



Hillsdale Investment Management Inc.

## Fund Objective

The investment objective of the strategy is to provide a rate of return on capital in excess of, and with volatility equal to or less than, the Russell 2000 Total Return Index.

The Fund invests a minimum of 75% of its assets in a diversified selection of small to medium capitalization United States corporations trading on major U.S. stock exchanges.

No equity holding of a single corporation, either through direct holdings or indirectly through an investment in another investment fund, will exceed 5% of the Fund's Net Asset Value.

## Inception Date

March 1996

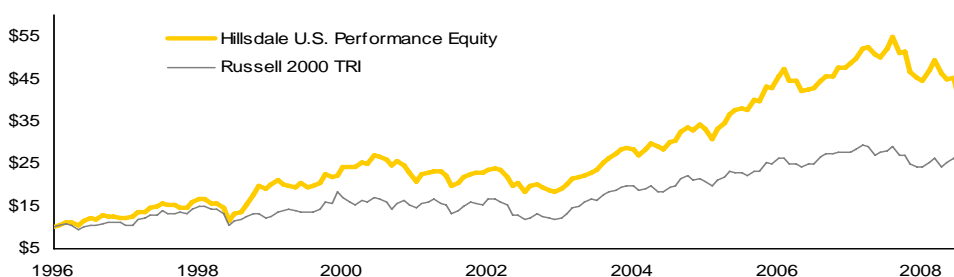
# Hillsdale US Performance Equity

as at September 30, 2008

## Monthly Net Returns <sup>1</sup>

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	Russell 2000 TRI
1996				6.4%	4.9%	-0.8%	-4.5%	8.7%	5.5%	-3.2%	10.5%	-3.5%	<b>25.1%</b>	10.8%
1997	-0.1%	-1.4%	-0.2%	2.3%	6.9%	2.1%	6.9%	1.6%	6.1%	-2.6%	-1.4%	-4.6%	<b>15.8%</b>	22.4%
1998	0.5%	9.8%	4.8%	-0.6%	-5.9%	0.8%	-7.1%	-21.7%	16.1%	2.5%	12.3%	16.7%	<b>23.4%</b>	-2.5%
1999	11.1%	-3.6%	5.0%	5.6%	-5.3%	-2.1%	-0.8%	5.3%	-6.1%	2.6%	2.4%	11.0%	<b>26.1%</b>	21.3%
2000	-3.5%	1.7%	9.6%	0.5%	-0.7%	4.2%	-1.6%	8.7%	-1.4%	-2.3%	-5.7%	4.3%	<b>13.3%</b>	-3.0%
2001	-3.4%	-7.8%	-8.4%	9.0%	1.6%	1.1%	-0.1%	-4.9%	-10.0%	3.2%	6.8%	3.4%	<b>-11.1%</b>	2.5%
2002	1.3%	-0.7%	2.7%	1.6%	-0.8%	-7.5%	-9.3%	2.6%	-8.8%	5.9%	2.9%	-4.6%	<b>-14.9%</b>	-20.5%
2003	-3.7%	-1.6%	3.8%	6.1%	7.2%	1.1%	1.2%	3.5%	3.0%	7.7%	4.0%	3.3%	<b>41.3%</b>	47.3%
2004	3.4%	2.1%	-1.3%	-4.6%	4.8%	4.3%	-1.5%	-2.7%	6.0%	1.1%	6.8%	3.3%	<b>23.2%</b>	18.3%
2005	-2.5%	4.0%	-2.4%	-7.4%	8.1%	3.7%	6.0%	2.6%	1.6%	-1.3%	6.1%	-0.8%	<b>18.0%</b>	4.6%
2006	8.4%	-0.4%	6.7%	3.2%	-5.6%	-0.2%	-5.3%	1.2%	0.5%	3.9%	2.3%	0.6%	<b>15.2%</b>	18.4%
2007	3.9%	0.4%	2.0%	2.2%	5.1%	0.1%	-3.1%	-1.4%	4.4%	5.6%	-7.1%	0.8%	<b>12.7%</b>	-1.6%
2008	-9.5%	-3.2%	-1.3%	5.5%	5.2%	-6.7%	-2.3%	0.1%	-12.1%				<b>-23.1%</b>	-10.4%

