fund invested in units of a different underlying fund.

**Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.**

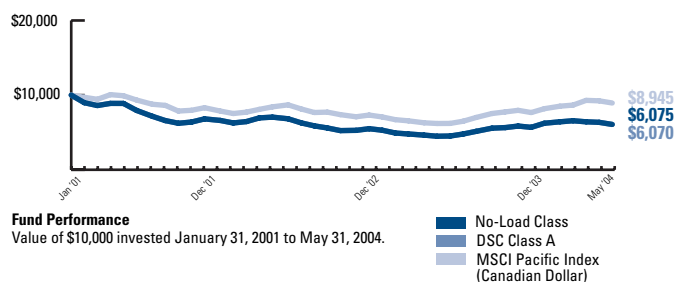
## Year-by-year returns of the Segregated Fund (%)

The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.



## Overall past performance of the Segregated Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to the MSCI Pacific Index. (Canadian Dollar).



## Compound Annual Returns of the Segregated Fund (May 31, 2004)

The following table shows the annual compound total return of the Fund, as compared to the MSCI Pacific Index. (Canadian Dollar).

	1 year	3 years	5 years	10 years	Life
No-Load Class (%)	44.5	-9.7	-	-	-13.2
DSC Class A (%)	44.5	-9.8	-	-	-13.3
MSCI Pacific Index (%) (Canadian Dollar)	44.0	-3.4	-	-	-5.0

# Clarica SF CI Canadian Balanced Portfolio (Inception Date: August 2003)

## Investment Objectives of the Segregated Fund

To invest all of its net assets in units of CI Canadian Balanced Portfolio or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of CI Canadian Balanced Portfolio or another substantially similar mutual fund.

## Underlying Fund

CI Canadian Balanced Portfolio

## Investment Objective of the Underlying Fund

To provide a balance between income and long-term capital growth while diversifying risk by investing in income and equity mutual funds.

## Investment Policy of the Underlying Fund

The portfolio adviser uses strategic asset allocation as the principal investment strategy. In determining the portfolio's target asset allocations, the portfolio adviser considers, among other factors, each mutual fund's investment objective and strategies, past performance and historical volatility in the context of a diversified holding of mutual funds suitable for the investment objective of the portfolio.

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- class risk
- interest rate risk
- credit risk
- liquidity risk
- foreign exchange risk
- foreign investment risk
- risk of investing in fixed income securities
- risk of investing in equities
- risk of investing in derivatives
- risk of securities lending
- risk of repurchase and reverse repurchase agreements
- segregated funds with more than one class of units
- small capitalization risk.

## Top 10 Holdings of the Underlying Fund (May 31, 2004)

Signature Select Canadian Fund	16.6%
CI Canadian Investment Fund	14.5%
CI Canadian Bond Fund	13.3%
Signature High Income Fund	10.0%
Signature Corporate Bond Fund	9.2%
BPI American Equity Fund	5.2%
CI American Value Sector Fund	5.0%
Harbour Fund	5.0%
CI International Fund	4.7%
CI Global Bond Fund	4.5%

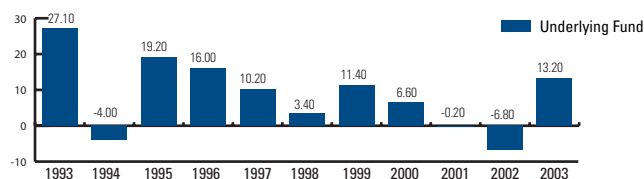
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the underlying fund in the periods shown and are reflected in higher unit values of the underlying fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance.

Past performance should not be construed as being indicative of the future performance of this segregated fund or the underlying fund.

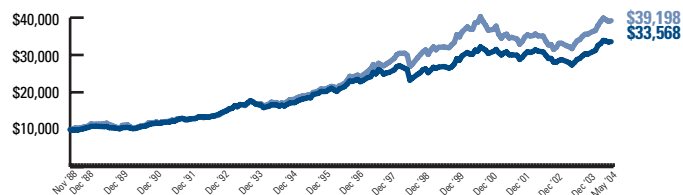
## Year-by-year returns of the Underlying Fund (%)

The following chart shows the year-by-year change in annual performance of the underlying fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year. The Clarica SF CI Canadian Balanced Portfolio was introduced August, 2003. As a result, year-by-year change in performance data is unavailable. The year-by-year change in performance of the segregated fund could be expected to be different from that indicated for the underlying fund.



## Overall past performance of the Underlying Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the underlying fund, as compared to a blend of 40% SC Universe Bond Index, 35% S&P/TSX Composite Index and 25% MSCI World Index. The Clarica SF CI Canadian Balanced Portfolio was introduced August, 2003. As a result, performance data is unavailable. The hypothetical \$10,000 investment in the segregated fund could be expected to be different from that indicated for the underlying fund.



**Underlying Fund Performance**  
Value of \$10,000 invested November 30, 1988 to May 31, 2004.

## Compound Annual Returns of the Underlying Fund (May 31, 2004)

The following table shows the annual compound total return of the underlying fund, as compared to a blend of 40% SC Universe Bond Index, 35% S&P/TSX Composite Index and 25% MSCI World Index. The Clarica SF CI Canadian Balanced Portfolio was introduced August, 2003. As a result, performance data is unavailable. Performance of the segregated fund could be expected to be different from that indicated for the underlying fund.

	1 year	3 years	5 years	10 years	Life
Underlying Fund (%)	16.6	2.9	4.9	7.3	8.1
Blended Index (%)	15.9	3.3	4.6	8.8	9.2



# Clarica SF CI Canadian Conservative Portfolio (Inception Date: April 2003)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of CI Canadian Conservative Portfolio or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of CI Canadian Conservative Portfolio or another substantially similar mutual fund.

## Underlying Fund

CI Canadian Conservative Portfolio

## Investment Objective of the Underlying Fund

To provide a balance between income and capital growth at lower than average levels of volatility by investing in income and equity mutual funds.

## Investment Policy of the Underlying Fund

The portfolio adviser uses strategic asset allocation as the principal investment strategy. In determining the portfolio's target asset allocations, the portfolio adviser considers, among other factors, each underlying fund's investment objective and strategies, past performance and historical volatility in the context of a diversified holding of underlying funds suitable for the investment objective of the portfolio.

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- credit risk
- class risk
- foreign exchange risk
- risk of investing in derivatives
- risk of investing in equities
- foreign investment risk
- interest rate risk
- liquidity risk
- risk of securities lending
- segregated funds with more than one class of units
- small capitalization risk.

## Top 10 Holdings of the Underlying Fund (May 31, 2004)

CI Canadian Bond Fund	18.6%
Signature High Income Fund	15.3%
Signature Corporate Bond Fund	14.4%
Signature Select Canadian Fund	10.4%
CI Global Bond Fund	9.4%
CI Canadian Investment Fund	9.4%
CI International Fund	3.4%
CI International Value Fund	3.4%
BPI American Equity Fund	3.1%
CI American Value Sector	3.1%

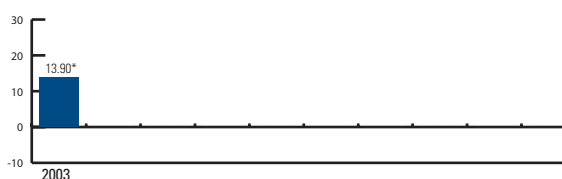
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance.

**Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.**

## Year-by-year returns of the Segregated Fund (%)

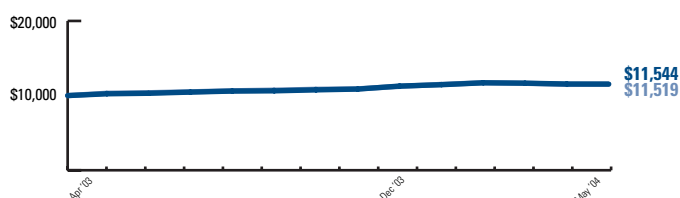
The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.



\*This figure is for the period from April 30, 2003 to December 31, 2003.

## Overall past performance of the Segregated Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to a blend of 60% SC Universe Bond Index, 25% S&P/TSX Composite Index and 15% MSCI World Index.



## Underlying Fund Performance

Value of \$10,000 invested April 30, 2003 to May 31, 2004.

## Compound Annual Returns of the Segregated Fund (May 31, 2004)

The following table shows the annual compound total return of the Fund, as compared to a blend of 60% SC Universe Bond Index, 25% S&P/TSX Composite Index and 15% MSCI World Index.

	1 year	3 years	5 years	10 years	Life
Fund (%)	12.8	-	-	-	14.3
Blended Index (%)	11.8	-	-	-	6.1

# Clarica SF CI Canadian Income Portfolio (Inception Date: April 2003)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of CI Canadian Income Portfolio or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of CI Canadian Income Portfolio or another substantially similar mutual fund.

## Underlying Fund

CI Canadian Income Portfolio

## Investment Objective of the Underlying Fund

To emphasize income by investing primarily in income-oriented mutual funds. The portfolio may also invest in equity mutual funds to achieve modest capital appreciation.

## Investment Policy of the Underlying Fund

The portfolio adviser uses strategic asset allocation as the principal investment strategy. In determining the portfolio's target asset allocations, the portfolio adviser considers, among other factors, each underlying fund's investment objective and strategies, past performance and historical volatility in the context of a diversified holding of underlying funds suitable for the investment objective of the portfolio.

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- class risk
- credit risk
- foreign exchange risk
- risk of investing in derivatives
- risk of investing in equities
- foreign investment risk
- interest rate risk
- liquidity risk
- risk of securities lending
- segregated funds with more than one class of units
- small capitalization risk.

## Top Holdings of the Underlying Fund (May 31, 2004)

CI Canadian Bond Fund	28.5%
Signature Corporate Bond Fund	19.6%
Signature High Income Fund	15.6%
CI Global Bond Fund	14.5%
Signature Select Canadian Fund	6.4%
CI Canadian Investment Fund	4.3%
CI International Fund	2.3%
CI International Value Fund	2.3%
BPI American Equity Fund	2.1%
CI American Value Sector Fund	2.1%

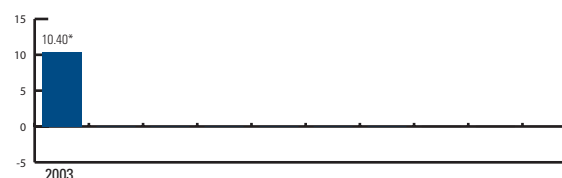
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance.

**Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.**

## Year-by-year returns of the Segregated Fund (%)

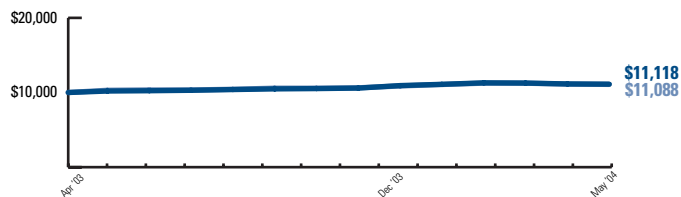
The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.



\*This figure is for the period from April 30, 2003 to December 31, 2003.

## Overall past performance of the Segregated Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to a blend of 80% SC Universe Bond Index, 10% S&P/TSX Composite Index and 10% MSCI World Index.



## Underlying Fund Performance

Value of \$10,000 invested April 30, 2003 to May 31, 2004.

## Compound Annual Returns of the Segregated Fund (May 31, 2004)

The following table shows the annual compound total return of the Fund, as compared to a blend of 80% SC Universe Bond Index, 10% S&P/TSX Composite Index and 10% MSCI World Index.

	1 year	3 years	5 years	10 years	Life
Fund (%)	9.0	-	-	-	10.6
Blended Index (%)	7.7	-	-	-	6.4

# Clarica SF CI Emerging Markets Fund (Inception Date: January 1998)

(formerly Clarica SF Premier Emerging Markets Fund)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of CI Emerging Markets Fund or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of CI Emerging Markets Fund or another substantially similar mutual fund.

## Underlying Fund

CI Emerging Markets Fund

## Investment Objective of the Underlying Fund

To obtain maximum long-term capital growth. The underlying fund invests primarily in equity and equity-related securities of companies that the portfolio adviser believes have good growth potential. These companies are located in emerging markets and emerging industries of any market.

## Investment Policy of the Underlying Fund

The portfolio adviser analyzes the global economy and the economies and industries of various emerging markets. Based on this analysis, it identifies the countries and then the companies that it believes offer potential for strong growth.

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- interest rate risk
- liquidity risk
- foreign exchange risk
- foreign investment risk
- risk of investing in fixed income investments
- risk of investing in equities
- risk of investing in derivatives
- risk of securities lending
- risk of repurchase and reverse repurchase agreements
- credit risk
- class risk
- bottom fund risk.

## Top 10 Holdings of the Underlying Fund (May 31, 2004)

Petroleo Brasileiro SA	2.4%
Samsung Electronics Co., Ltd.	2.4%
Lukoil Holdings	1.9%
CNOOC LTD	1.6%
Korea Fund Inc.	1.6%
Aracruz Celulose SA	1.6%
Telefonos de Mexico SA de CV	1.5%
Ranbaxy Laboratories Ltd.	1.4%
GP Capital Partners LP	1.4%
Sasol Ltd.	1.4%

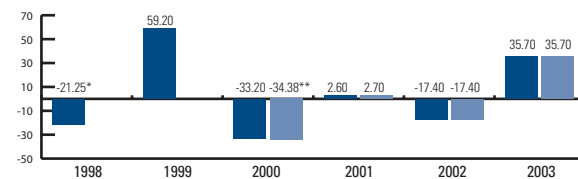
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance. Prior to August 29, 2003, this segregated fund invested in units of a different underlying fund.

**Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.**

## Year-by-year returns of the Segregated Fund (%)

The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.

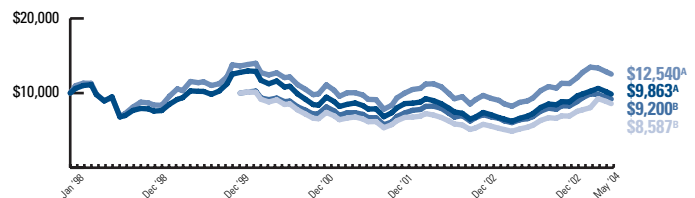


\*This figure is for the period from January 31, 1998 to December 31, 1998.

\*\*This figure is for the period from January 31, 2000 to December 31, 2000.

## Overall past performance of the Segregated Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to the MSCI Emerging Markets Free Index.



## Fund Performance

<sup>A</sup>Value of \$10,000 invested January 31, 1998 to May 31, 2004.

<sup>B</sup>Value of \$10,000 invested January 31, 2000 to May 31, 2004.

## Compound Annual Returns of the Segregated Fund (May 31, 2004)

The following table shows the annual compound total return of the Fund, as compared to the MSCI Emerging Markets Free Index.

	1 year	3 years	5 years	10 years	Life
No-Load Class (%)	36.2	2.8	0.1	-	-0.2
DSC Class A (%)	36.2	2.8	-	-	-3.3
MSCI Emerging Markets Free Index (%)	40.0	7.7	4.0	-	3.6

# Clarica SF CI European Fund (Inception Date: January 2000)

(formerly Clarica SF European Equity Fund)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of CI European Equity Fund or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of CI European Equity Fund or another substantially similar mutual fund.

## Underlying Fund

Clarica European Equity Fund

## Investment Objective of the Underlying Fund

To obtain maximum long-term capital growth. The underlying fund invests primarily in equity and equity-related securities of established European companies and companies with significant operations in Europe that the portfolio adviser believes have potential for future growth. The underlying fund may make limited investments in emerging European markets or emerging industries of any European market.

## Investment Policy of the Underlying Fund

The portfolio adviser analyzes the global economy and the economies and industries of European countries. Based on this analysis, it identifies securities that it believes are undervalued and have the potential for future growth.

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- interest rate risk
- liquidity risk
- foreign exchange risk
- foreign investment risk
- risk of investing in fixed income investments
- risk of investing in equities
- risk of investing in derivatives
- risk of securities lending
- risk of repurchase and reverse repurchase agreements
- segregated funds with more than one class of units
- credit risk
- class risk
- bottom fund risk.

In addition, the Underlying Fund is particularly sensitive to the general economic and stock market conditions in Europe.

## Top 10 Holdings of the Underlying Fund (May 31, 2004)

E.On AG	3.8%
Puma AG	3.2%
Portugal Telecom SA	3.0%
BP PLC	2.9%
Total SA	2.7%
Public Power Corp.	2.5%
Iberdrola SA	2.4%
Forenings Sparbanken AB	2.2%
Vinci SA	2.0%
Eni SPA	1.9%

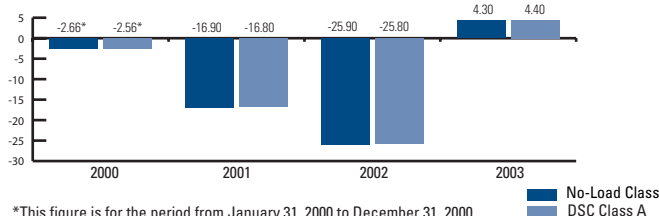
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance. Prior to August 29, 2003, this segregated fund invested in units of a different underlying fund.

Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.

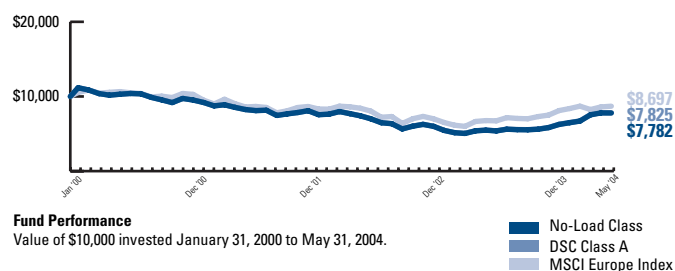
## Year-by-year returns of the Segregated Fund (%)

The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.



## Overall past performance of the Segregated Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to the MSCI Europe Index.



## Compound Annual Returns of the Segregated Fund (May 31, 2004)

The following table shows the annual compound total return of the Fund, as compared to the MSCI Europe Index.

	1 year	3 years	5 years	10 years	Life
No-Load Class (%)	20.6	-8.2	-	-	-5.4
DSC Class A (%)	20.9	-8.0	-	-	-5.3
MSCI Europe Index (%)	28.5	-1.3	-	-	-3.2

# Clarica SF CI Global Balanced Portfolio (Inception Date: April 2003)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of CI Global Balanced Portfolio or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of CI Global Balanced Portfolio or another substantially similar mutual fund.

## Underlying Fund

CI Global Balanced Portfolio

## Investment Objective of the Underlying Fund

To provide long-term capital growth with a moderate level of risk and volatility by investing directly in other mutual funds managed by CI.

## Investment Policy of the Underlying Fund

The portfolio adviser uses strategic asset allocation as the principal investment strategy. In determining the portfolio's target asset allocations, the portfolio adviser considers, among other factors, each underlying fund's investment objective and strategies, past performance and historical volatility in the context of a diversified holding of underlying funds suitable for the investment objective of the portfolio.

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- class risk
- credit risk
- foreign exchange risk
- risk of investing in derivatives
- risk of investing in equities
- foreign investment risk
- interest rate risk
- liquidity risk
- risk of securities lending
- small capitalization risk.

## Top 10 Holdings of the Underlying Fund (May 31, 2004)

Signature Select Canadian Fund	14.2%
CI Canadian Bond Fund	13.8%
CI Canadian Investment Fund	12.2%
Signature Corporate Bond Fund	9.4%
CI American Value Sector Fund	9.1%
BPI American Equity Fund	8.1%
CI International Fund	5.5%
CI International Value Fund	5.4%
CI American Managers Sector Fund	5.1%
BPI International Equity Fund	5.0%

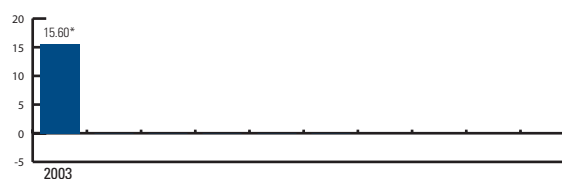
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance.

**Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.**

## Year-by-year returns of the Segregated Fund (%)

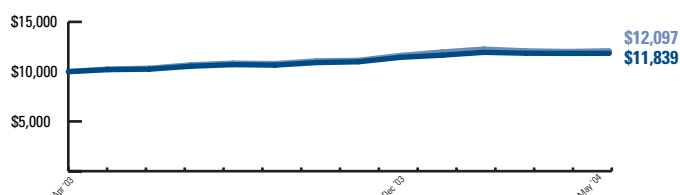
The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.



\*This figure is for the period from April 30, 2003 to December 31, 2003. ■ Fund

## Overall past performance of the Segregated Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to a blend of 30% SC Universe Bond Index, 30% S&P/TSX Composite Index and 40% MSCI World Index.



## Underlying Fund Performance

Value of \$10,000 invested April 30, 2003 to May 31, 2004. ■ Fund ■ Blended Index

## Compound Annual Returns of the Segregated Fund (May 31, 2004)

The following table shows the annual compound total return of the Fund, as compared to a blend of 30% SC Universe Bond Index, 30% S&P/TSX Composite Index and 40% MSCI World Index.

	1 year	3 years	5 years	10 years	Life
Fund (%)	16.1	-	-	-	16.9
Blended Index (%)	17.9	-	-	-	2.9

# Clarica SF CI Global Conservative Portfolio (Inception Date: April 2003)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of CI Global Conservative Portfolio or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of CI Global Conservative Portfolio or another substantially similar mutual fund.

## Underlying Fund

CI Global Conservative Portfolio

## Investment Objective of the Underlying Fund

To provide a conservative total return with lower than average volatility by investing directly in other mutual funds managed by CI.

## Investment Policy of the Underlying Fund

The portfolio adviser uses strategic asset allocation as the principal investment strategy. In determining the portfolio's target asset allocations, the portfolio adviser considers, among other factors, each underlying fund's investment objective and strategies, past performance and historical volatility in the context of a diversified holding of underlying funds suitable for the investment objective of the portfolio.

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- class risk
- credit risk
- foreign exchange risk
- risk of investing in derivatives
- risk of investing in equities
- foreign investment risk
- interest rate risk
- liquidity risk
- risk of securities lending
- small capitalization risk.

## Top 10 Holdings of the Underlying Fund (May 31, 2004)

CI Canadian Bond Fund	18.6%
Signature Select Canadian Fund	11.2%
CI Canadian Investment Fund	10.3%
Signature High Income Fund	10.0%
Signature Corporate Bond Fund	9.5%
CI Global Bond Fund	9.4%
BPI American Equity Fund	5.1%
CI American Value Sector Fund	5.1%
CI International Fund	4.4%
Harbour Fund	4.0%

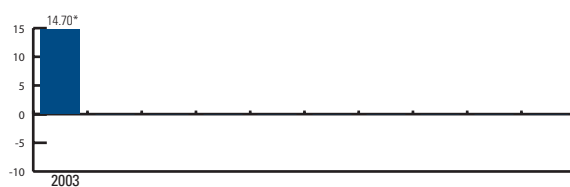
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance.

**Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.**

## Year-by-year returns of the Segregated Fund (%)

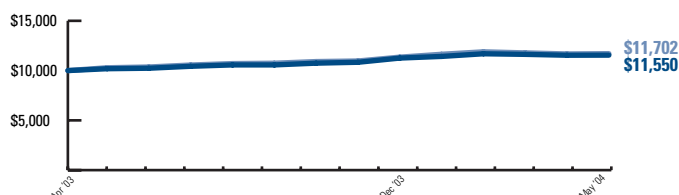
The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.



\*This figure is for the period from April 30, 2003 to December 31, 2003.

## Overall past performance of the Segregated Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to a blend of 50% SC Universe Bond Index, 25% S&P/TSX Composite Index and 25% MSCI World Index.



## Underlying Fund Performance

Value of \$10,000 invested April 30, 2003 to May 31, 2004.

## Compound Annual Returns of the Segregated Fund (May 31, 2004)

The following table shows the annual compound total return of the Fund, as compared to a blend of 50% SC Universe Bond Index, 25% S&P/TSX Composite Index and 25% MSCI World Index.

	1 year	3 years	5 years	10 years	Life
Fund (%)	13.4	-	-	-	15.2
Blended Index (%)	13.8	-	-	-	4.4

# Clarica SF CI Global Fund (Inception Date: April 2003)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of CI Global Fund or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of CI Global Fund or another substantially similar mutual fund.

## Underlying Fund

CI Global Fund

## Investment Objective of the Underlying Fund

To obtain maximum long-term capital growth.

## Investment Policy of the Underlying Fund

It invests primarily in equity and equity-related securities of established companies throughout the world that the portfolio adviser believes have good growth potential. The underlying fund may make large investments in any country, including emerging markets or emerging industries of any market.

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- risk of investing in equities
- foreign investment risk
- foreign exchange risk
- liquidity risk
- credit risk
- interest rate risk
- risk of investing in derivatives
- risk of securities lending
- risk of repurchase and reverse repurchase agreements
- bottom fund risk
- class risk.

## Top 10 Holdings of the Underlying Fund (May 31, 2004)

Microsoft Corp.	2.2%
General Electric Co.	1.9%
Citigroup Inc.	1.5%
Sumitomo Mitsui Financial Group Inc.	1.3%
Vodafone Group PLC	1.1%
SMC Corp.	1.0%
Credit Suisse Group	0.9%
Nomura Holdings Inc.	0.9%
Mitsubishi Tokyo Financial Group Inc.	0.9%
UBS AG	0.9%

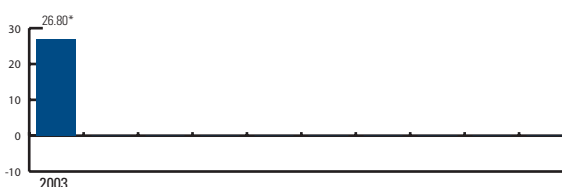
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance.

**Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.**

## Year-by-year returns of the Segregated Fund (%)

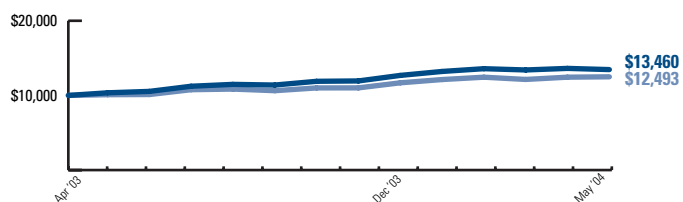
The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.



\*This figure is for the period from April 30, 2003 to December 31, 2003. ■ Fund

## Overall past performance of the Segregated Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to the MSCI World Index.



## Underlying Fund Performance

Value of \$10,000 invested April 30, 2003 to May 31, 2004.

■ Fund  
■ MSCI World Index

## Compound Annual Returns of the Segregated Fund (May 31, 2004)

The following table shows the annual compound total return of the Fund, as compared to the MSCI World Index.

	1 year	3 years	5 years	10 years	Life
Fund (%)	30.0	-	-	-	29.5
MSCI World Index (%)	23.8	-	-	-	8.8

# Clarica SF CI Global Growth Portfolio (Inception Date: April 2003)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of CI Global Growth Portfolio or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of CI Global Growth Portfolio or another substantially similar mutual fund.

## Underlying Fund

CI Global Growth Portfolio

## Investment Objective of the Underlying Fund

To provide long-term capital growth by investing directly in other mutual funds managed by CI.

## Investment Policy of the Underlying Fund

The portfolio adviser uses strategic asset allocation as the principal investment strategy. In determining the portfolio's target asset allocations, the portfolio adviser considers, among other factors, each underlying fund's investment objective and strategies, past performance and historical volatility in the context of a diversified holding of underlying funds suitable for the investment objective of the underlying fund.

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- class risk
- credit risk
- foreign exchange risk
- risk of investing in derivatives
- risk of investing in equities
- foreign investment risk
- interest rate risk
- liquidity risk
- risk of securities lending
- small capitalization risk.

## Top Holdings of the Underlying Fund (May 31, 2004)

Signature Select Canadian Fund	14.0%
CI Canadian Investment Fund	12.1%
CI American Value Sector Fund	11.8%
BPI American Equity Fund	10.0%
CI Canadian Bond Fund	8.9%
CI International Fund	7.8%
BPI International Equity Fund	7.0%
CI International Value Fund	6.5%
Signature Corporate Bond Fund	4.6%
CI Global Bond Fund	4.5%

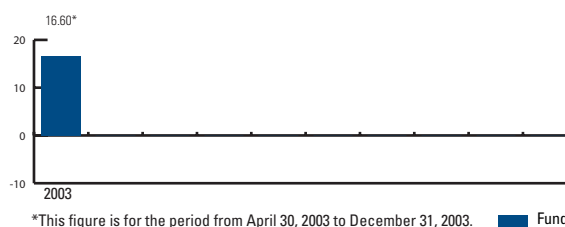
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance.

**Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.**

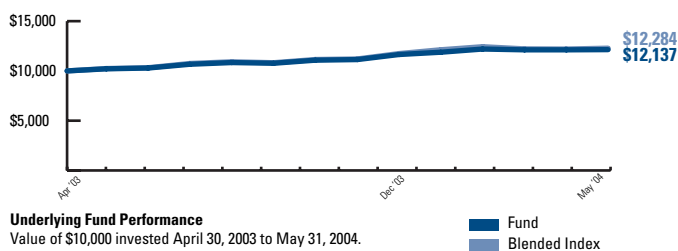
## Year-by-year returns of the Segregated Fund (%)

The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.



## Overall past performance of the Segregated Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to a blend of 50% MSCI World Index, 30% S&P/TSX Composite Index and 20% SC Universe Bond Index.



## Compound Annual Returns of the Segregated Fund (May 31, 2004)

The following table shows the annual compound total return of the Fund, as compared to a blend of 50% MSCI World Index, 30% S&P/TSX Composite Index and 20% SC Universe Bond Index.

	1 year	3 years	5 years	10 years	Life
Fund (%)	18.9	-	-	-	18.4
Blended Index (%)	20.0	-	-	-	1.9



# Clarica SF CI Global Maximum Growth Portfolio (Inception Date: April 2003)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of CI Global Maximum Growth Portfolio or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of CI Global Maximum Growth Portfolio or another substantially similar mutual fund.

## Underlying Fund

CI Global Maximum Growth Portfolio

## Investment Objective of the Underlying Fund

To provide above-average long-term capital growth by investing directly in other mutual funds managed by CI. The portfolio may have a medium-to-higher level of risk and volatility.

## Investment Policy of the Underlying Fund

The portfolio adviser uses strategic asset allocation as the principal investment strategy. In determining the portfolio's target asset allocations, the portfolio adviser considers, among other factors, each underlying fund's investment objective and strategies, past performance and historical volatility in the context of a diversified holding of underlying funds suitable for the investment objective of the underlying fund.

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- class risk
- credit risk
- foreign exchange risk
- risk of investing in derivatives
- risk of investing in equities
- foreign investment risk
- interest rate risk
- liquidity risk
- risk of securities lending
- small capitalization risk.

## Top 10 Holdings of the Underlying Fund (May 31, 2004)

BPI American Equity Fund	15.8%
CI American Value Sector Fund	15.6%
Signature Select Canadian Fund	13.8%
CI Canadian Investment Fund	11.8%
CI International Fund	9.7%
CI International Value Fund	8.4%
BPI International Equity Fund	7.8%
CI American Managers Sector Fund	6.9%
CI American Small Companies Fund	6.1%
Harbour Fund	3.9%

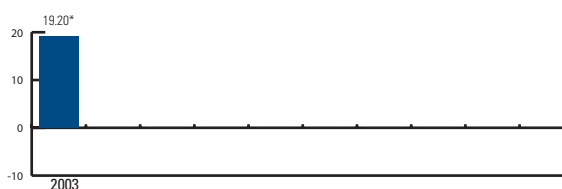
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance.

**Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.**

## Year-by-year returns of the Segregated Fund (%)

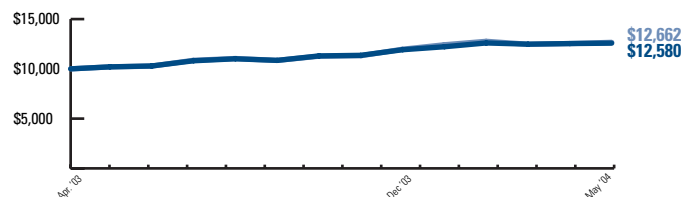
The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.



\*This figure is for the period from April 30, 2003 to December 31, 2003. Fund

## Overall past performance of the Segregated Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to a blend of 70% MSCI World Index and 30% S&P/TSX Composite Index.



**Underlying Fund Performance**  
Value of \$10,000 invested April 30, 2003 to May 31, 2004. Fund Blended Index

## Compound Annual Returns of the Segregated Fund (May 31, 2004)

The following table shows the annual compound total return of the Fund, as compared to a blend of 70% MSCI World Index and 30% S&P/TSX Composite Index.

	1 year	3 years	5 years	10 years	Life
Fund (%)	23.3	-	-	-	22.1
Blended Index (%)	24.2	-	-	-	-0.1

# Clarica SF CI International Balanced Fund (Inception Date: April 2003)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of CI International Balanced Fund or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of CI International Balanced Fund or another substantially similar mutual fund.

## Underlying Fund

CI International Balanced Fund

## Investment Objective of the Underlying Fund

To obtain maximum long-term total return.

## Investment Policy of the Underlying Fund

It invests primarily in equities, equity-related securities and fixed income securities of issuers located throughout the world. The fund is not limited to how much it invests in a country or asset class or keeps invested in each asset class. This will vary according to market conditions.

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- equity risk
- foreign investment risk
- foreign exchange risk
- credit risk
- interest rate risk
- risk of investing in derivatives
- class risk
- bottom fund risk
- risk of securities lending
- risk of repurchase and reverse repurchase agreements.

## Top 10 Holdings of the Underlying Fund (May 31, 2004)

Microsoft Corp.	1.6%
France Government Bond OAT 4% 04/25/09	1.4%
General Electric Co.	1.4%
Citigroup Inc.	1.1%
France Government 5% 10/25/16	1.0%
Sumitomo Mitsui Financial Group Inc.	0.9%
Hellenic Republic GGB 4.5% 05/20/14	0.9%
Japan Government Five Year Bond 0.3% 06/20/08	0.9%
Vodafone Group PLC	0.8%
Inter-American Development Bank 1.9% 07/08/09	0.8%

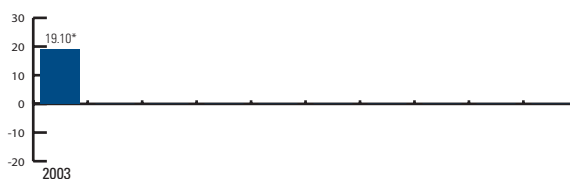
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance.

**Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.**

## Year-by-year returns of the Segregated Fund (%)

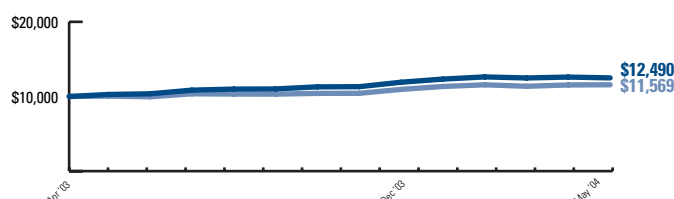
The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.



\*This figure is for the period from April 30, 2003 to December 31, 2003.

## Overall past performance of the Segregated Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to a blend of 60% MSCI World Index and 40% J.P. Morgan Global Government Bond Index.



## Underlying Fund Performance

Value of \$10,000 invested April 30, 2003 to May 31, 2004.

## Compound Annual Returns of the Segregated Fund (May 31, 2004)

The following table shows the annual compound total return of the Fund, as compared to a blend of 60% MSCI World Index and 40% J.P. Morgan Global Government Bond Index.

	1 year	3 years	5 years	10 years	Life
Fund (%)	21.6	-	-	-	21.3
Blended Index (%)	15.1	0.5	1.0	-	7.4

# Clarica SF CI Money Market Fund (Inception Date: April 2003)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of CI Money Market Fund or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of CI Money Market Fund or another substantially similar mutual fund.

## Underlying Fund

CI Money Market Fund

## Investment Objective of the Underlying Fund

To earn income at the highest rate of return that is consistent with preserving capital and maintaining liquidity.

## Investment Policy of the Underlying Fund

It invests primarily in money market instruments that mature in less than 365 days. These include:

- short-term debt obligations issued or guaranteed by the governments of Canada, any province or any agency of these governments
- commercial paper and other high quality short-term debt obligations of Canadian corporations and Canadian chartered banks.

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- interest rate risk
- credit risk
- class risk
- risk of securities lending
- risk of repurchase and reverse repurchase agreements.

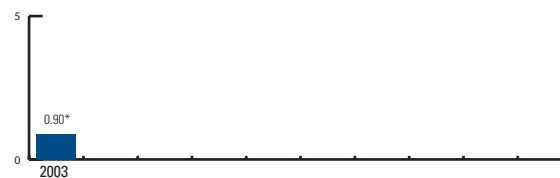
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance.

**Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.**

## Year-by-year returns of the Segregated Fund (%)

The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.



\*This figure is for the period from April 30, 2003 to December 31, 2003. ■ fund

## Compound Annual Returns of the Segregated Fund (May 31, 2004)

The following table shows the annual compound total return of the Fund.

	1 year	3 years	5 years	10 years	Life
Fund (%)	1.0	-	-	-	1.0

# Clarica SF CI Pacific Fund (Inception Date: January 1998)

(formerly Clarica SF Alpine Asian Fund)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of CI Pacific Fund or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of CI Pacific Fund or another substantially similar mutual fund.

## Underlying Fund

CI Pacific Fund

## Investment Objective of the Underlying Fund

To obtain maximum long-term capital growth. It invests primarily in equity and equity-related securities of established companies that the portfolio adviser believes have good growth potential. These companies operate in or are listed on stock exchanges in the Asia and Pacific Rim region. The underlying fund may invest in any country in the region.

## Investment Policy of the Underlying Fund

The portfolio adviser analyzes the global economy and the economies of Asia and the Pacific Rim, as well as the industries in those regions. Based on this analysis, it identifies the countries and then selects the companies that it believes offer potential for strong growth.

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- interest rate risk
- liquidity risk
- foreign exchange risk
- foreign investment risk
- risk of investing in fixed income investments
- risk of investing in equities
- risk of investing in derivatives
- risk of securities lending
- risk of repurchase and reverse repurchase agreements
- bottom fund risk
- class risk

## Top 10 Holdings of the Underlying Fund (May 31, 2004)

SMFG Finance Ltd., 2.25% 7/11/05	4.1%
PTT Exploration & Production PCL	3.4%
Sumitomo Realty & Development Co. Ltd.	2.7%
Beijing Datang Power Generation Co., Ltd.	2.7%
Toyota Industries Corp.	2.0%
State Bank of India Ltd.	2.0%
Ito-Yokado Co. Ltd.	1.9%
Mitsubishi Corp.	1.9%
Mitsubishi Estate Co. Ltd.	1.9%
CNOOC LTD	1.8%

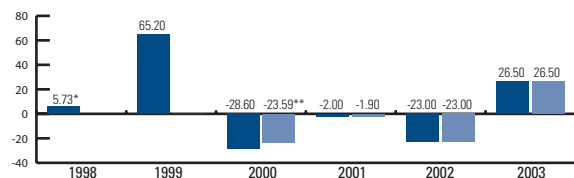
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance. Prior to August 29, 2003, this segregated fund invested in units of a different underlying fund.

**Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.**

## Year-by-year returns of the Segregated Fund (%)

The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.

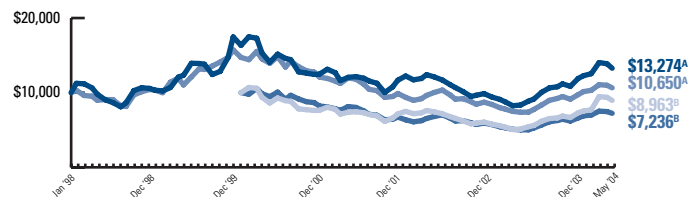


\*This figure is for the period from January 31, 1998 to December 31, 1998.

\*\*This figure is for the period from January 31, 2000 to December 31, 2000.

## Overall past performance of the Segregated Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to the MSCI Pacific Index (Canadian Dollar).



## Fund Performance

<sup>A</sup>Value of \$10,000 invested January 31, 1998 to May 31, 2004.

<sup>B</sup>Value of \$10,000 invested January 31, 2000 to May 31, 2004.

## Compound Annual Returns of the Segregated Fund (May 31, 2004)

The following table shows the annual compound total return of the Fund, as compared to the MSCI Pacific Index (Canadian Dollar).

	1 year	3 years	5 years	10 years	Life
No-Load Class (%)	40.8	0.9	0.3	-	4.5
DSC Class A (%)	40.9	1.0	-	-	-2.4
MSCI Pacific Index (%) (Canadian Dollar)	44.0	-3.4	-0.7	-	1.0

# Clarica SF CI Short-Term Bond Fund (Inception Date: January 2000)

(formerly Clarica SF Short-Term Bond Fund)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of CI Short-Term Bond Fund or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of CI Short-Term Bond Fund or another substantially similar mutual fund.

## Underlying Fund

CI Short Term Bond Fund

## Investment Objective of the Underlying Fund

To provide interest income and a relatively high level of capital stability. The underlying fund invests primarily in debt securities of Canadian issuers maturing in five years or less and in short-term notes.

## Investment Policy of the Underlying Fund

It invests primarily in income securities such as bonds, debentures and notes issued by Canadian federal, provincial and municipal governments and Canadian corporations, and asset-backed securities. It emphasizes bonds of high credit quality. It may invest a portion of its net assets in conventional first mortgages, and it may invest in securities of foreign issuers up to the foreign content limit under the Income Tax Act (currently 30%).

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- interest rate risk
- credit risk
- risk of investing in fixed income investments
- risk of investing in derivatives
- risk of securities lending
- risk of repurchase and reverse repurchase agreements
- class risk
- bottom fund risk.

## Top Holdings of the Underlying Fund (May 31, 2004)

Canada Government Bond 7% 12/01/06	30.6%
Canada Housing Trust No.1, 4.1% 12/15/08	11.4%
Canada Government Bond 4.25% 09/01/08	7.0%
Canada Government Bond 7.25% 06/01/07	5.4%
Household Financial Corp., Ltd., 4.2% 04/13/09	3.4%
NHA MBS #96602297 4.05% 09/01/08	2.7%
TransAlta Corp., 6.25% 11/15/30	2.4%
Hydro One Inc., 4.2% 06/01/06	2.4%
GMAC Ltd., 7.15% 05/05/08	2.0%
Centra Gas Ontario Inc., 7.8% 12/01/06	1.7%

## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance. Prior to August 29, 2003, this segregated fund invested in units of a different underlying fund.

**Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.**

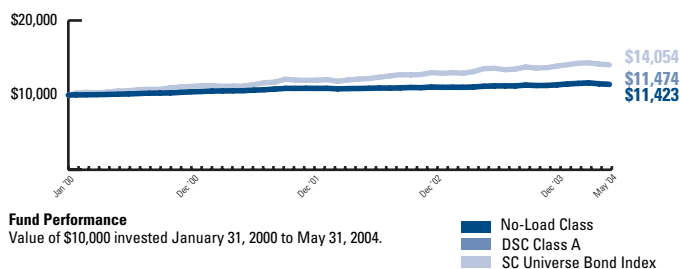
## Year-by-year returns of the Segregated Fund (%)

The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.



## Overall past performance of the Segregated Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to the SC Universe Bond Index.



## Fund Performance

Value of \$10,000 invested January 31, 2000 to May 31, 2004.

## Compound Annual Returns of the Segregated Fund (May 31, 2004)

The following table shows the annual compound total return of the Fund, as compared to the SC Universe Bond Index.

	1 year	3 years	5 years	10 years	Life
No-Load Class (%)	2.1	2.5	-	-	3.0
DSC Class A (%)	2.1	2.6	-	-	3.1
SC Universe Bond Index (%)	3.7	7.8	-	-	8.2

# Clarica SF CI Signature Canadian Balanced Fund (Inception Date: February 1999)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of Signature Canadian Balanced Fund or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of Signature Canadian Balanced Fund or another substantially similar mutual fund.

## Underlying Fund

Signature Canadian Balanced Fund

## Investment Objective of the Underlying Fund

To achieve an attractive total return, consisting of income and capital gains.

## Investment Policy of the Underlying Fund

It invests primarily in a mix of Canadian equity and equity related securities and fixed income securities. The underlying fund is not limited to how much it invests or keeps invested in each asset class. The mix may vary according to market conditions.

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- interest rate risk
- credit risk
- foreign investment risk
- foreign exchange risk
- risk of investing in equities
- risk of investing in derivatives
- short selling risk
- class risk
- securities lending risk
- risk of repurchase and reverse repurchase agreements.

## Top 10 Holdings of the Underlying Fund (May 31, 2004)

Canada Government Bond 5.75% 09/01/06	3.7%
Petro-Canada	3.2%
Canada Government Bond 7% 12/01/06	3.1%
Manulife Financial Corp.	3.0%
Royal Bank of Canada	2.6%
Canada Government Bond 3% 12/01/05	2.5%
EnCana Corp.	2.2%
Toronto-Dominion Bank	2.0%
CP Railway Ltd.	1.9%
Barrick Gold Corp.	1.7%

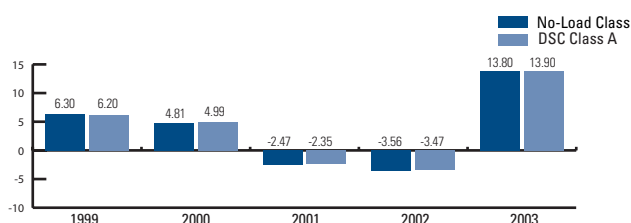
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance.

**Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.**

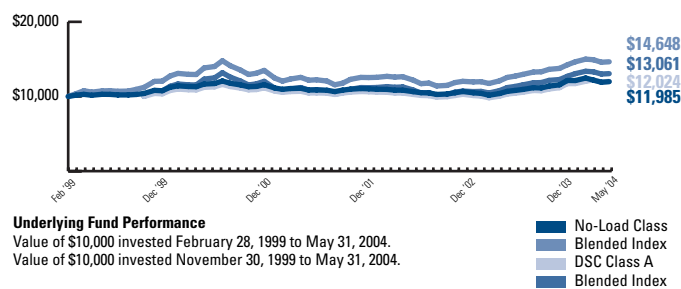
## Year-by-year returns of the Segregated Fund (%)

The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.



## Overall past performance of the Segregated Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to a blend of 60% S&P/TSX Composite Index and 40% SC Universe Bond Index.



## Underlying Fund Performance

Value of \$10,000 invested February 28, 1999 to May 31, 2004.  
Value of \$10,000 invested November 30, 1999 to May 31, 2004.

## Compound Annual Returns of the Segregated Fund (May 31, 2004)

The following table shows the annual compound total return of the Fund, as compared to a blend of 60% S&P/TSX Composite Index and 40% SC Universe Bond Index.

	1 year	3 years	5 years	10 years	Life
No-load Class (%)	14.2	3.2	3.7	-	3.5
DSC Class A (%)	14.1	3.3	-	-	4.1
Blended Index (%)	16.7	5.3	6.7	-	7.5

# Clarica SF CI Signature Corporate Bond Fund (Inception Date: February 1999)

(formerly Clarica SF Trimark Advantage Bond Fund)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of Signature Corporate Bond Fund or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of Signature Corporate Bond Fund or another substantially similar mutual fund.

## Underlying Fund

Signature Corporate Bond Fund

## Investment Objective of the Underlying Fund

To achieve a yield advantage by using fundamental value analysis to evaluate investments. The underlying fund invests mainly in Canadian fixed income securities that are rated below investment grade or not rated.

## Investment Policy of the Underlying Fund

The portfolio adviser selects securities whose fundamental value it believes is not reflected in their credit ratings and yields. It first identifies companies that have the long-term ability to generate sufficient money to service their debt and reinvest in their business. The portfolio adviser also considers the impact of economic trends on interest rates and economic growth. The underlying fund will invest in securities that are rated between AAA and C by Standard and Poor's Corporation or equivalent and may have significant exposure to securities which are rated below investment grade or not rated. The underlying fund may invest primarily in investment grade securities when, in the portfolio adviser's opinion, it would not be prudent under prevailing market conditions or available investment opportunities to invest mainly in lower grade securities.

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- interest rate risk
- credit risk
- foreign exchange risk
- foreign investment risk
- risk of investing in fixed income investments
- risk of investing in derivatives
- risk of securities lending
- risk of repurchase and reverse repurchase agreements
- bottom fund risk
- class risk.

## Top 10 Holdings of the Underlying Fund (May 31, 2004)

Noranda Operating Trust 6.529% 12/20/10	2.1%
Canadian Western Bank 5.96% 10/24/13	2.0%
Teranet Land Info Services 5.737% 03/31/17	2.0%
Greater Toronto Airport Authority 6.45% 12/03/27	2.0%
Scotiabank Capital Trust 6.282% 12/29/49	1.9%
Falconbridge Ltd., 8.5% 12/08/08	1.9%
RBC Capital Trust Capital Securities 5.812% 12/29/49	1.8%
GAZ Capital 7.8% 09/27/10	1.7%
Aeroports De Montreal 6.55% 10/11/33	1.6%
CCIC 2003-WEM B 4.786% 10/15/08	1.6%

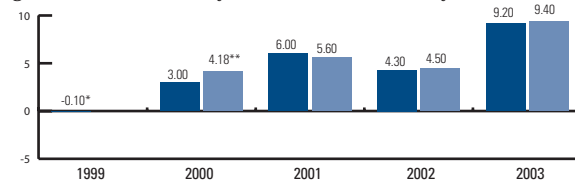
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance. Prior to August 29, 2003, this segregated fund invested in units of a different underlying fund.

**Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.**

## Year-by-year returns of the Segregated Fund (%)

The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.

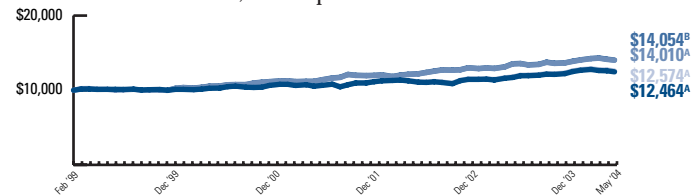


\*This figure is for the period from January 31, 1999 to December 31, 1999.

\*\*This figure is for the period from January 31, 2000 to December 31, 2000.

## Overall past performance of the Segregated Fund

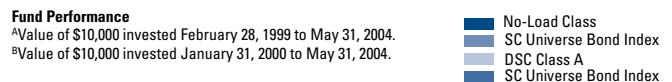
The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to the SC Universe Bond Index.



## Fund Performance

<sup>A</sup>Value of \$10,000 invested February 28, 1999 to May 31, 2004.

<sup>B</sup>Value of \$10,000 invested January 31, 2000 to May 31, 2004.



## Compound Annual Returns of the Segregated Fund (May 31, 2004)

The following table shows the annual compound total return of the Fund, as compared to the SC Universe Bond Index.

	1 year	3 years	5 years	10 years	Life
No-Load Class (%)	7.7	5.5	4.5	-	4.2
DSC Class A (%)	7.8	5.6	-	-	5.2
SC Universe Bond Index (%)	3.7	7.8	6.7	-	6.6

# Clarica SF CI Synergy American Momentum Fund (Inception Date: April 2003)

(formerly Clarica SF CI Landmark American Fund)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of Landmark American Fund or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of Landmark American Fund or another substantially similar mutual fund.

## Underlying Fund

Landmark American Fund

## Investment Objective of the Underlying Fund

To obtain long-term appreciation of capital.

## Investment Policy of the Underlying Fund

It invests primarily in equity and equity-related securities of companies that the portfolio adviser believes have good growth potential. These companies are located in countries that have signed the North American Free Trade Agreement (NAFTA) (or its successor). These countries currently include the United States, Canada and Mexico, but may also include countries that become members of NAFTA in the future.

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- foreign exchange risk
- foreign investment risk
- risk of investing in equities
- risk of investing in derivatives
- risk of securities lending
- interest rate risk
- risk of investing in fixed income securities
- credit risk
- risk of repurchase and reverse repurchase agreements
- bottom fund risk
- class risk.

## Top 10 Holdings of the Underlying Fund (May 31, 2004)

Station Casino	2.4%
DaVita Inc.	2.4%
Ivanhoe Mines Ltd.	2.2%
Chesapeake Corp.	2.2%
Deere & Co.	2.2%
Arrow Electronic Inc.	2.2%
Manulife Financial Corp.	2.1%
Motorola Inc.	2.1%
Adobe Systems Inc.	2.1%
Becton Dickinson & Co.	2.0%

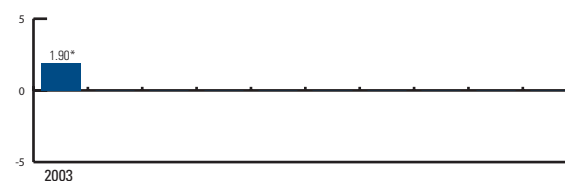
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance.

**Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.**

## Year-by-year returns of the Segregated Fund (%)

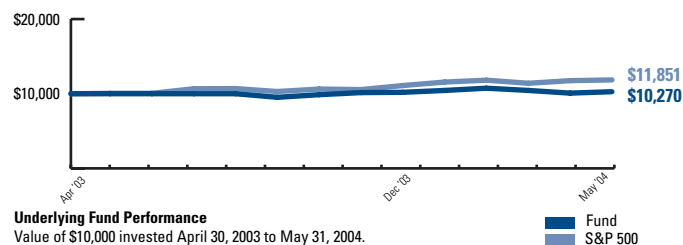
The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.



\*This figure is for the period from April 30, 2003 to December 31, 2003. ■ Fund

## Overall past performance of the Segregated Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to the S&P 500.



### Underlying Fund Performance

Value of \$10,000 invested April 30, 2003 to May 31, 2004.

■ Fund  
■ S&P 500

## Compound Annual Returns of the Segregated Fund (May 31, 2004)

The following table shows the annual compound total return of the Fund, as compared to the S&P 500.

	1 year	3 years	5 years	10 years	Life
Fund (%)	2.7	-	-	-	2.3
S&P 500 (%)	17.8	-6.1	-3.0	11.2	11.8



# Clarica SF CI Value Trust Sector Fund (Inception Date: January 2000)

(formerly Clarica SF US Growth Equity Fund)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of CI Value Trust Sector Fund or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of CI Value Trust Sector Fund or another substantially similar mutual fund.

## Underlying Fund

CI Value Trust Sector Fund

## Investment Objective of the Underlying Fund

To obtain long-term capital growth. The underlying fund invests primarily in equity and equity-related securities of companies in the United States.

## Investment Policy of the Underlying Fund

It follows a value discipline in selecting securities. It seeks to buy securities at large discounts to the portfolio adviser's assessment of their value.

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- foreign exchange risk
- foreign investment risk
- risk of investing in equities
- risk of investing in derivatives
- risk of securities lending
- risk of repurchase and reverse repurchase agreements
- segregated funds with more than one class of units.
- class risk
- bottom fund risk
- interest rate risk.

In addition, the Underlying Fund is particularly sensitive to the general economic and stock market conditions in the United States.

## Top 10 Holdings of the Underlying Fund (May 31, 2004)

Amazon.com, Inc.	7.3%
Tyco International Ltd.	7.1%
Nextel Communications Inc.	6.9%
UnitedHealth Group Inc.	5.6%
InterActiveCorp	4.9%
MGIC Investment Corp.	3.8%
eBay Inc.	3.6%
AES Corp.	3.3%
Washington Mutual Inc.	3.3%
McKesson Corp.	3.0%

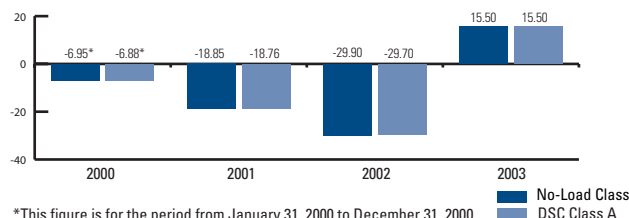
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance. Prior to August 29, 2003, this segregated fund invested in units of a different underlying fund.

**Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.**

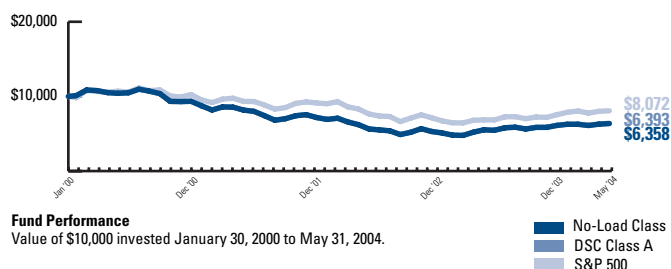
## Year-by-year returns of the Segregated Fund (%)

The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.



## Overall past performance of the Segregated Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to the S&P 500.



## Compound Annual Returns of the Segregated Fund (May 31, 2004)

The following table shows the annual compound total return of the Fund, as compared to the S&P 500.

	1 year	3 years	5 years	10 years	Life
No-Load Class (%)	14.0	-9.7	-	-	-9.5
DSC Class A (%)	14.3	-9.6	-	-	-9.4
S&P 500 (%)	17.8	-6.1	-	-	-4.8

# Clarica SF Fidelity Canadian Asset Allocation Fund (Inception Date: February 1999)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of Fidelity Canadian Asset Allocation Fund or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of Fidelity Canadian Asset Allocation Fund or another substantially similar mutual fund.

## Underlying Fund

Fidelity Canadian Asset Allocation Fund

## Investment Objective of the Underlying Fund

To achieve high total investment returns.

## Investment Policy of the Underlying Fund

This fund uses an asset allocation approach. It invests primarily in a mix of Canadian equity securities, fixed-income securities and money market instruments.

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- interest rate risk
- credit risk
- foreign exchange risk
- foreign investment risk
- risk of investing in fixed income investments
- risk of investing in equities
- risk of investing in derivatives
- risk of securities lending
- risk of repurchase and reverse repurchase agreements
- segregated funds with more than one class of units
- liquidity risk
- small capitalization risk.

In addition, the Underlying Fund's market value can be expected to be more volatile, the more its portfolio is invested in equity securities.

## Top 10 Holdings of the Underlying Fund (December 31, 2003)

BCE Inc	2.8%
Canadian National Railway Co.	2.7%
Loblaws Co Ltd	2.6%
Canadian Imperial Bank Of Commerce	2.5%
Royal Bank of Canada	2.0%
Talisman Energy Inc	1.9%
Bank Of Montreal	1.8%
Magna International Inc Cl A	1.7%
Encana Corp	1.7%
Alcan Inc	1.6%

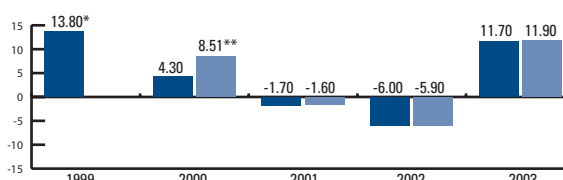
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance.

**Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.**

## Year-by-year returns of the Segregated Fund (%)

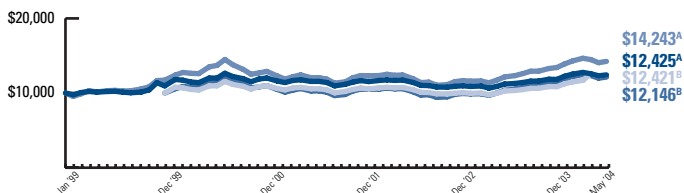
The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.



\*This figure is for the period from January 31, 1999 to December 31, 1999.  
\*\*This figure is for the period from January 31, 2000 to December 31, 2000.

## Overall past performance of the Segregated Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to a blend of 65% S&P/TSX Composite Index, 30% RBC CM Canadian Bond Market Index and 5% 91-day T-Bill Index.



## Fund Performance

<sup>A</sup>Value of \$10,000 invested January 31, 1999 to May 31, 2004.  
<sup>B</sup>Value of \$10,000 invested January 31, 2000 to May 31, 2004.

■ No-Load Class  
■ Blended Index  
■ DSC Class A  
■ Blended Index

## Compound Annual Returns of the Segregated Fund (May 31, 2004)

The following table shows the annual compound total return of the Fund, as compared to a blend of 65% S&P/TSX Composite Index, 30% RBC CM Canadian Bond Market Index and 5% 91-day T-Bill Index.

	1 year	3 years	5 years	10 years	Life
No-Load Class (%)	10.9	1.8	4.2	-	4.2
DSC Class A (%)	10.9	1.9	-	-	4.9
Blended Index (%)	17.1	4.6	7.0	-	6.9

# Clarica SF Fidelity Growth America Fund (Inception Date: February 1999)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of Fidelity Growth America Fund or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of Fidelity Growth America Fund or another substantially similar mutual fund.

## Underlying Fund

Fidelity Growth America Fund

## Investment Objective of the Underlying Fund

To achieve long-term capital growth.

## Investment Policy of the Underlying Fund

It invests primarily in equity securities of U.S. companies.

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- foreign exchange risk
- foreign investment risk
- risk of investing in equities
- risk of investing in derivatives
- risk of securities lending
- risk of repurchase and reverse repurchase agreements
- segregated funds with more than one class of units
- credit risk
- interest rate risk
- liquidity risk
- small capitalization risk.

## Top 10 Holdings of the Underlying Fund (December 31, 2003)

Motorola Inc	3.6%
Pfizer Inc	3.5%
Merck & Co Inc	3.2%
Time Warner Inc	3.1%
Viacom Inc Class B Non-Voting	2.9%
Liberty Media Corp New Class A	2.5%
Inco Ltd	2.5%
Allstate Corporation	2.2%
Johnson & Johnson	2.1%
Genentech Inc	2.0%

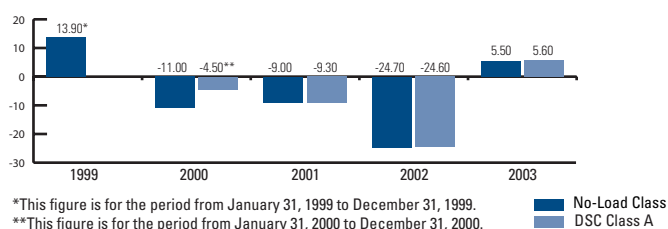
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance.

**Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.**

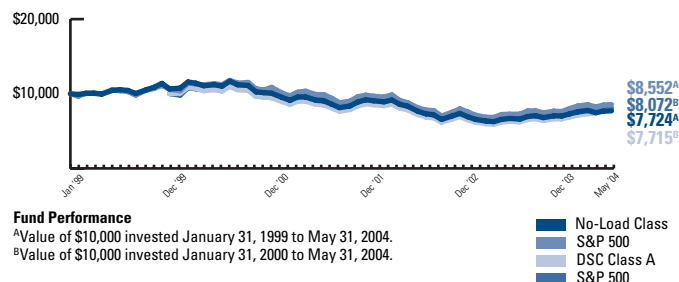
## Year-by-year returns of the Segregated Fund (%)

The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.



## Overall past performance of the Segregated Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to the S&P 500.



## Compound Annual Returns of the Segregated Fund (May 31, 2004)

The following table shows the annual compound total return of the Segregated Fund, as compared to the S&P 500.

	1 year	3 years	5 years	10 years	Life
No-Load Class (%)	15.4	-6.9	-5.0	-	-4.7
DSC Class A (%)	15.6	-6.8	-	-	-5.6
S&P 500 (%)	17.8	-6.1	-3.0	-	-2.9

# Clarica SF Fidelity True North<sup>®</sup> Fund (Inception Date: February 1999)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of Fidelity True North<sup>®</sup> Fund or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of Fidelity True North<sup>®</sup> Fund or another substantially similar mutual fund.

## Underlying Fund

Fidelity True North<sup>®</sup> Fund

## Investment Objective of the Underlying Fund

To obtain long-term capital growth.

## Investment Policy of the Underlying Fund

It invests primarily in equity securities of Canadian companies.

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- credit risk
- foreign exchange risk
- foreign investment risk
- risk of investing in equities
- risk of investing in derivatives
- risk of securities lending
- risk of repurchase and reverse repurchase agreements
- segregated funds with more than one class of units
- interest rate risk
- liquidity risk
- small capitalization risk.

## Top 10 Holdings of the Underlying Fund (December 31, 2003)

Encana Corp	4.8%
Royal Bank Of Canada	4.7%
Canadian Imperial Bank Of Commerce	4.5%
Bank Of Montreal	4.1%
Bank Of Nova Scotia	4.0%
Alcan Inc	3.9%
BCE Inc	3.7%
Petro-Canada	3.5%
Canadian National Railway Co	3.1%
Toronto-Dominion Bank	3.0%

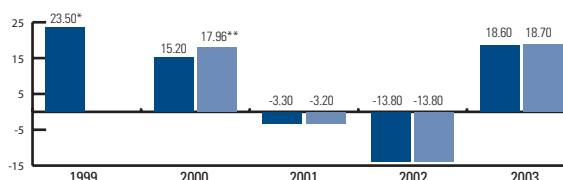
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance.

**Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.**

## Year-by-year returns of the Segregated Fund (%)

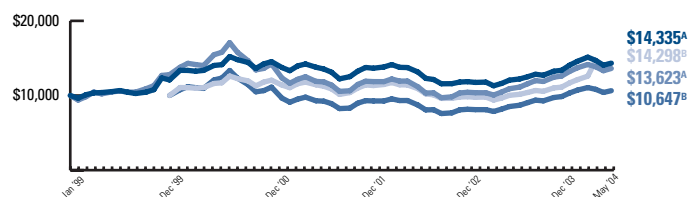
The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.



\*This figure is for the period from January 31, 1999 to December 31, 1999. \*\*This figure is for the period from January 31, 2000 to December 31, 2000.

## Overall past performance of the Segregated Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to the S&P/TSX Composite Index.



## Fund Performance

<sup>A</sup>Value of \$10,000 invested January 31, 1999 to May 31, 2004.

<sup>B</sup>Value of \$10,000 invested January 31, 2000 to May 31, 2004.

## Compound Annual Returns of the Segregated Fund (May 31, 2004)

The following table shows the annual compound total return of the Fund, as compared to the S&P/TSX Composite Index.

	1 year	3 years	5 years	10 years	Life
No-Load Class (%)	18.9	0.3	6.6	-	7.0
DSC Class A (%)	19.0	0.4	-	-	8.2
S&P/TSX Composite Index (%)	24.9	2.9	5.9	-	6.0

# Clarica SF Global Bond Fund (Inception Date: January 2000)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of Clarica Global Bond Fund or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of Clarica Global Bond Fund or another substantially similar mutual fund.

## Underlying Fund

Clarica Global Bond Fund

## Investment Objective of the Underlying Fund

To provide foreign currency diversification at lower risk than a fund which invests primarily in common shares. The underlying fund will invest mainly in bonds payable in foreign currencies that are issued or guaranteed by Canadian governments and companies, and international agencies like the World Bank.

## Investment Policy of the Underlying Fund

The portfolio adviser uses the following strategies to achieve the fund's investment objectives:

- focusing on bonds in countries that have appreciating currencies, while avoiding bonds in countries with depreciating currencies
- investing in bonds issued or guaranteed by governments or companies, as well as fixed income securities issued by countries that represent the 20 largest industrial countries in the world (G20).

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- interest rate risk
- credit risk
- foreign exchange risk
- foreign investment risk
- risk of investing in derivatives
- risk of securities lending
- class risk.

## Top 10 Holdings of the Underlying Fund (May 31, 2004)

Japan Government Five Year Bond 0.3% 06/20/08	8.3%
France Government Bond OAT 4% 04/25/09	7.7%
Hellenic Republic GGB 4.5% 05/20/14	6.0%
France Government 5% 10/25/16	5.5%
US Treasury Note 2% 08/31/05	4.6%
Inter-American Development Bank 1.9% 07/08/09	4.6%
Spain Government Bond 3.2% 01/31/06	4.4%
Bundesobligation 4.5% 08/18/06	4.3%
Italy Buoni Poliennali Del Tesoro 5% 10/15/07	3.7%
Bundesobligation 3% 04/11/08	3.0%

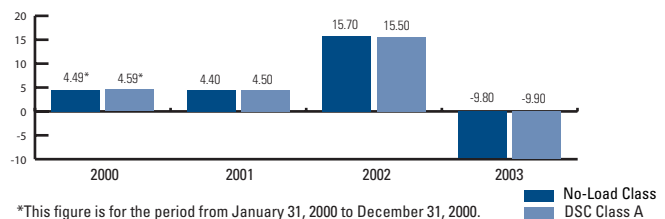
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance.

**Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.**

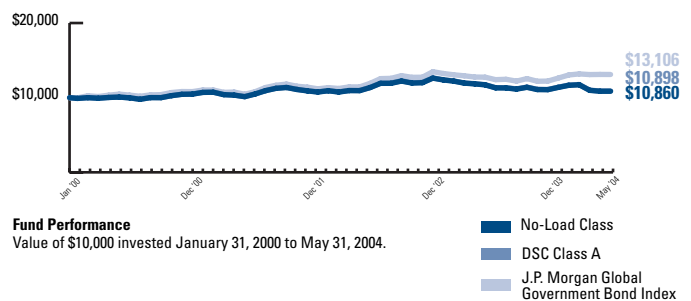
## Year-by-year returns of the Segregated Fund (%)

The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.



## Overall past performance of the Segregated Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to the J.P. Morgan Global Government Bond Index.



## Compound Annual Returns of the Segregated Fund (May 31, 2004)

The following table shows the annual compound total return of the Fund, as compared to the J.P. Morgan Global Government Bond Index.

	1 year	3 years	5 years	10 years	Life
No-Load Class (%)	-2.0	3.6	-	-	1.8
DSC Class A (%)	-1.9	3.6	-	-	1.9
J.P. Morgan Global Government Bond Index (%)	2.8	6.8	-	-	6.4

# Clarica SF Growth Fund (Inception Date: January 2001)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of Clarica Alpine Growth Equity Fund or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of Clarica Alpine Growth Equity Fund or another substantially similar mutual fund.

## Underlying Fund

Clarica Alpine Growth Equity Fund

## Investment Objective of the Underlying Fund

To provide capital growth through investments in growth industries. The underlying fund will invest mainly in equity securities of small to medium sized Canadian companies that are expected to profit from future economic growth.

## Investment Policy of the Underlying Fund

The underlying fund's portfolio advisor uses a bottom-up style of investing. It uses the following strategies to achieve the underlying fund's investment objectives:

- a focus on small and medium-sized Canadian companies. The portfolio advisor chooses what it believes are the best companies for the portfolio, looking for those with good growth prospects. The underlying fund may hold these companies as they grow to become large companies, resulting in some large-capitalization holdings in the portfolio.
- investing in stocks for the long term, using a 'buy and hold' philosophy.

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- liquidity risk
- foreign exchange risk
- foreign investment risk
- risk of investing in equities
- risk of investing in derivatives
- risk of securities lending
- class risk.

In addition, stocks issued by small and medium sized companies are generally more volatile than stocks of larger companies.

## Top 10 Holdings of the Underlying Fund (May 31, 2004)

Cambior Inc.	2.4%
Compton Petroleum Corp.	2.4%
Sherritt International Corp.	2.2%
Geac Computer Corp., Ltd.	2.1%
Extendicare Inc.	1.9%
Open Text Corp.	1.9%
Canfor Corp.	1.9%
Methanex Corp.	1.8%
IPSCO Inc.	1.8%
Toromont Industries Ltd.	1.7%

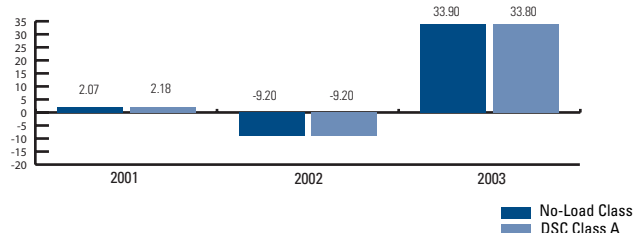
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance.

**Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.**

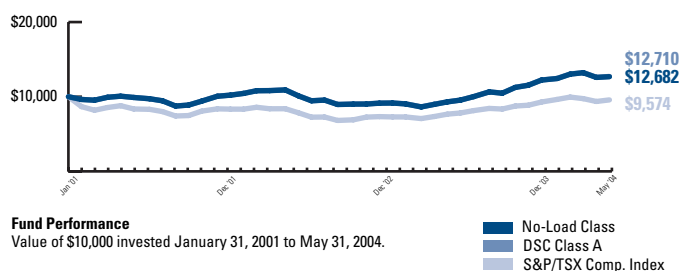
## Year-by-year returns of the Segregated Fund (%)

The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.



## Overall past performance of the Segregated Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to the S&P/TSX Composite Index.



## Compound Annual Returns of the Segregated Fund (May 31, 2004)

The following table shows the annual compound total return of the Fund, as compared to the S&P/TSX Composite Index.

	1 year	3 years	5 years	10 years	Life
No-Load Class (%)	33.9	7.4	-	-	7.0
DSC Class A (%)	34.1	7.4	-	-	7.1
S&P/TSX Composite Index (%)	24.9	2.9	-	-	-1.3

# Clarica SF Premier Bond Fund (Inception Date: January 1998)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of Clarica Premier Bond Fund or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of Clarica Premier Bond Fund or another substantially similar mutual fund.

## Underlying Fund

Clarica Premier Bond Fund

## Investment Objective of the Underlying Fund

To provide investors with long-term capital growth through active management of a diversified portfolio of fixed income securities. The underlying fund may provide a source of income, although this is not its main objective. Under normal circumstances, the underlying fund will invest mainly in high quality bonds and debentures, and other debt securities, primarily of issuers based in Canada. When considered appropriate, in light of economic and market conditions, the underlying fund may also invest in short-term debt securities, debt securities convertible into equity securities, equity securities, mortgages, asset-backed securities, and permitted derivative investments.

## Investment Policy of the Underlying Fund

The portfolio adviser actively adjusts the fund's holdings to take advantage of expected changes in interest rates.

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- interest rate risk
- credit risk
- foreign exchange risk
- foreign investment risk
- risk of investing in fixed income investments
- risk of securities lending
- risk of repurchase and reverse repurchase agreements
- class risk
- risk of investing in derivatives.

## Top 10 Holdings of the Underlying Fund (May 31, 2004)

Canada Government Bond 7% 12/01/06	24.9%
Canada Government Bond 4.25% 09/01/08	10.2%
Canada Government Bond 8% 06/01/27	6.6%
Canada Government Bond 7.25% 06/01/07	5.1%
Canada Housing Trust No.1, 4.1% 12/15/08	4.0%
Province of Ontario 5.85% 03/08/33	3.9%
Province of Quebec 6% 10/01/12	3.1%
Canada Government Bond 5% 06/01/14	2.9%
Province of British Columbia, 6.25% 12/01/09	2.8%
Canada Government Bond 5.75% 06/01/33	2.4%

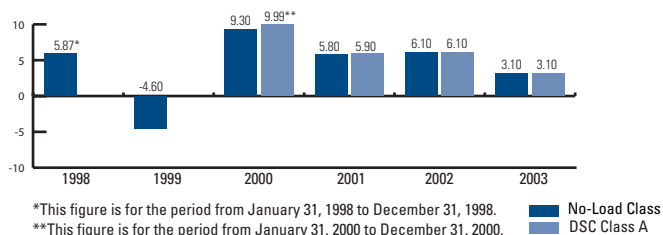
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance.

**Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.**

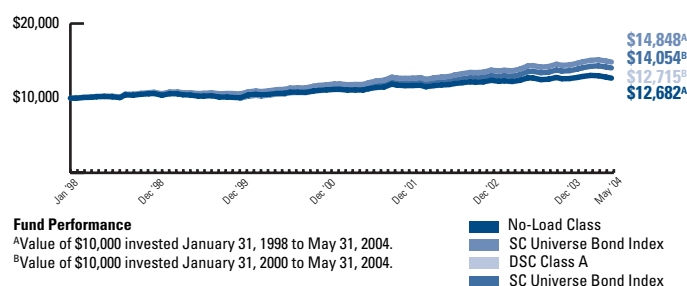
## Year-by-year returns of the Segregated Fund (%)

The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.



## Overall past performance of the Segregated Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to the SC Universe Bond Index.



## Compound Annual Returns of the Segregated Fund (May 31, 2004)

The following table shows the annual compound total return of the Fund, as compared to the SC Universe Bond Index.

	1 year	3 years	5 years	10 years	Life
No-Load Class (%)	0.3	4.7	4.1	-	3.8
DSC Class A (%)	0.3	4.7	-	-	5.4
SC Universe Bond Index (%)	3.7	7.8	-	-	6.4

# Clarica SF Premier CI Value Trust Sector Fund (Inception Date: January 1998)

(formerly Clarica SF Premier American Fund)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of CI Value Trust Sector Fund or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of CI Value Trust Sector Fund or another substantially similar mutual fund.

## Underlying Fund

CI Value Trust Sector Fund

## Investment Objective of the Underlying Fund

To obtain long-term capital growth. The underlying fund invests primarily in equity and equity-related securities of companies in the United States.

## Investment Policy of the Underlying Fund

It follows a value discipline in selecting securities. It seeks to buy securities at large discounts to the portfolio adviser's assessment of their value.

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- interest rate risk
- foreign exchange risk
- foreign investment risk
- risk of investing in derivatives
- risk of investing in equities
- risk of securities lending
- risk of repurchase and reverse repurchase agreements
- segregated funds with more than one class of units
- bottom fund risk
- class risk.

## Top 10 Holdings of the Underlying Fund (May 31, 2004)

Amazon.com, Inc.	7.3%
Tyco International Ltd.	7.1%
Nextel Communications Inc.	6.9%
UnitedHealth Group Inc.	5.6%
InterActiveCorp	4.9%
MGIC Investment Corp.	3.8%
eBay Inc.	3.6%
AES Corp.	3.3%
Washington Mutual Inc.	3.3%
McKesson Corp.	3.0%

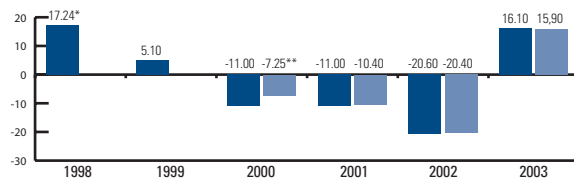
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance. Prior to August 29, 2003, this segregated fund invested in units of a different underlying fund.

**Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.**

## Year-by-year returns of the Segregated Fund (%)

The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.

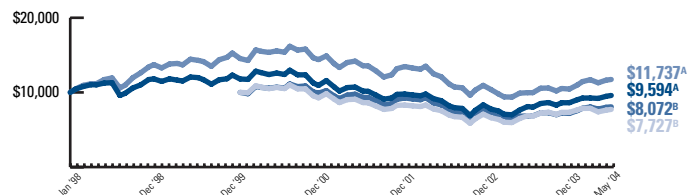


\*This figure is for the period from January 31, 1998 to December 31, 1998.

\*\*This figure is for the period from January 31, 2000 to December 31, 2000.

## Overall past performance of the Segregated Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to the S&P 500.



## Fund Performance

<sup>A</sup>Value of \$10,000 invested January 31, 1998 to May 31, 2004.

<sup>B</sup>Value of \$10,000 invested January 31, 2000 to May 31, 2004.

## Compound Annual Returns of the Segregated Fund (May 31, 2004)

The following table shows the annual compound total return of the Fund, as compared to the S&P 500.

	1 year	3 years	5 years	10 years	Life
No-Load Class (%)	14.7	-4.6	-4.2	-	-0.6
DSC Class A (%)	14.9	-4.5	-	-	-5.5
S&P 500 (%)	17.8	-6.1	-	-	2.6



# Clarica SF Premier Income Bond Fund (Inception Date: January 2000)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of Clarica Premier Bond Fund or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of Clarica Premier Bond Fund or another substantially similar mutual fund.

## Underlying Fund

Clarica Premier Bond Fund

## Investment Objective of the Underlying Fund

To provide investors with long-term capital growth through active management of a diversified portfolio of fixed income securities. The underlying fund may provide a source of income, although this is not its main objective. Under normal circumstances, the underlying fund will invest mainly in high quality bonds and debentures, and other debt securities, primarily of issuers based in Canada. When considered appropriate, in light of economic and market conditions, the underlying fund may also invest in short-term debt securities, debt securities convertible into equity securities, equity securities, mortgages, asset-backed securities, and permitted derivative investments.

## Investment Policy of the Underlying Fund

The portfolio advisor actively adjusts the underlying fund's holdings to take advantage of expected changes in interest rates.

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- interest rate risk
- credit risk
- foreign investment risk
- foreign exchange risk
- risk of investing in fixed income investments
- risk of investing in derivatives
- risk of securities lending
- risk of repurchase and reverse repurchase agreements
- class risk.

## Top 10 Holdings of the Underlying Fund (May 31, 2004)

Canada Government Bond 7% 12/01/06	24.9%
Canada Government Bond 4.25% 09/01/08	10.2%
Canada Government Bond 8% 06/01/27	6.6%
Canada Government Bond 7.25% 06/01/07	5.1%
Canada Housing Trust No.1, 4.1% 12/15/08	4.0%
Province of Ontario 5.85% 03/08/33	3.9%
Province of Quebec 6% 10/01/12	3.1%
Canada Government Bond 5% 06/01/14	2.9%
Province of British Columbia, 6.25% 12/01/09	2.8%
Canada Government Bond 5.75% 06/01/33	2.4%

## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance.

**Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.**

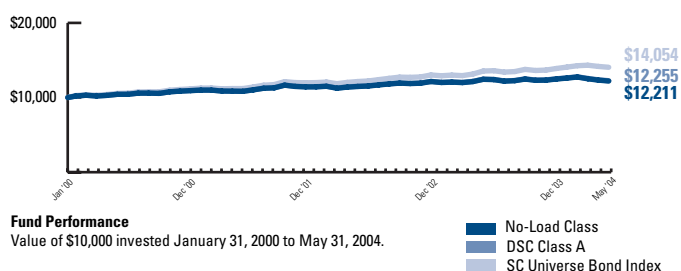
## Year-by-year returns of the Segregated Fund (%)

The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.



## Overall past performance of the Segregated Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to the SC Universe Bond Index.



## Compound Annual Returns of the Segregated Fund (May 31, 2004)

The following table shows the annual compound total return of the Fund, as compared to the SC Universe Bond Index.

	1 year	3 years	5 years	10 years	Life
No-Load Class (%)	0.2	4.7	-	-	4.5
DSC Class A (%)	0.3	4.8	-	-	4.6
SC Universe Bond Index (%)	3.7	7.8	-	-	8.8

# Clarica SF Premier International Fund (Inception Date: January 1998)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of Clarica Premier International Fund or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of Clarica Premier International Fund or another substantially similar mutual fund.

## Underlying Fund

Clarica Premier International Fund

## Investment Objective of the Underlying Fund

To provide investors with long-term capital growth by investing in equity securities primarily of companies based outside Canada and the United States.

## Investment Policy of the Underlying Fund

The portfolio adviser uses a bottom-up style of investing, seeking growth at a reasonable price.

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- interest rate risk
- foreign exchange risk
- foreign investment risk
- risk of investing in fixed income investments
- risk of investing in equities
- risk of securities lending
- risk of repurchase and reverse repurchase agreements
- risk of investing in derivatives
- credit risk
- class risk.

In addition, the fund is particularly sensitive to the general economic and stock market conditions internationally.

## Top 10 Holdings of the Underlying Fund (May 31, 2004)

Vivendi Universal SA	2.6%
Heineken NV	2.4%
ARN Mondadori Editore SPA	2.3%
Television Broadcasts Ltd.	2.0%
West Japan Railway	2.0%
Sandvik AB	2.0%
Vodafone Group PLC	2.0%
Eni SPA	1.9%
Novartis AG	1.9%
Kingfisher PLC	1.9%

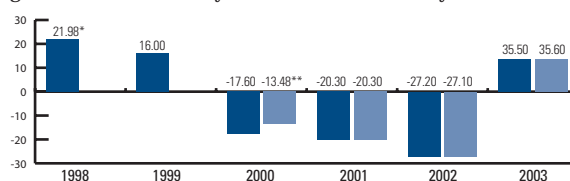
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance.

**Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.**

## Year-by-year returns of the Segregated Fund (%)

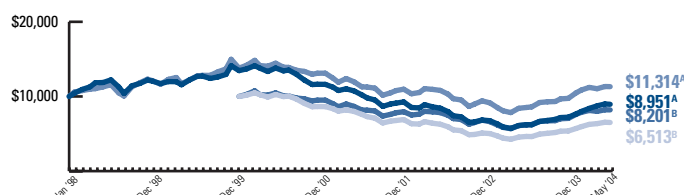
The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.



\*This figure is for the period from January 31, 1998 to December 31, 1998. \*\*This figure is for the period from January 31, 2000 to December 31, 2000.

## Overall past performance of the Segregated Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to the MSCI EAFE.



**Fund Performance**  
<sup>A</sup>Value of \$10,000 invested January 31, 1998 to May 31, 2004.  
<sup>B</sup>Value of \$10,000 invested January 31, 2000 to May 31, 2004.

## Compound Annual Returns of the Segregated Fund (May 31, 2004)

The following table shows the annual compound total return of the Fund, as compared to the MSCI EAFE.

	1 year	3 years	5 years	10 years	Life
No-Load Class (%)	35.6	-7.7	-6.1	-	-1.7
DSC Class A (%)	35.4	-7.7	-	-	-9.0
MSCI EAFE (%)	32.7	-1.8	-0.7	-	2.0

# Clarica SF Premier Mortgage Fund (Inception Date: January 1998)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of Clarica Premier Mortgage Fund or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of Clarica Premier Mortgage Fund or another substantially similar mutual fund.

## Underlying Fund

Clarica Premier Mortgage Fund

## Investment Objective of the Underlying Fund

To provide investors with the opportunity to earn as high a level of income as is compatible with reasonable protection of investing capital, through investing in mortgages. Each mortgage must be a first mortgage on real estate located in Canada.

## Investment Policy of the Underlying Fund

The portfolio adviser's investing style for this underlying fund uses a top-down assessment of mortgage rate trends and seeks the best possible distribution of mortgage maturity dates. It uses the following strategies to achieve the underlying fund's investment objectives:

- each mortgage must not be more than 75% of the appraised value of the mortgaged property, unless the mortgage is insured or guaranteed by a government or the excess over 75% is insured by a licensed insurance company
- mortgages have a fixed rate of interest, generally have a term of between one to five years, and an amortization period usually between 20 and 30 years.

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- interest rate risk
- credit risk
- risk of securities lending
- risk of repurchase and reverse repurchase agreements
- risk of investing in derivatives
- class risk.

In addition, the creditworthiness of the mortgagors and whether payments due under the mortgages are made on time, or at all, affect the Underlying Fund's market value.

## Top 10 Holdings of the Underlying Fund (May 31, 2004)

CAN Pool #96502026 4.55% 09/01/2008	5.67%
NHA Insured 6.25%	5.22%
NHA Insured 5.75%	5.22%
CCIC 2003-WEM B 4.786% 10/15/2008	4.96%
Peoples Trust CAN Pool #96602198 4.3% 05/01/2008	4.87%
N-45 First CMBS Issuer Corp., 4.968% 11/15/2020	4.76%
People Trust CAN Pool #96602214 5.037% 06/01/2008	4.72%
Merrill Lynch 00-CAN3 A1 03/15/2032	4.15%
CAN Pool #96601976 4.45% 09/01/2007	4.02%
Resmor Trust MBS CAN #96414313 4.125% 11/01/2008	4.01%

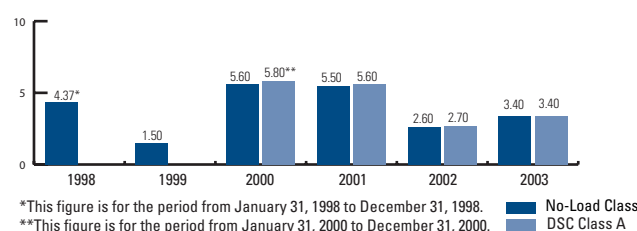
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance.

**Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.**

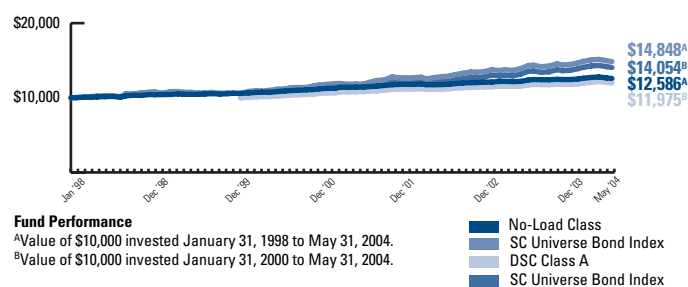
## Year-by-year returns of the Segregated Fund (%)

The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.



## Overall past performance of the Segregated Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to the SC Universe Bond Index.



## Compound Annual Returns of the Segregated Fund (May 31, 2004)

The following table shows the annual compound total return of the Fund, as compared to the SC Universe Bond Index.

	1 year	3 years	5 years	10 years	Life
No-Load Class (%)	1.5	3.2	3.7	-	3.7
DSC Class A (%)	1.4	3.3	-	-	4.1
SC Universe Bond Index (%)	3.7	7.8	6.7	-	6.4

# Clarica SF Summit Canadian Equity Fund (Inception Date: January 1998)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of Clarica Summit Canadian Equity Fund or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of Clarica Summit Canadian Equity Fund or another substantially similar mutual fund.

## Underlying Fund

Clarica Summit Canadian Equity Fund

## Investment Objective of the Underlying Fund

To provide long-term capital growth with protection of capital. The underlying fund will invest mainly in equity securities of high-quality, large Canadian companies.

## Investment Policy of the Underlying Fund

The portfolio adviser uses a bottom-up style of investing. It uses the following strategies to achieve the underlying fund's investment objectives:

- investing generally in no more than 75 companies
- if considered appropriate in light of economic and market conditions, investing a significant part of the underlying fund's assets in fixed income securities.

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- interest rate risk
- foreign exchange risk
- foreign investment risk
- risk of investing in fixed income investments
- risk of investing in equities
- risk of securities lending
- risk of investing in derivatives
- class risk
- credit risk.

## Top 10 Holdings of the Underlying Fund (May 31, 2004)

Potash Corp. of Saskatchewan Inc.	5.7%
Royal Bank of Canada	4.9%
Bank of Nova Scotia	4.7%
Toronto-Dominion Bank	4.4%
Suncor Energy Inc.	4.2%
Cameco Corp.	4.1%
Talisman Energy Inc.	4.1%
Canadian Imperial Bank of Commerce	3.8%
Alcan Inc.	3.5%
Diageo PLC	3.5%

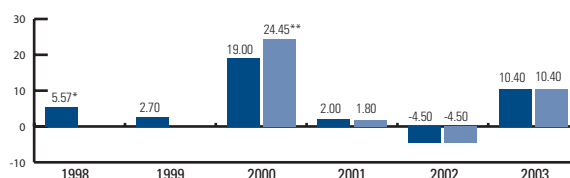
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance.

**Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.**

## Year-by-year returns of the Segregated Fund (%)

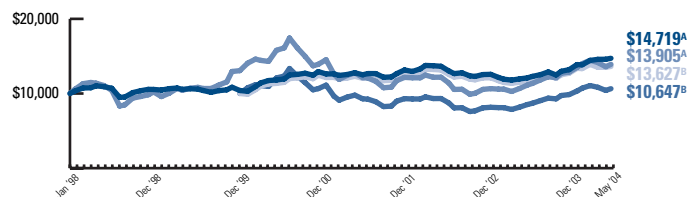
The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.



\*This figure is for the period from January 31, 1998 to December 31, 1998. **No-Load Class**  
\*\*This figure is for the period from January 31, 2000 to December 31, 2000. **DSC Class A**

## Overall past performance of the Segregated Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to the S&P/TSX Composite Index.



**Fund Performance**  
<sup>A</sup>Value of \$10,000 invested January 31, 1998 to May 31, 2004.  
<sup>B</sup>Value of \$10,000 invested January 31, 2000 to May 31, 2004.

## Compound Annual Returns of the Segregated Fund (May 31, 2004)

The following table shows the annual compound total return of the Fund, as compared to the S&P/TSX Composite Index.

	1 year	3 years	5 years	10 years	Life
No-Load Class (%)	18.6	3.9	6.3	-	6.2
DSC Class A (%)	18.6	3.9	-	-	7.1
S&P/TSX Composite Index (%)	24.9	2.9	5.9	-	5.3

# Clarica SF Summit Dividend Growth Fund (Inception Date: January 1998)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of Clarica Summit Dividend Growth Fund or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of Clarica Summit Dividend Growth Fund or another substantially similar mutual fund.

## Underlying Fund

Clarica Summit Dividend Growth Fund

## Investment Objective of the Underlying Fund

To provide a satisfactory balance between long-term growth securities and current income securities. The underlying fund will invest mainly in high-yielding stocks of mid to large capitalization Canadian companies.

## Investment Policy of the Underlying Fund

The portfolio adviser uses a five-step value-oriented investment selection approach which involves:

- studying industries and companies to gain a deeper understanding of fundamental conditions and competitive forces
- estimating the value of the companies using a cash flow analysis
- comparing those values to current stock prices to ensure both significant potential upside and to provide a margin of safety
- ensuring consistency in the overall analysis across all prospective investments, and
- purchasing those securities which offer the highest yield and total return.

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- credit risk
- interest rate risk
- foreign exchange risk
- foreign investment risk
- risk of investing in equities
- risk of investing in derivatives
- risk of securities lending
- class risk.

In addition, dividend-paying stocks may be affected by interest rate moves. An increase in interest rates typically reduces the value of the stock.

## Top 10 Holdings of the Underlying Fund (May 31, 2004)

Manulife Financial Corp.	5.6%
Bank of Montreal	5.2%
Royal Bank of Canada	5.1%
Toronto-Dominion Bank	4.7%
EnCana Corp.	3.4%
Barrick Gold Corp.	3.2%
Citigroup Inc.	3.2%
CP Railway Ltd.	3.1%
Cameco Corp.	3.1%
Alcan Inc.	2.9%

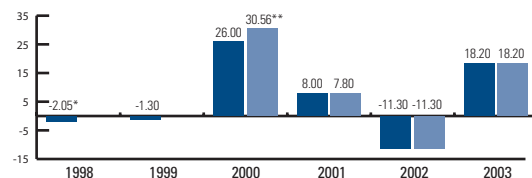
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance.

**Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.**

## Year-by-year returns of the Segregated Fund (%)

The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.

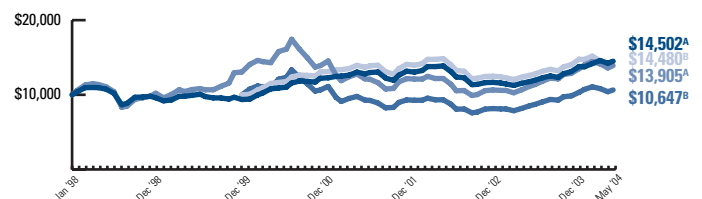


\*This figure is for the period from January 31, 1998 to December 31, 1998.

\*\*This figure is for the period from January 31, 2000 to December 31, 2000.

## Overall past performance of the Segregated Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to the S&P/TSX Composite Index.



## Fund Performance

<sup>A</sup>Value of \$10,000 invested January 31, 1998 to May 31, 2004.

<sup>B</sup>Value of \$10,000 invested January 31, 2000 to May 31, 2004.

## Compound Annual Returns of the Segregated Fund (May 31, 2004)

The following table shows the annual compound total return of the Fund, as compared to the S&P/TSX Composite Index.

	1 year	3 years	5 years	10 years	Life
No-Load Class (%)	18.9	2.3	7.4	-	6.0
DSC Class A (%)	18.9	2.4	-	-	8.5
S&P/TSX Composite Index (%)	24.9	2.9	5.9	-	5.3

# Clarica SF Summit Foreign Equity Fund (Inception Date: January 1998)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of Clarica Summit Foreign Equity Fund or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of Clarica Summit Foreign Equity Fund or another substantially similar mutual fund.

## Underlying Fund

Clarica Summit Foreign Equity Fund

## Investment Objective of the Underlying Fund

To provide long-term capital growth consistent with the protection of capital. The underlying fund will invest primarily in equity securities of American companies, together with investments in other international markets.

## Investment Policy of the Underlying Fund

The portfolio adviser uses a bottom-up style of investing. They use the following strategies to achieve the underlying fund's investment objectives:

- investing generally in no more than 40 companies
- if considered appropriate in light of economic and market conditions, investing in fixed income securities
- investments of the fund will not be limited geographically, but will typically not include investments in emerging markets
- investments in American companies will usually form the largest percentage, geographically, of the investments in the fund.

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- credit risk
- interest rate risk
- foreign exchange risk
- foreign investment risk
- risk of investing in equities
- risk of securities lending
- risk of investing in derivatives
- class risk.

In addition, the Underlying Fund is particularly sensitive to the general economic and stock market conditions globally, especially in the U.S.

## Top 10 Holdings of the Underlying Fund (May 31, 2004)

Air Liquide	6.0%
Nestle SA	5.1%
Diageo PLC	5.1%
Cadbury Schweppes PLC	4.8%
Berkshire Hathaway Inc.	4.0%
Total SA	3.7%
Royal Bank of Scotland Group PLC	3.6%
TJX Companies Inc.	3.5%
Pfizer Inc.	3.4%
Schneider Electric SA	3.3%

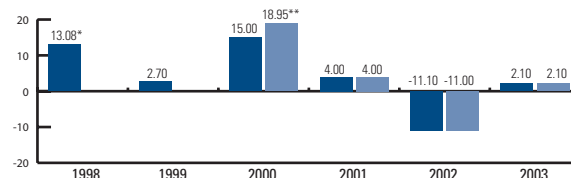
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance.

**Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.**

## Year-by-year returns of the Segregated Fund (%)

The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.



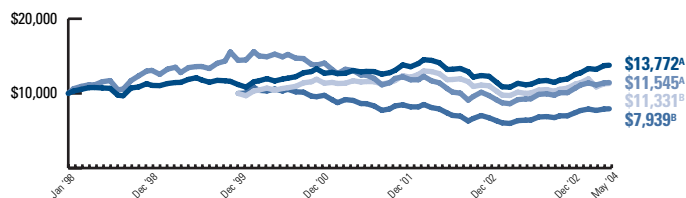
\*This figure is for the period from January 31, 1998 to December 31, 1998.

\*\*This figure is for the period from January 31, 2000 to December 31, 2000.

■ No-Load Class  
■ DSC Class A

## Overall past performance of the Segregated Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to the MSCI World Index.



## Fund Performance

<sup>A</sup>Value of \$10,000 invested January 31, 1998 to May 31, 2004.

<sup>B</sup>Value of \$10,000 invested January 31, 2000 to May 31, 2004.

■ No-Load Class  
■ MSCI World Index  
■ DSC Class A

## Compound Annual Returns of the Segregated Fund (May 31, 2004)

The following table shows the annual compound total return of the Fund, as compared to the MSCI World Index.

	1 year	3 years	5 years	10 years	Life
No-Load Class (%)	19.8	0.7	3.1	-	5.1
DSC Class A (%)	19.8	0.8	-	-	2.8
MSCI World Index (%)	23.8	-4.3	-2.2	-	2.2

# Clarica SF Summit Growth and Income Fund (Inception Date: January 1998)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of Clarica Summit Growth and Income Fund or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of Clarica Summit Growth and Income Fund or another substantially similar mutual fund.

## Underlying Fund

Clarica Summit Growth and Income Fund

## Investment Objective of the Underlying Fund

To provide long-term capital growth through a prudent balance of current income and capital appreciation. The underlying fund will invest in both equity securities of mid to large capitalization Canadian companies and fixed income securities, such as Canadian government and corporate debt obligations. Investments in equities and fixed income securities can range a full 0% to 100%.

## Investment Policy of the Underlying Fund

In choosing equity investments, the portfolio adviser uses a value-oriented investment process that applies a bottom-up style of investing, focusing primarily on company security selection. In choosing fixed-income investments, it looks for high quality government bonds, bankers' acceptances and, to a lesser extent, high quality corporate bonds. Typically, the holdings in the underlying fund are concentrated within a limited number of companies, usually 20 to 75.

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- interest rate risk
- credit risk
- foreign exchange risk
- foreign investment risk
- risk of investing in equities
- risk of securities lending
- risk of investing in derivatives
- class risk.

In addition, the Underlying Fund's market value can be expected to be more volatile, the more its portfolio is invested in equity securities.

## Top 10 Holdings of the Underlying Fund (May 31, 2004)

Potash Corp. of Saskatchewan Inc.	4.9%
Royal Bank of Canada	4.2%
Bank of Nova Scotia	3.6%
Toronto-Dominion Bank	3.6%
Suncor Energy Inc.	2.9%
TJX Companies Inc.	2.9%
Canadian Imperial Bank of Commerce	2.8%
Talisman Energy Inc.	2.6%
EnCana Corp.	2.6%
Diageo PLC	2.6%

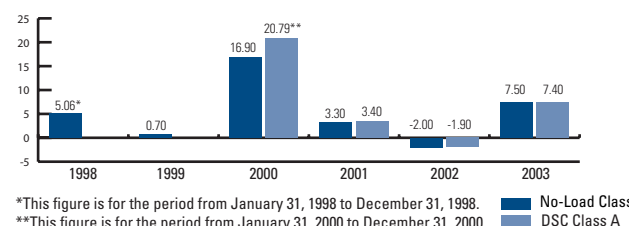
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance.

**Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.**

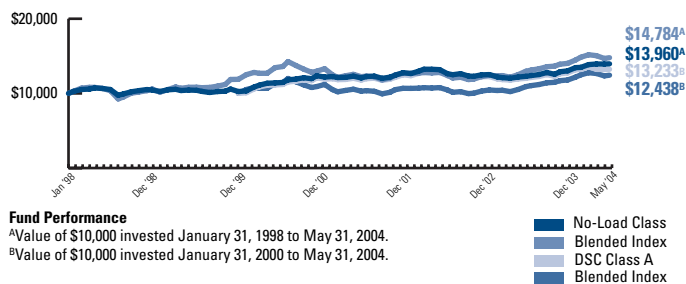
## Year-by-year returns of the Segregated Fund (%)

The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.



## Overall past performance of the Segregated Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to a blend of 50% SC Universe Bond Index and 50% S&P/TSX Composite Index.



## Compound Annual Returns of the Segregated Fund (May 31, 2004)

The following table shows the annual compound total return of the Fund, as compared to 50% SC Universe Bond Index and 50% S&P/TSX Composite Index.

	1 year	3 years	5 years	10 years	Life
No-Load Class (%)	11.6	3.7	5.7	-	5.4
DSC Class A (%)	11.6	3.7	-	-	6.4
Blended Index (%)	14.0	5.6	6.7	-	6.4

# Clarica SF Trimark Balanced Fund (Inception Date: February 1999)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of Trimark Income Growth Fund or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of Trimark Income Growth Fund or another substantially similar mutual fund.

## Underlying Fund

Trimark Income Growth Fund

## Investment Objective of the Underlying Fund

To generate capital growth and income over the long term. The underlying fund invests primarily in Canadian equities, fixed-income securities of Canadian issuers, both government and corporate, and foreign equities and fixed-income securities up to the maximum allowable foreign content limit.

## Investment Policy of the Underlying Fund

To achieve these objectives, the portfolio management team focuses on:

- common shares of Canadian and foreign
- companies that have the potential for future growth
- convertible securities of growing companies
- fixed-income securities of Canadian and foreign governments and corporations

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- concentration risk
- interest rate risk
- credit risk
- foreign exchange risk
- foreign investment risk
- risk of investing in fixed income investments
- risk of investing in equities
- risk of investing in derivatives
- risk of securities lending
- risk of repurchase and reverse repurchase agreements
- bottom fund risk
- class risk.

In addition, the Underlying Fund's market value can be expected to be more volatile, the more its portfolio is invested in equity securities.

## Top 10 Holdings of the Underlying Fund (May 31, 2004)

BCE Inc.	3.49%
Molson Inc., Class A	3.31%
Government of Canada, 8.00%, due June 1, 2027	3.00%
The Bank of Nova Scotia	2.94%
Government of Canada, 5.25%, due June 1, 2013	2.60%
Power Corp. of Canada	2.50%
WellPoint Health Networks Inc.	2.50%
Quebecor World Inc.	2.41%
The Toronto-Dominion Bank	2.26%
Onex Corp.	2.22%

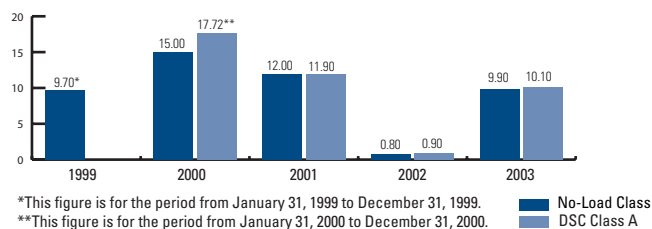
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance.

**Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.**

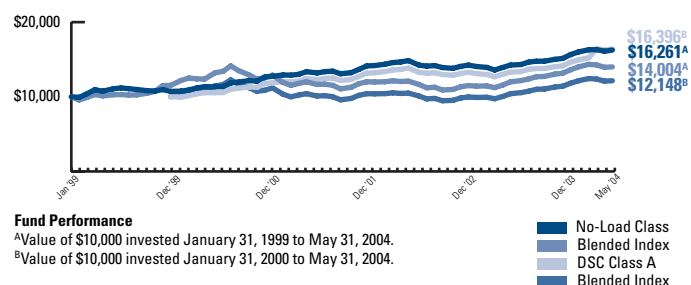
## Year-by-year returns of the Segregated Fund (%)

The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.



## Overall past performance of the Segregated Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to a blend of 60% S&P/TSX Composite Index and 40% SC Universe Bond Index.



## Compound Annual Returns of the Segregated Fund (May 31, 2004)

The following table shows the annual compound total return of the Fund, as compared to to a blend of 60% S&P/TSX Composite Index and 40% SC Universe Bond Index.

	1 year	3 years	5 years	10 years	Life
No-Load Class (%)	14.6	6.9	8.6	-	9.5
DSC Class A (%)	14.7	7.0	-	-	11.5
Blended Index (%)	16.7	5.3	6.7	-	6.5



# Clarica SF Trimark Canadian Equity Fund (Inception Date: February 1999)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of Trimark Canadian Fund or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of Trimark Canadian Fund or another substantially similar mutual fund.

## Underlying Fund

Trimark Canadian Fund

## Investment Objective of the Underlying Fund

To provide strong capital growth with a high degree of reliability over the long term. It invests primarily in common shares of Canadian companies.

## Investment Policy of the Underlying Fund

To achieve these objectives, the portfolio management team invests in companies:

- whose competitive advantages provide opportunities for long-term growth
- that invest significantly to obtain a competitive advantage
- that have shown an ability to recognize and exploit opportunities for business expansion or whose management has shown strong entrepreneurial skills

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- foreign exchange risk
- foreign investment risk
- risk of investing in equities
- risk of investing in derivatives
- risk of securities lending
- risk of repurchase and reverse repurchase agreements
- concentration risk
- interest rate risk
- bottom fund risk
- class risk.

## Top 10 Holdings of the Underlying Fund (May 31, 2004)

BCE Inc.	4.26%
The Thomson Corp.	4.03%
The Bank of Nova Scotia	3.97%
Molson Inc., Class A	3.86%
The Toronto-Dominion Bank	3.81%
Royal Bank of Canada	3.40%
Kimberly-Clark Corp.	3.08%
Barrick Gold Corp.	3.07%
Power Corp. of Canada	3.00%
Canadian Imperial Bank of Commerce	2.97%

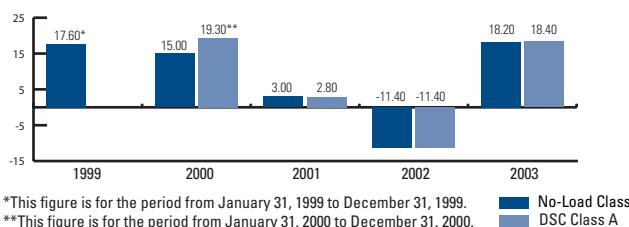
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance.

**Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.**

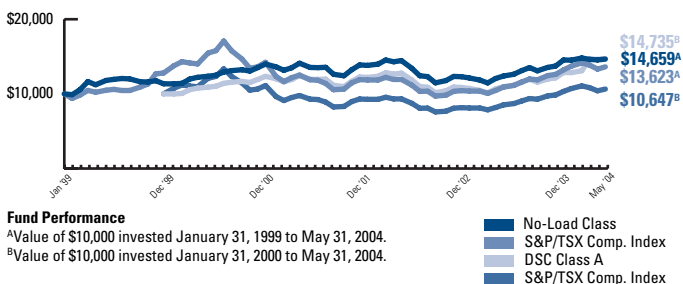
## Year-by-year returns of the Segregated Fund (%)

The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.



## Overall past performance of the Segregated Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to the S&P/TSX Composite Index.



## Compound Annual Returns of the Segregated Fund (May 31, 2004)

The following table shows the annual compound total return of the Fund, as compared to the S&P/TSX Composite Index.

	1 year	3 years	5 years	10 years	Life
No-Load Class (%)	18.3	1.3	5.5	-	7.4
DSC Class A (%)	18.5	1.4	-	-	8.9
S&P/TSX Composite Index (%)	24.9	2.9	5.9	-	6.0

# Clarica SF Trimark Discovery Fund (Inception Date: February 1999)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of Trimark Discovery Fund or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of Trimark Discovery Fund or another substantially similar mutual fund.

## Underlying Fund

Trimark Discovery Fund

## Investment Objective of the Underlying Fund

To achieve strong capital growth over the long term. The underlying fund invests primarily in companies that create innovative products or services.

## Investment Policy of the Underlying Fund

To achieve these objectives, the portfolio management team may invest in companies:

- located anywhere in the world
- that are small- to mid-sized, but may also buy larger companies
- that use innovative business techniques
- whose management has shown strong entrepreneurial skills
- that emphasizes knowledge and information intensive companies found in the fields of science, technology, telecommunications and biotechnology

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- foreign exchange risk
- foreign investment risk
- risk of investing in equities
- risk of investing in derivatives
- risk of securities lending
- risk of repurchase and reverse repurchase agreements
- concentration risk
- government regulation risk
- interest rate risk
- bottom fund risk
- class risk
- liquidity risk.

## Top 10 Holdings of the Underlying Fund (May 31, 2004)

InterActiveCorp	4.80%
AVX Corp.	4.56%
Analog Devices Inc.	4.46%
KLA-Tencor Corp.	4.21%
Novozymes A/S, Class B	3.97%
Dell Inc.	3.69%
Adobe Systems Inc.	3.19%
Omnicare, Inc.	3.00%
Sanmina-SCI Corp.	2.96%
National Instruments Corp.	2.87%

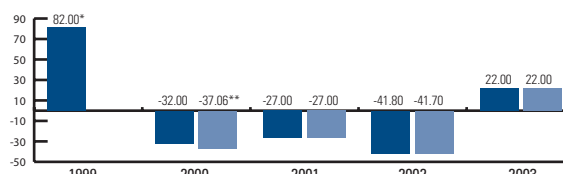
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance.

**Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.**

## Year-by-year returns of the Segregated Fund (%)

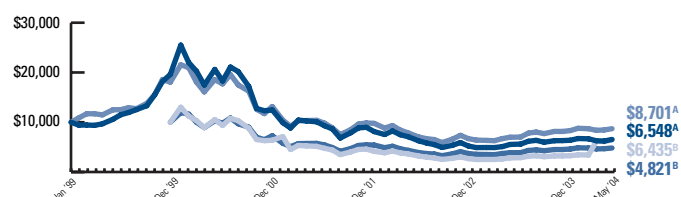
The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.



\*This figure is for the period from January 31, 1999 to December 31, 1999.  
\*\*This figure is for the period from January 31, 2000 to December 31, 2000.

## Overall past performance of the Segregated Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to the Nasdaq Composite Index.



**Fund Performance**  
<sup>A</sup>Value of \$10,000 invested January 31, 1999 to May 31, 2004.  
<sup>B</sup>Value of \$10,000 invested January 31, 2000 to May 31, 2004.

## Compound Annual Returns of the Segregated Fund (May 31, 2004)

The following table shows the annual compound total return of the Fund, as compared to the Nasdaq Composite Index.

	1 year	3 years	5 years	10 years	Life
No-Load Class (%)	18.2	-13.9	-7.5	-	-7.6
DSC Class A (%)	18.4	-13.8	-	-	-9.3
Nasdaq Composite Index (%)	24.5	-5.6	-5.4	-	-2.6

# Clarica SF Trimark Global Equity Fund (Inception Date: February 1999)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of Trimark Fund or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of Trimark Fund or another substantially similar mutual fund.

## Underlying Fund

Trimark Fund

## Investment Objective of the Underlying Fund

To achieve strong capital growth with a high degree of reliability over the long term. It invests primarily in equities of companies anywhere in the world.

## Investment Policy of the Underlying Fund

To achieve these objectives, the portfolio management team looks for companies:

- that can profit from technological advances and invest significantly to obtain a competitive advantage
- that recognize and exploit opportunities for business expansion
- whose management has shown strong entrepreneurial skills

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- foreign exchange risk
- foreign investment risk
- risk of investing in equities
- risk of investing in derivatives
- risk of securities lending
- risk of repurchase and reverse repurchase agreements
- concentration risk
- interest rate risk
- bottom fund risk
- class risk.

## Top 10 Holdings of the Underlying Fund (May 31, 2004)

Reed Elsevier PLC	4.16%
American Express Co.	3.88%
WPP Group PLC	3.60%
Canon Inc.	3.29%
RadioShack Corp.	3.20%
Cemex S.A. de C.V. - ADR	3.10%
The Progressive Corp.	2.99%
Becton Dickinson & Co.	2.94%
Harrah's Entertainment Inc.	2.92%
IMS Health Inc.	2.80%

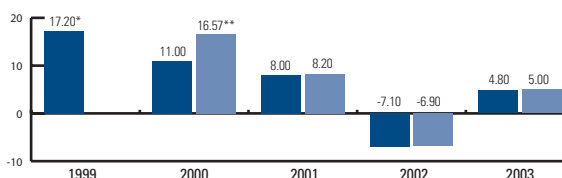
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance.

**Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.**

## Year-by-year returns of the Segregated Fund (%)

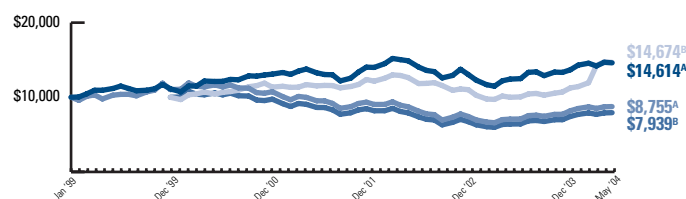
The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.



\*This figure is for the period from January 31, 1999 to December 31, 1999. ■ No-Load Class  
\*\*This figure is for the period from January 31, 2000 to December 31, 2000. ■ DSC Class A

## Overall past performance of the Segregated Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to the MSCI World Index.



## Fund Performance

<sup>A</sup>Value of \$10,000 invested January 31, 1999 to May 31, 2004.  
<sup>B</sup>Value of \$10,000 invested January 31, 2000 to May 31, 2004.

■ No-Load Class  
■ MSCI World Index  
■ DSC Class A  
■ MSCI World Index

## Compound Annual Returns of the Segregated Fund (May 31, 2004)

The following table shows the annual compound total return of the Fund, as compared to the MSCI World Index.

	1 year	3 years	5 years	10 years	Life
No-Load Class (%)	17.5	2.0	6.0	-	7.4
DSC Class A (%)	17.6	2.1	-	-	8.8
MSCI World Index (%)	23.8	-4.3	-2.2	-	-2.5

# Clarica SF US Small Cap Fund (Inception Date: January 2000)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of Clarica US Small Cap Fund or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of Clarica US Small Cap Fund or another substantially similar mutual fund.

## Underlying Fund

Clarica US Small Cap Fund

## Investment Objective of the Underlying Fund

To provide long-term capital growth by investing in a combination of equity securities of small to medium capitalization companies based in the United States.

## Investment Policy of the Underlying Fund

The portfolio adviser uses a bottom-up stock selection investing style. It is a growth strategy that focuses on risk control and volatility versus the benchmark.

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called *The risks of investing in segregated funds* in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- liquidity risk
- foreign exchange risk
- foreign investment risk
- risk of investing in equities
- risk of investing in derivatives
- risk of securities lending
- small capitalization risk
- class risk.

In addition, the Underlying Fund is particularly sensitive to the general economic and stock market conditions in the United States. Generally, investments in companies with smaller market capitalization tend to have more volatile earnings than those of larger companies.

## Top 10 Holdings of the Underlying Fund (May 31, 2004)

Premcor Inc.	2.5%
Ultimate Software Group Inc.	2.5%
WebMD Corp.	2.3%
Shaw Communications Inc.	2.3%
Bunge Ltd.	2.2%
IVAX Corp.	2.2%
Florida East Coast Industries Inc.	2.2%
Willis Group Holdings Ltd.	2.1%
DaVita Inc.	2.1%

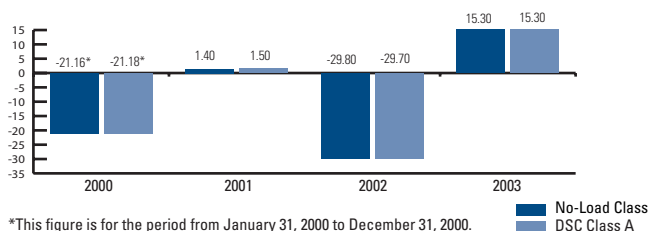
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance.

**Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.**

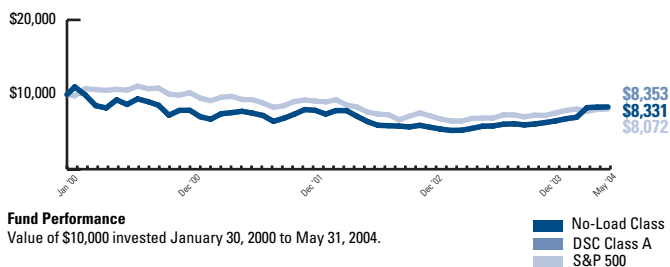
## Year-by-year returns of the Segregated Fund (%)

The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.



## Overall past performance of the Segregated Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to the S&P 500.



## Compound Annual Returns of the Segregated Fund (May 31, 2004)

The following table shows the annual compound total return of the Fund, as compared to the S&P 500.

	1 year	3 years	5 years	10 years	Life
No-Load Class (%)	22.1	-2.5	-	-	-3.9
DSC Class A (%)	21.9	-2.4	-	-	-3.9
S&P 500 (%)	17.8	-6.1	-	-	-4.8

# Financial Highlights

The following table shows selected key financial information about the Funds and is intended to help you understand the Funds' financial performance. This information is derived from the audited annual financial statements of the Funds. Please see page 17 for information about how you can obtain either the Funds' semi-annual unaudited or their annual audited financial statements.

## The Unit Values for each Fund as at December 31 for the years indicated below were as follows:

Fund	1999		2000		2001		2002		2003	
	No-Load Class	DSC Class A	No-Load Class	DSC Class A	No-Load Class	DSC Class A	No-Load Class	DSC Class A	No-Load Class	DSC Class A
Clarica SF Alpine Canadian Resources Fund	6.94	6.99	8.06	8.12	8.34	8.42	9.66	9.76	12.67	12.80
Clarica SF Alpine Growth Equity Fund	10.80	10.81	10.80	10.82	10.62	10.65	9.69	9.72	12.80	12.84
Clarica SF Canadian Blue Chip Fund	12.70	12.66	11.54	11.53	10.03	10.03	8.35	8.35	10.03	10.04
Clarica SF Canadian Diversified Fund	11.65	11.63	11.09	11.09	10.27	10.28	9.42	9.44	10.77	10.80
Clarica SF Canadian Equity Fund	10.88	10.88	12.82	12.84	12.63	12.66	10.55	10.58	12.58	12.62
Clarica SF Canadian Small/Mid Cap Fund	9.60	9.56	9.60	9.57	8.87	8.86	8.54	8.54	10.75	10.75
Clarica SF CI Asian and Pacific Fund	-	-	8.59	8.59	6.14	6.15	4.92	4.93	5.79	5.79
Clarica SF CI Canadian Balanced Portfolio	-	-	-	-	-	-	-	-	10.76	10.76
Clarica SF CI Canadian Conservative Portfolio	-	-	-	-	-	-	-	-	11.39	11.39
Clarica SF CI Canadian Income Portfolio	-	-	-	-	-	-	-	-	11.04	11.04
Clarica SF CI Emerging Markets Fund	13.13	13.07	8.77	8.74	9.00	8.98	7.43	7.42	10.08	10.07
Clarica SF CI European Fund	12.12	12.12	11.45	11.47	9.52	9.54	7.05	7.07	7.35	7.38
Clarica SF CI Global Balanced Portfolio	-	-	-	-	-	-	-	-	11.56	11.56
Clarica SF CI Global Conservative Portfolio	-	-	-	-	-	-	-	-	11.47	11.47
Clarica SF CI Global Fund	-	-	-	-	-	-	-	-	12.68	12.68
Clarica SF CI Global Growth Portfolio	-	-	-	-	-	-	-	-	11.66	11.66
Clarica SF CI Global Maximum Growth Portfolio	-	-	-	-	-	-	-	-	11.92	11.92
Clarica SF CI International Balanced Fund	-	-	-	-	-	-	-	-	11.91	11.91
Clarica SF CI Money Market Fund	-	-	-	-	-	-	-	-	10.09	10.09
Clarica SF CI Pacific Fund	18.57	18.61	13.27	13.30	13.00	13.06	10.01	10.06	12.66	12.73
Clarica SF CI Short-Term Bond Fund	10.02	10.02	10.38	10.39	10.92	10.95	11.09	11.13	11.38	11.42
Clarica SF CI Signature Canadian Balanced Fund	10.63	10.62	11.14	11.14	10.86	10.88	10.48	10.51	11.93	11.97
Clarica SF CI Signature Corporate Bond Fund	9.99	10.01	10.29	10.33	10.85	10.91	11.33	11.41	12.37	12.48
Clarica SF CI Synergy American Momentum Fund	-	-	-	-	-	-	-	-	10.19	10.19
Clarica SF CI Value Trust Sector Fund	10.51	10.51	9.40	9.41	7.63	7.65	5.35	5.37	6.18	6.20
Clarica SF Fidelity Canadian Asset Allocation Fund	11.38	11.32	11.87	11.83	11.67	11.65	10.97	10.96	12.25	12.26
Clarica SF Fidelity Growth America Fund	11.39	11.30	10.15	10.10	9.19	9.16	6.93	6.91	7.31	7.30
Clarica SF Fidelity True North® Fund	12.35	12.25	14.23	14.14	13.76	13.69	11.85	11.80	14.05	14.01
Clarica SF Global Bond Fund	9.63	9.64	9.89	9.90	10.32	10.34	11.93	11.97	10.76	10.79
Clarica SF Growth Fund	-	-	10.14	10.14	10.24	10.25	9.29	9.31	12.44	12.46
Clarica SF Premier Income Bond Fund	9.91	9.91	10.64	10.65	11.20	11.22	11.90	11.93	12.23	12.27
Clarica SF Premier CI Value Trust Sector Fund	12.71	12.64	11.28	11.22	10.09	10.05	8.02	8.00	9.31	9.27
Clarica SF Premier Bond Fund	10.04	10.09	10.98	11.04	11.61	11.69	12.32	12.41	12.70	12.80
Clarica SF Premier International Fund	14.98	15.01	12.34	12.38	9.83	9.87	7.16	7.19	8.13	8.17
Clarica SF Premier Mortgage Fund	10.61	10.61	11.22	11.21	11.82	11.85	12.13	12.17	12.54	12.58
Clarica SF Summit Canadian Equity Fund	11.13	11.13	13.27	13.29	13.50	13.53	12.90	12.93	14.24	14.28
Clarica SF Summit Dividend Growth Fund	10.03	10.08	12.67	12.75	13.65	13.75	12.10	12.19	14.30	14.41
Clarica SF Summit Foreign Equity Fund	11.97	11.95	13.70	13.69	14.24	14.24	12.66	12.68	12.93	12.95
Clarica SF Summit Growth and Income Fund	10.77	10.78	12.59	12.61	13.01	13.05	12.75	12.80	13.70	13.75
Clarica SF Trimark Balanced Fund	10.97	11.00	12.60	12.66	14.08	14.16	14.19	14.29	15.59	15.73
Clarica SF Trimark Canadian Equity Fund	11.77	11.77	13.52	13.55	13.88	13.92	12.30	12.34	14.54	14.61
Clarica SF Trimark Discovery Fund	18.20	17.78	12.31	12.06	8.98	8.80	5.23	5.14	6.38	6.27
Clarica SF Trimark Global Equity Fund	11.72	11.70	12.98	12.97	14.04	14.03	13.05	13.07	13.68	13.73
Clarica SF US Small Cap Fund	12.02	12.02	9.34	9.35	9.47	9.49	6.65	6.67	7.67	7.69

# Ratios and Supplemental Data

	No-Load Class					DSC Class A				
	1999	2000	2001	2002	2003	1999†	2000	2001	2002	2003
<b>Clarica SF Alpine Canadian Resources Fund</b>										
Average net assets (\$000's) (a)	7,512	17,124	20,470	22,978	23,492	10	971	2,158	3,380	4,165
Portfolio Turnover Rate(b)	0.35%	0.54%	0.39%	0.52%	1.26%	0.35%	0.54%	0.39%	0.52%	1.26%
# of Units Outstanding	-	2,397,051	2,380,189	2,680,454	2,326,232	-	196,614	275,609	498,814	429,839
MERs(c)	3.17%	3.39%	3.37%	3.51%	3.76%	3.07%	3.29%	3.25%	3.43%	3.76%
<b>Clarica SF Alpine Growth Equity Fund</b>										
Average net assets (\$000's) (a)	8,050	30,424	30,861	29,141	27,468	11	1,882	3,269	3,774	3,515
Portfolio Turnover Rate(b)	0.46%	0.27%	0.27%	0.30%	1.21%	0.46%	0.27%	0.27%	0.30%	1.21%
# of Units Outstanding	-	3,010,883	2,890,885	2,944,192	2,550,798	-	273,156	329,718	357,081	344,088
MERs(c)	3.16%	3.32%	3.42%	3.55%	3.74%	3.06%	3.21%	3.30%	3.45%	3.74%
<b>Clarica SF Canadian Blue Chip Fund</b>										
Average net assets (\$000's) (a)	148,200	291,707	252,713	200,958	164,073	10	13,851	24,078	25,161	23,618
Portfolio Turnover Rate(b)	0.57%	0.74%	0.81%	0.37%	1.29%	0.57%	0.74%	0.81%	0.37%	1.29%
# of Units Outstanding	-	25,424,980	23,360,549	20,745,210	17,923,841	-	1,953,123	2,544,415	2,778,805	2,705,420
MERs(c)	2.53%	2.66%	2.79%	2.95%	3.21%	2.43%	2.55%	2.69%	2.87%	3.21%
<b>Clarica SF Canadian Diversified Fund</b>										
Average net assets (\$000's) (a)	176,582	255,029	223,104	180,028	148,766	10	7,110	14,637	14,556	14,056
Portfolio Turnover Rate(b)	0.63%	0.70%	1.26%	0.99%	1.78%	0.63%	0.70%	1.26%	0.99%	1.78%
# of Units Outstanding	-	23,037,301	20,040,464	16,976,951	14,349,770	-	1,214,177	1,479,556	1,495,664	1,430,079
MERs(c)	2.54%	2.64%	2.74%	2.91%	3.21%	2.44%	2.54%	2.63%	2.84%	3.19%
<b>Clarica SF Canadian Equity Fund</b>										
Average net assets (\$000's) (a)	-	18,320	33,732	37,756	35,617	-	4,281	10,492	13,840	14,450
Portfolio Turnover Rate(b)	-	0.36%	0.52%	0.77%	0.11%	-	0.36%	0.52%	0.77%	0.11%
# of Units Outstanding	-	2,351,296	2,969,891	3,336,189	3,171,723	-	619,983	997,935	1,277,174	1,336,265
MERs(c)	-	3.27%	3.30%	3.46%	3.69%	-	3.16%	3.20%	3.38%	3.69%
<b>Clarica SF Canadian Small/Mid Cap Fund</b>										
Average net assets (\$000's) (a)	130,927	195,994	159,369	148,512	135,451	10	4,830	9,349	12,429	13,241
Portfolio Turnover Rate(b)	0.79%	0.89%	1.26%	0.72%	0.83%	0.79%	0.89%	1.26%	0.72%	0.83%
# of Units Outstanding	-	18,967,468	17,429,308	16,215,431	14,343,592	-	833,630	1,214,132	1,485,059	1,454,173
MERs(c)	2.53%	2.65%	2.81%	2.94%	3.20%	2.43%	2.55%	2.70%	2.86%	3.19%
<b>Clarica SF CI Asian and Pacific Fund</b>										
Average net assets (\$000's) (a)	-	143	457	652	689	-	143	226	282	260
Portfolio Turnover Rate(b)	-	-	0.04%	0.10%	0.63%	-	-	0.04%	0.10%	0.63%
# of Units Outstanding	-	-	84,247	122,973	156,214	-	-	39,255	55,201	61,537
MERs(c)	-	4.54	3.72%	4.00%	4.12%	-	4.44	3.63%	3.94%	4.05%

## Ratios and Supplemental Data (continued)

	No-Load Class					DSC Class A				
	1999	2000	2001	2002	2003	1999†	2000	2001	2002	2003
<b>Clarica SF CI Canadian Balanced Portfolio</b>										
Average net assets (\$000's) (a)	-	-	-	-	682	-	-	-	-	-
Portfolio Turnover Rate(b)	-	-	-	-	1.00%	-	-	-	-	-
# of Units Outstanding	-	-	-	-	236,691	-	-	-	-	-
MERs(c)	-	-	-	-	3.22%	-	-	-	-	3.22%
<b>Clarica SF CI Canadian Conservative Portfolio</b>										
Average net assets (\$000's) (a)	-	-	-	-	2,343	-	-	-	-	-
Portfolio Turnover Rate(b)	-	-	-	-	1.00%	-	-	-	-	-
# of Units Outstanding	-	-	-	-	609,124	-	-	-	-	-
MERs(c)	-	-	-	-	3.02%	-	-	-	-	3.02%
<b>Clarica SF CI Canadian Income Portfolio</b>										
Average net assets (\$000's) (a)	-	-	-	-	1,219	-	-	-	-	-
Portfolio Turnover Rate(b)	-	-	-	-	1.05%	-	-	-	-	-
# of Units Outstanding	-	-	-	-	380,369	-	-	-	-	-
MERs(c)	-	-	-	-	2.78%	-	-	-	-	2.78%
<b>Clarica SF CI Emerging Markets Fund</b>										
Average net assets (\$000's) (a)	1,894	10,415	10,111	10,829	9,824	11	1,274	2,696	3,801	3,814
Portfolio Turnover Rate(b)	0.61%	0.40%	0.60%	0.83%	0.72%	0.61%	0.40%	0.60%	0.83%	0.72%
# of Units Outstanding	-	1,117,546	1,207,103	1,289,293	1,167,337	-	212,303	375,294	480,308	467,739
MERs(c)	3.52%	3.99%	3.30%	3.80%	4.05%	3.42%	3.90%	3.18%	3.70%	4.02%
<b>Clarica SF CI European Fund</b>										
Average net assets (\$000's) (a)	-	9,033	11,538	8,538	5,769	-	1,191	1,993	1,937	1,530
Portfolio Turnover Rate(b)	-	0.90%	0.75%	0.51%	0.90%	-	0.90%	0.75%	0.51%	0.90%
# of Units Outstanding	-	1,063,768	1,106,598	993,391	823,719	-	163,892	213,993	241,466	225,862
MERs(c)	-	3.58%	3.40%	3.51%	3.80%	-	3.47%	3.28%	3.42%	3.77%
<b>Clarica SF CI Global Balanced Portfolio</b>										
Average net assets (\$000's) (a)	-	-	-	-	3,270	-	-	-	-	-
Portfolio Turnover Rate(b)	-	-	-	-	1.11%	-	-	-	-	-
# of Units Outstanding	-	-	-	-	888,853	-	-	-	-	-
MERs(c)	-	-	-	-	3.25%	-	-	-	-	3.25%
<b>Clarica SF CI Global Conservative Portfolio</b>										
Average net assets (\$000's) (a)	-	-	-	-	1,242	-	-	-	-	-
Portfolio Turnover Rate(b)	-	-	-	-	1.27%	-	-	-	-	-
# of Units Outstanding	-	-	-	-	318,509	-	-	-	-	-
MERs(c)	-	-	-	-	3.21%	-	-	-	-	3.21%

# Ratios and Supplemental Data (continued)

	No-Load Class					DSC Class A				
	1999	2000	2001	2002	2003	1999†	2000	2001	2002	2003
<b>Clarica SF CI Global Fund</b>										
Average net assets (\$000's) (a)	-	-	-	-	97	-	-	-	-	-
Portfolio Turnover Rate(b)	-	-	-	-	0.91%	-	-	-	-	-
# of Units Outstanding	-	-	-	-	34,672	-	-	-	-	-
MERs(c)	-	-	-	-	3.26%	-	-	-	-	3.26%
<b>Clarica SF CI Global Growth Portfolio</b>										
Average net assets (\$000's) (a)	-	-	-	-	1,746	-	-	-	-	-
Portfolio Turnover Rate(b)	-	-	-	-	1.16%	-	-	-	-	-
# of Units Outstanding	-	-	-	-	363,862	-	-	-	-	-
MERs(c)	-	-	-	-	3.27%	-	-	-	-	3.27%
<b>Clarica SF CI Global Maximum Growth Portfolio</b>										
Average net assets (\$000's) (a)	-	-	-	-	357	-	-	-	-	-
Portfolio Turnover Rate(b)	-	-	-	-	1.08%	-	-	-	-	-
# of Units Outstanding	-	-	-	-	69,886	-	-	-	-	-
MERs(c)	-	-	-	-	3.32%	-	-	-	-	3.32%
<b>Clarica SF CI International Balanced Fund</b>										
Average net assets (\$000's) (a)	-	-	-	-	43	-	-	-	-	-
Portfolio Turnover Rate(b)	-	-	-	-	1.19%	-	-	-	-	-
# of Units Outstanding	-	-	-	-	10,966	-	-	-	-	-
MERs(c)	-	-	-	-	3.25%	-	-	-	-	3.25%
<b>Clarica SF CI Money Market Fund</b>										
Average net assets (\$000's) (a)	-	-	-	-	10,178	-	-	-	-	-
Portfolio Turnover Rate(b)	-	-	-	-	0.94%	-	-	-	-	-
# of Units Outstanding	-	-	-	-	1,249,805	-	-	-	-	-
MERs(c)	-	-	-	-	1.69%	-	-	-	-	1.69%
<b>Clarica SF CI Pacific Fund</b>										
Average net assets (\$000's)	6,112	22,466	16,915	13,246	9,974	11	1,284	1,754	1,641	1,354
Portfolio Turnover Rate	0.48%	0.93%	0.74%	0.83%	0.63%	0.48%	0.93%	0.74%	0.83%	0.63%
# of Units Outstanding	-	1,480,674	1,243,225	1,044,705	940,983	-	134,847	142,447	133,574	129,907
MERs	3.23%	3.49%	3.47%	3.52%	3.85%	3.13%	3.40%	3.35%	3.42%	3.82%
<b>Clarica SF CI Short-Term Bond Fund</b>										
Average net assets (\$000's) (a)	-	3,574	11,488	21,415	40,739	-	325	1,460	4,364	8,694
Portfolio Turnover Rate(b)	-	3.97%	1.20%	2.82%	2.24%	-	3.97%	1.20%	2.82%	2.24%
# of Units Outstanding	-	442,564	1,773,693	2,707,251	2,799,164	-	56,909	227,770	536,990	678,834
MERs(c)	-	2.26%	1.85%	2.02%	2.07%	-	2.14%	1.72%	1.92%	2.05%



## Ratios and Supplemental Data (continued)

	No-Load Class					DSC Class A				
	1999	2000	2001	2002	2003	1999†	2000	2001	2002	2003
<b>Clarica SF CI Signature Canadian Balanced Fund</b>										
Average net assets (\$000's) (a)	15,233	51,551	70,243	57,370	46,088	10	1,391	4,726	5,553	6,576
Portfolio Turnover Rate(b)	1.17%	0.39%	0.42%	1.18%	1.75%	1.17%	0.39%	0.42%	1.18%	1.75%
# of Units Outstanding	-	6,407,790	6,205,158	4,862,386	3,991,261	-	317,416	478,617	585,766	617,461
MERs(c)	2.72%	2.82%	2.95%	3.13%	3.12%	2.62%	2.68%	2.83%	2.99%	3.11%
<b>Clarica SF CI Signature Corporate Bond Fund</b>										
Average net assets (\$000's) (a)	7,294	10,759	13,627	27,265	32,091	10	493	1,756	4,837	7,630
Portfolio Turnover Rate(b)	0.36%	0.22%	0.39%	0.29%	0.87%	0.36%	0.22%	0.39%	0.29%	0.87%
# of Units Outstanding	-	1,038,212	1,735,470	2,687,676	2,415,366	-	90,139	241,616	574,579	647,693
MERs(c)	2.51%	2.64%	2.85%	2.86%	3.23%	2.41%	2.57%	2.73%	2.71%	3.10%
<b>Clarica SF CI Synergy American Momentum Fund</b>										
Average net assets (\$000's) (a)	-	-	-	-	89	-	-	-	-	-
Portfolio Turnover Rate(b)	-	-	-	-	6.45%	-	-	-	-	-
# of Units Outstanding	-	-	-	-	23,283	-	-	-	-	-
MERs(c)	-	-	-	-	3.27%	-	-	-	-	3.27%
<b>Clarica SF CI Value Trust Sector Fund</b>										
Average net assets (\$000's) (a)	101	8,863	16,122	20,313	21,302	101	2,148	5,502	8,212	9,162
Portfolio Turnover Rate(b)	0.06%	0.80%	1.15%	2.19%	0.01%	0.06%	0.80%	1.15%	2.19%	0.01%
# of Units Outstanding	-	1,368,025	2,581,282	3,683,329	4,168,885	-	374,031	926,084	1,569,266	1,707,926
MERs(c)	3.00%	3.47%	3.25%	3.35%	3.74%	2.90%	3.37%	3.14%	3.27%	3.67%
<b>Clarica SF Fidelity Canadian Asset Allocation Fund</b>										
Average net assets (\$000's) (a)	60,470	202,854	266,771	265,991	236,164	10	8,367	23,962	30,079	31,380
Portfolio Turnover Rate(b)	1.21%	0.99%	0.94%	0.94%	0.62%	1.21%	0.99%	0.94%	0.94%	0.62%
# of Units Outstanding	-	21,493,737	23,787,354	22,820,180	19,516,117	-	1,491,867	2,409,946	2,817,475	2,732,380
MERs(c)	3.16%	3.24%	3.38%	3.47%	3.85%	3.05%	3.11%	3.28%	3.35%	3.74%
<b>Clarica SF Fidelity Growth America Fund</b>										
Average net assets (\$000's) (a)	18,540	47,304	49,433	52,665	42,765	10	2,013	4,189	5,804	5,786
Portfolio Turnover Rate(b)	0.83%	1.16%	0.79%	0.19%	0.47%	0.83%	1.16%	0.79%	0.19%	0.47%
# of Units Outstanding	-	4,947,541	5,858,002	6,839,149	5,779,972	-	362,958	548,309	845,316	813,261
MERs(c)	3.16%	3.27%	3.51%	3.64%	3.80%	3.05%	3.12%	3.40%	3.51%	3.67%
<b>Clarica SF Fidelity True North® Fund</b>										
Average net assets (\$000's) (a)	13,368	102,617	149,162	153,557	133,345	10	7,070	16,668	20,147	19,167
Portfolio Turnover Rate(b)	1.08%	0.86%	0.94%	0.07%	0.62%	1.08%	0.86%	0.94%	0.07%	0.62%
# of Units Outstanding	-	9,792,394	11,647,755	11,746,856	10,047,214	-	953,687	1,425,987	1,602,042	1,524,321
MERs(c)	3.16%	3.28%	3.45%	3.52%	3.82%	3.05%	3.11%	3.34%	3.41%	3.73%

## Ratios and Supplemental Data (continued)

	No-Load Class					DSC Class A				
	1999	2000	2001	2002	2003	1999†	2000	2001	2002	2003
<b>Clarica SF Global Bond Fund</b>										
Average net assets (\$000's) (a)	-	6,952	18,829	30,534	33,419	-	2,138	6,704	12,535	15,963
Portfolio Turnover Rate(b)	-	0.21%	0.39%	0.11%	2.03%	-	0.21%	0.39%	0.11%	2.03%
# of Units Outstanding	-	1,301,266	2,320,271	3,161,862	2,734,605	-	407,747	857,061	1,364,844	1,366,137
MERs(c)	-	2.69%	2.47%	2.70%	2.80%	-	2.59%	2.36%	2.61%	2.79%
<b>Clarica SF Growth Fund</b>										
Average net assets (\$000's) (a)	-	151	1,350	4,206	5,581	-	151	362	867	1,407
Portfolio Turnover Rate(b)	-	0.01%	0.23%	0.30%	1.21%	-	0.01%	0.23%	0.30%	1.21%
# of Units Outstanding	-	-	226,316	479,495	903,137	-	-	52,069	112,683	204,753
MERs(c)	-	4.62	3.03%	3.22%	3.41%	-	4.52	2.94%	3.14%	3.37%
<b>Clarica SF Premier Bond Fund</b>										
Average net assets (\$000's) (a)	93,059	83,531	96,364	104,893	105,438	10	4,315	14,608	24,104	29,053
Portfolio Turnover Rate(b)	0.59%	0.59%	0.40%	0.47%	2.89%	0.59%	0.59%	0.40%	0.47%	2.89%
# of Units Outstanding	-	7,668,810	8,933,650	8,909,166	7,802,176	-	764,962	1,630,282	2,221,334	2,246,098
MERs(c)	2.11%	2.26%	2.39%	2.50%	2.67%	2.01%	2.16%	2.28%	2.42%	2.66%
<b>Clarica SF Premier CI Value Trust Sector Fund</b>										
Average net assets (\$000's) (a)	84,449	105,364	89,369	70,700	64,711	10	3,241	7,605	9,694	10,977
Portfolio Turnover Rate(b)	0.88%	0.34%	0.63%	1.89%	0.01%	0.88%	0.34%	0.63%	1.89%	0.01%
# of Units Outstanding	-	8,599,599	8,293,587	7,874,327	7,619,763	-	479,488	897,081	1,223,173	1,365,226
MERs(c)	2.55%	2.71%	2.85%	2.89%	3.24%	2.45%	2.60%	2.74%	2.80%	3.21%
<b>Clarica SF Premier Income Bond Fund</b>										
Average net assets (\$000's) (a)	-	9,041	27,573	45,240	53,393	-	2,943	10,222	19,154	25,876
Portfolio Turnover Rate(b)	-	0.02%	0.74%	1.29%	2.89%	-	0.02%	0.74%	1.29%	2.89%
# of Units Outstanding	-	1,604,844	3,358,927	4,350,516	4,075,993	-	551,209	1,249,755	1,959,989	2,153,577
MERs(c)	-	2.43%	2.38%	2.59%	2.68%	-	2.33%	2.27%	2.50%	2.65%
<b>Clarica SF Premier International Fund</b>										
Average net assets (\$000's) (a)	41,735	88,047	79,728	58,674	45,485	10	4,298	9,952	12,630	12,203
Portfolio Turnover Rate(b)	0.40%	0.96%	0.93%	1.38%	0.31%	0.40%	0.96%	0.93%	1.38%	0.31%
# of Units Outstanding	-	7,232,066	7,349,885	6,816,784	6,182,337	-	581,784	1,176,946	1,681,128	1,722,526
MERs(c)	2.57%	2.74%	2.89%	2.93%	3.27%	2.47%	2.64%	2.78%	2.85%	3.27%
<b>Clarica SF Premier Mortgage Fund</b>										
Average net assets (\$000's) (a)	26,493	28,294	32,621	41,446	46,432	10	1,508	4,970	9,697	13,375
Portfolio Turnover Rate(b)	0.20%	0.21%	0.34%	0.26%	0.36%	0.20%	0.21%	0.34%	0.26%	0.36%
# of Units Outstanding	-	2,526,234	3,122,615	3,785,582	3,514,659	-	243,446	589,592	961,078	1,104,672
MERs(c)	1.80%	2.21%	2.32%	2.50%	2.71%	1.70%	2.11%	2.22%	2.41%	2.70%

## Ratios and Supplemental Data (continued)

	No-Load Class					DSC Class A				
	1999	2000	2001	2002	2003	1999†	2000	2001	2002	2003
<b>Clarica SF Summit Canadian Equity Fund</b>										
Average net assets (\$000's) (a)	22,367	31,179	41,068	50,869	51,891	10	1,336	3,785	6,641	8,668
Portfolio Turnover Rate(b)	0.11%	0.55%	0.17%	0.86%	0.20%	0.11%	0.55%	0.17%	0.86%	0.20%
# of Units Outstanding	-	2,775,232	3,418,076	4,160,189	3,728,468	-	191,249	362,116	611,553	702,241
MERs(c)	2.93%	3.16%	3.20%	3.35%	3.58%	2.83%	3.06%	3.08%	3.27%	3.57%
<b>Clarica SF Summit Dividend Growth Fund</b>										
Average net assets (\$000's) (a)	31,055	40,461	69,890	92,486	90,743	10	4,340	15,140	23,585	26,155
Portfolio Turnover Rate(b)	0.25%	0.46%	0.30%	0.81%	1.12%	0.25%	0.46%	0.30%	0.81%	1.12%
# of Units Outstanding	-	4,217,703	6,056,657	7,449,219	6,997,225	-	709,698	1,421,613	2,009,727	2,084,120
MERs(c)	2.91%	3.12%	3.19%	3.29%	3.59%	2.81%	3.01%	3.08%	3.22%	3.59%
<b>Clarica SF Summit Foreign Equity Fund</b>										
Average net assets (\$000's) (a)	15,224	17,771	25,126	39,180	34,824	10	363	1,604	4,048	4,333
Portfolio Turnover Rate(b)	0.52%	0.32%	0.16%	1.10%	0.29%	0.52%	0.32%	0.16%	1.10%	0.29%
# of Units Outstanding	-	1,504,684	2,196,589	3,145,005	2,656,583	-	54,168	167,658	366,092	342,947
MERs(c)	2.99%	3.32%	3.15%	3.30%	3.61%	2.89%	3.23%	3.02%	3.22%	3.61%
<b>Clarica SF Summit Growth and Income Fund</b>										
Average net assets (\$000's) (a)	45,777	43,658	66,198	95,414	99,798	10	735	3,727	8,214	11,569
Portfolio Turnover Rate(b)	0.09%	0.51%	0.30%	0.76%	0.18%	0.09%	0.51%	0.30%	0.76%	0.18%
# of Units Outstanding	-	3,990,510	6,192,596	7,909,742	7,378,531	-	148,680	408,616	809,699	927,535
MERs(c)	2.91%	3.13%	3.18%	3.32%	3.58%	2.81%	3.02%	3.07%	3.24%	3.57%
<b>Clarica SF Trimark Balanced Fund</b>										
Average net assets (\$000's) (a)	10,366	34,450	73,615	155,966	178,908	10	1,862	9,455	24,292	34,825
Portfolio Turnover Rate(b)	0.70%	0.55%	0.44%	0.24%	0.24%	0.70%	0.55%	0.44%	0.24%	0.24%
# of Units Outstanding	-	3,413,951	7,799,951	12,533,135	12,149,363	-	298,795	1,002,463	2,196,265	2,532,372
MERs(c)	3.16%	3.27%	3.41%	3.45%	3.76%	3.05%	3.14%	3.31%	3.33%	3.64%
<b>Clarica SF Trimark Canadian Equity Fund</b>										
Average net assets (\$000's) (a)	6,430	24,898	40,942	59,007	59,228	10	1,601	4,586	7,723	8,815
Portfolio Turnover Rate(b)	0.55%	0.70%	0.55%	0.44%	0.44%	0.55%	0.70%	0.55%	0.44%	0.44%
# of Units Outstanding	-	2,260,850	3,618,330	4,856,628	4,504,554	0	215,036	434,700	670,974	692,619
MERs(c)	3.16%	3.27%	3.48%	3.46%	3.73%	3.05%	3.14%	3.37%	3.42%	3.61%
<b>Clarica SF Trimark Discovery Fund</b>										
Average net assets (\$000's) (a)	13,279	90,729	59,068	42,796	34,139	11	5,189	5,431	4,938	4,410
Portfolio Turnover Rate(b)	0.80%	0.69%	0.66%	0.39%	0.39%	0.80%	0.69%	0.66%	0.39%	0.39%
# of Units Outstanding	-	5,853,052	6,413,909	6,370,033	5,790,734	-	471,241	662,513	806,351	798,015
MERs(c)	3.16%	3.26%	3.51%	3.81%	3.81%	3.05%	3.10%	3.40%	3.66%	3.70%

## Ratios and Supplemental Data (continued)

	No-Load Class					DSC Class A				
	1999	2000	2001	2002	2003	1999†	2000	2001	2002	2003
<b>Clarica SF Trimark Global Equity Fund</b>										
Average net assets (\$000's) (a)	9,532	30,944	57,999	107,967	106,445	10	1,324	5,300	13,242	16,660
Portfolio Turnover Rate(b)	0.34%	0.36%	0.21%	0.22%	0.22%	0.34%	0.36%	0.21%	0.22%	0.22%
# of Units Outstanding	-	3,038,326	5,561,261	8,719,213	7,932,787	-	209,345	547,421	1,264,794	1,297,099
MERs(c)	3.16%	3.27%	3.47%	3.52%	3.77%	3.05%	3.14%	3.36%	3.27%	3.65%
<b>Clarica SF US Small Cap Fund</b>										
Average net assets (\$000's) (a)	-	10,203	17,321	22,310	19,041	-	1,976	4,770	7,000	6,757
Portfolio Turnover Rate(b)	-	2.27%	2.41%	1.99%	0.68%	-	2.27%	2.41%	1.99%	0.68%
# of Units Outstanding	-	1,605,170	2,316,426	2,996,232	2,618,972	-	361,799	681,409	982,408	981,352
MERs(c)	-	3.53%	3.25%	3.45%	3.72%	-	3.43%	3.14%	3.36%	3.72

1. "Average Net Assets" are calculated on the daily net assets outstanding. "Portfolio Turnover Rate" represents that of the Underlying Fund which is calculated based on the lesser of purchases or sales divided by the average value of the portfolio securities, excluding short-term securities. The Portfolio Turnover Rate indicates how often the portfolio advisor bought and sold securities for the Underlying Fund. A Portfolio Turnover Rate of 100% is equivalent to the Underlying Fund buying and selling all of the securities in its portfolio once during the year. The higher the Portfolio Turnover Rate, the greater the Underlying Funds trading costs in the year. There is not necessarily a relationship between high turnover and fund performance. "MERs" represent the management expense ratio of the segregated fund, which includes the management expense ratio of its Underlying Fund.

\* In the year of inception of the fund or class of Units (as applicable), all values provided cover the period from inception to the end of the year. The management expense ratios in the year of inception have been annualized. Inception dates are as follows: for 1999, February 1999; for 2000, January 2000; for 2001, January 2001; for 2003, April 2003 except Clarica SF CI Canadian Balanced Portfolio for which the inception date was August 2003.

2. On October 1, 2003, the annual insurance fee charged as a percentage of the net asset value of each class of Units of a fund changed. Had this change been in effect throughout the last completed fiscal year, the MERs of the funds for the year ended December 31, 2003 would have been as follows:

Fund Names	Management Expense Ratio of the No-Load Class Units	Management Expense Ratio of the DSC Class A Units
Clarica SF Alpine Canadian Resources Fund	3.80%	3.69%
Clarica SF Alpine Growth Equity Fund	3.80%	3.69%
Clarica SF Canadian Blue Chip Fund	3.26%	3.16%
Clarica SF Canadian Diversified Fund	3.26%	3.16%
Clarica SF Canadian Equity Fund	3.75%	3.64%
Clarica SF Canadian Small/Mid Cap Fund	3.26%	3.16%
Clarica SF CI Asian and Pacific Fund	3.80%	3.69%
Clarica SF CI Canadian Balanced Portfolio	3.21%	3.21%
Clarica SF CI Canadian Conservative Portfolio	3.10%	3.10%
Clarica SF CI Canadian Income Portfolio	2.84%	2.84%
Clarica SF CI Emerging Markets Fund	3.96%	3.85%
Clarica SF CI European Fund	3.75%	3.64%
Clarica SF CI Global Balanced Portfolio	3.21%	3.21%
Clarica SF CI Global Conservative Portfolio	3.21%	3.21%

## Ratios and Supplemental Data (continued)

Fund Names	Management Expense Ratio of the No-Load Class Units	Management Expense Ratio of the DSC Class A Units
Clarica SF CI Global Fund	3.21%	3.21%
Clarica SF CI Global Growth Portfolio	3.21%	3.21%
Clarica SF CI Global Maximum Growth Portfolio	3.21%	3.21%
Clarica SF CI International Balanced Fund	3.21%	3.21%
Clarica SF CI Money Market Fund	2.03%	2.03%
Clarica SF CI Pacific Fund	3.80%	3.69%
Clarica SF CI Short-Term Bond Fund	2.25%	2.14%
Clarica SF CI Signature Canadian Balanced Fund	3.26%	3.26%
Clarica SF CI Signature Corporate Bond Fund	3.26%	3.16%
Clarica SF CI Synergy American Momentum Fund	3.21%	3.21%
Clarica SF CI Value Trust Sector Fund	3.75%	3.64%
Clarica SF Fidelity Canadian Asset Allocation Fund	3.91%	3.80%
Clarica SF Fidelity Growth America Fund	3.91%	3.80%
Clarica SF Fidelity True North® Fund	3.91%	3.80%
Clarica SF Global Bond Fund	2.94%	2.84%
Clarica SF Growth Fund	3.42%	3.32%
Clarica SF Premier Bond Fund	2.84%	2.73%
Clarica SF Premier CI Value Trust Sector Fund	3.26%	3.16%
Clarica SF Premier Income Bond Fund	2.84%	2.73%
Clarica SF Premier International Fund	3.26%	3.16%
Clarica SF Premier Mortgage Fund	2.73%	2.62%
Clarica SF Summit Canadian Equity Fund	3.64%	3.53%
Clarica SF Summit Dividend Growth Fund	3.64%	3.53%
Clarica SF Summit Foreign Equity Fund	3.64%	3.53%
Clarica SF Summit Growth and Income Fund	3.64%	3.53%
Clarica SF Trimark Balanced Fund	3.91%	3.80%
Clarica SF Trimark Canadian Equity Fund	3.91%	3.80%
Clarica SF Trimark Discovery Fund	3.91%	3.80%
Clarica SF Trimark Global Equity Fund	3.91%	3.80%
Clarica SF U.S. Small Cap Fund	3.75%	3.64%



CLARICA



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**SUN LIFE ASSURANCE COMPANY OF CANADA  
SUPPLEMENT DATED •, 2004  
TO THE INFORMATION FOLDER DATED AUGUST 2004  
CLARICA PORTFOLIO SEGREGATED FUNDS**

**CHANGES TO UNDERLYING FUNDS**

Effective on or about November 29, 2004, certain Clarica Portfolio segregated funds will change their underlying funds and names as described below.

<b>Segregated Fund</b>	<b>Current Underlying Fund</b>	<b>Replacement Underlying Fund</b>
Clarica SF Global Bond Fund <i>New Name: Clarica SF CI Global Bond Fund</i>	Clarica Global Bond Fund	CI Global Bond Fund
Clarica SF Alpine Canadian Resources Fund <i>New Name: Clarica SF CI Signature Canadian Resource Fund</i>	Clarica Alpine Canadian Resources Fund	Signature Canadian Resource Fund

Additional information concerning CI Global Bond Fund and Signature Canadian Resource Fund is contained in the revised Summary Fact Statements later in this supplement. The management and insurance fees of the segregated funds described in page 13 of the information folder are unaffected by these changes.

Accordingly, the following incidental changes are made to the information folder, effective immediately:

- All references to Clarica SF Global Bond Fund and Clarica SF Alpine Canadian Resources Fund are replaced with references to Clarica SF CI Global Bond Fund and Clarica SF CI Signature Canadian Resources Fund, respectively.
- The Portfolio Turnover Rates of the underlying fund of Clarica SF Global Bond Fund (now Clarica SF CI Global Bond Fund) in page 72 of the information folder are replaced with the following: 2000: 312%; 2001: 143%; 2002: 122%; and 2003: 147%.
- The Portfolio Turnover Rates of the underlying fund of Clarica SF Alpine Canadian Resources Fund (now Clarica SF CI Signature Canadian Resources Fund) in page 68 of the information folder are replaced with the following: 1999: 141%; 2000: 398%; 2001: 342%; 2002: 83%; and 2003: 97%.
- The Summary Fact Statements later in this supplement replace the current Summary Fact Statements of the segregated funds commencing at pages 23 and 51 of the information folder.

# Clarica SF CI Global Bond Fund (Inception Date: January 2000)

(Formerly Clarica SF Global Bond Fund)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of CI Global Bond Fund or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of CI Global Bond Fund or another substantially similar mutual fund.

## Underlying Fund

CI Global Bond Fund

## Investment Objective of the Underlying Fund

This fund's objective is to obtain long-term total return.

## Investment Policy of the Underlying Fund

It invests primarily in fixed income and floating rate securities of governments and companies throughout the world that the portfolio advisor believes offer an attractive yield and opportunity for capital gains. The fund may make large investments in any country, including emerging markets and emerging industries of developed markets, and in high yield securities of developed markets.

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called "The risks of investing in segregated funds" in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- credit risk
- foreign exchange risk
- foreign investment risk
- interest rate risk
- liquidity risk
- derivatives risk
- securities lending risk
- repurchase transactions or reverse repurchase
- bottom fund risk
- class risk

## Top 10 Holdings of the Underlying Fund (August 31, 2004)

Canada Government Bond 4.875% 07/07/08	20.8%
Canada Government Bond 4.5% 04/28/09	11.7%
International Bank for Recon & Dev 2% 02/18/08	6.9%
International American Development Bank 1.9% 07/08/09	5.5%
Canada Government Bond 6.375% 07/21/05	4.9%
Province of Quebec 4.25% 02/27/13	4.2%
Canada Government Bond 4.25% 09/01/08	3.5%
France Government Bond OAT 3% 07/25/12	3.2%
Germany Government Bond 5.5% 01/04/31	3.0%
International Bank Recon & Dev 4.375% 09/28/06	2.6%

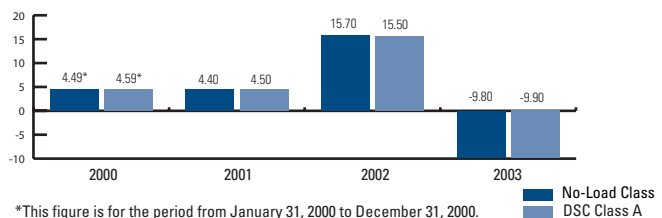
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance. Prior to November 29, 2004, this segregated fund invested in units of a different underlying fund.

Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.

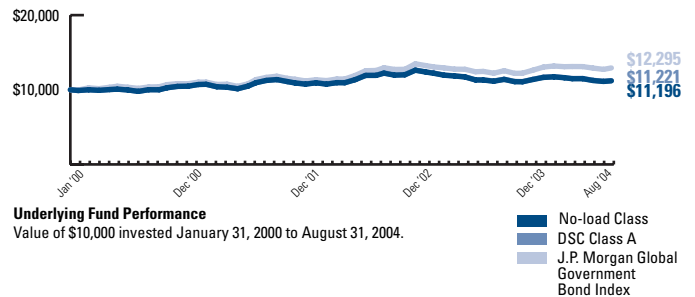
## Year-by-year returns of the Segregated Fund (%)

The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.



## Overall past performance of the Segregated Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to the J.P. Morgan Global Government Bond Index.



## Compound Annual Returns of the Segregated Fund (August 31, 2004)

The following table shows the annual compound total return of the Fund, as compared to the J.P. Morgan Global Government Bond Index.

	1 year	3 years	5 years	10 years	Life
No-load Class (%)	0.5	0.8	-	-	1.2
DSC Class A (%)	0.4	0.8	-	-	1.3
J.P. Morgan Global Government Bond Index	5.8	4.4	-	-	5.8

# Clarica SF CI Signature Canadian Resource Fund (Inception Date: January 1998)

(Formerly Clarica SF Alpine Canadian Resources Fund)

## Investment Objective of the Segregated Fund

To invest all of its net assets in units of Signature Canadian Resource Fund or another substantially similar mutual fund.

## Investment Policy of the Segregated Fund

To invest all of its net assets in units of Signature Canadian Resource Fund or another substantially similar mutual fund.

## Underlying Fund

Signature Canadian Resource Fund

## Investment Objective of the Underlying Fund

This fund's objective is to obtain maximum long-term capital growth.

## Investment Policy of the Underlying Fund

It invests primarily in equity and equity-related securities of Canadian companies engaged in or related to the energy, commodity and natural resource industries.

## Investment Risk and Other Considerations

This segregated fund's market value may be affected by the general risk factors described in the section called "The risks of investing in segregated funds" in the Information Folder. It may also be affected by the following specific risk factors described in the same section:

- credit risk
- foreign exchange risk
- derivatives risk
- foreign investment risk
- interest rate risk
- short selling risk
- equity risk
- securities lending risk
- repurchase transactions or reverse repurchase
- bottom fund risk
- class risk

## Top 10 Holdings of the Underlying Fund (August 31, 2004)

Fording Canadian Coal Trust	4.4%
Petro-Canada	3.9%
Teck Cominco Ltd.	3.8%
EnCana Corp.	3.5%
Precision Drilling Corp.	3.4%
Penn West Petroleum Ltd.	3.1%
Alcan Inc.	2.7%
Progress Energy Trust	2.7%
Trican Well Service Ltd.	2.5%
Domtar Inc.	2.5%

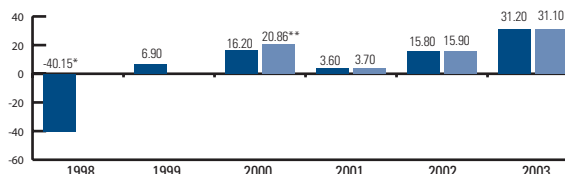
## Performance

The returns or performance data shown reflect changes in unit value and assume that all income/realized net gains are retained by the segregated fund in the periods shown and are reflected in higher unit values of the segregated fund. The returns or performance data do not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance. Prior to November 29, 2004, this segregated fund invested in units of a different underlying fund.

Past performance should not be construed as being indicative of the future performance of this Segregated Fund or the Underlying Fund.

## Year-by-year returns of the Segregated Fund (%)

The following chart shows the year-by-year change in annual performance of the Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or decreased by December 31 in that year.



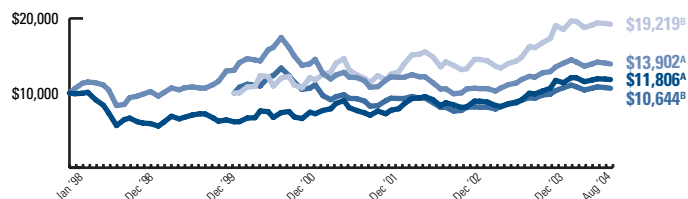
\*This figure is for the period from January 31, 1998 to December 31, 1998.

\*\*This figure is for the period from January 31, 2000 to December 31, 2000.

■ No-Load Class  
■ DSC Class A

## Overall past performance of the Segregated Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund, as compared to the S&P/TSX Composite Index.



## Underlying Fund Performance

<sup>A</sup>Value of \$10,000 invested January 31, 1998 to August 31, 2004.

<sup>B</sup>Value of \$10,000 invested January 31, 2000 to August 31, 2004.

■ No-Load Class  
■ S&P/TSX Comp. Index  
■ DSC Class A  
■ S&P/TSX Comp. Index

## Compound Annual Returns of the Segregated Fund (August 31, 2004)

The following table shows the annual compound total return of the Fund, as compared to the S&P/TSX Composite Index.

	1 year	3 years	5 years	10 years	Life
No-load Class (%)	18.3	17.2	10.3	-	3.8
DSC Class A (%)	18.3	17.2	-	-	12.7
S&P/TSX Composite Index (%)	13.5	6.1	5.4	-	5.1







You can obtain additional information about Clarica Portfolio segregated funds (individual variable life insurance contracts) from the audited annual financial statements. You can obtain a free copy of these audited annual financial statements or other information about the Clarica Portfolio by:

- asking your Clarica agent
- calling CI's Client Services Department toll free at **1-888-771-2999**
- visiting CI's Website at [www.cifunds.com](http://www.cifunds.com)



*issued by Sun Life Assurance Company of Canada*

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