## Track Record



## 5D Investment Metrics

Returns <sup>1,3</sup>	Hillsdale	Russell 2000 TRI
1 Month	<b>-12.1%</b>	-8.0%
3 Month	<b>-14.1%</b>	-1.1%
6 Month	<b>-11.0%</b>	-0.5%
1 Year	<b>-24.0%</b>	-14.5%
2 Year (annualized)	<b>-3.8%</b>	-2.0%
3 Year (annualized)	<b>1.3%</b>	1.8%
4 Year (annualized)	<b>7.1%</b>	5.6%
5 Year (annualized)	<b>10.9%</b>	8.1%
10 Year (annualized)	<b>11.5%</b>	7.8%
Incept. (annualized) <sup>2</sup>	<b>11.6%</b>	7.3%

## Risk (Annualized Volatility)

3 Year	<b>16.2%</b>	14.6%
5 Year	<b>15.6%</b>	14.7%
Since Inception	<b>19.0%</b>	19.2%

## Correlation

3 Year	<b>88.7%</b>
5 Year	<b>88.8%</b>
Since Inception	<b>77.0%</b>

## Maximum Drawdown

Period	Aug 00 - Feb 03	Feb 00 - Sep 02
Draw down	<b>-32.1%</b>	-35.1%

## Time Underwater

Period	Aug 00 - Nov 03	Feb 00 - Nov 03
Quarters	<b>13</b>	15

## Other Fund Metrics

Alpha (monthly)	Hillsdale
3 Year	<b>-0.02%</b>
5 Year	<b>0.27%</b>
Since Inception	<b>0.50%</b>

## Beta

3 Year	<b>0.99</b>
5 Year	<b>0.94</b>
Since Inception	<b>0.76</b>

## Long/Short Exposure

\$ Long	<b>\$1.00</b>
\$ Short	<b>\$0.00</b>
% Long	<b>100.0%</b>
% Short	<b>0.0%</b>

## NAV Per Unit

Class A (US\$)	<b>\$39.72</b>
Class F (US\$)	<b>\$7.31</b>
Class A (C\$)	<b>\$8.67</b>
Class F (C\$)	<b>\$8.12</b>

## Assets Under Management <sup>3</sup>

AUM(\$ Millions)	<b>\$61.8</b>
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# Hillsdale US Performance Equity

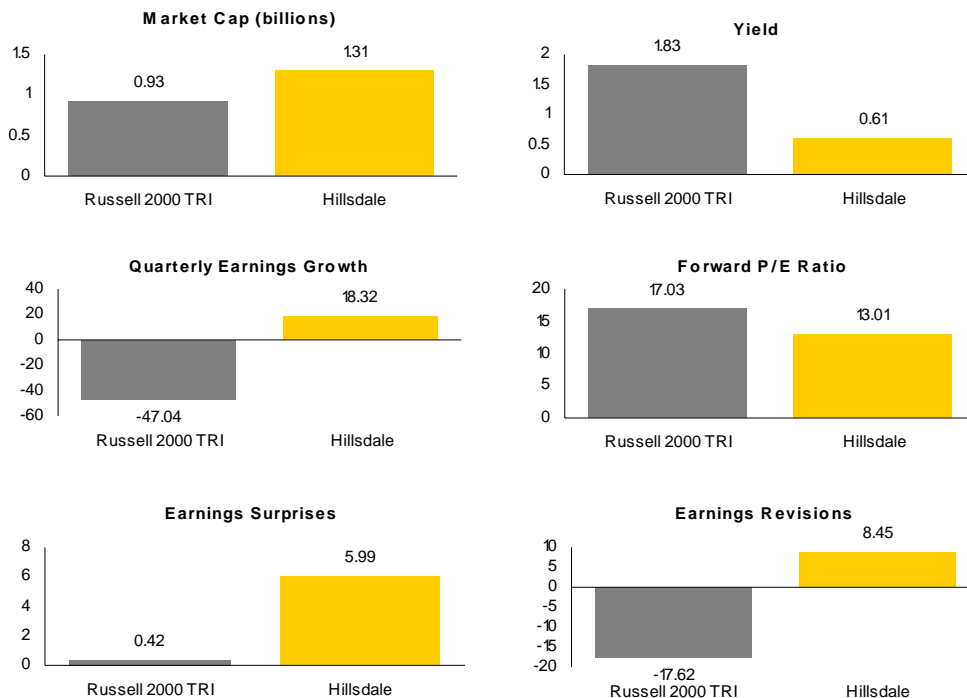
as at September 30, 2008



**HILLSDALE**  
INVESTMENT MANAGEMENT INC.

**Hillsdale Investment Management Inc.**

## Predictive Indicators

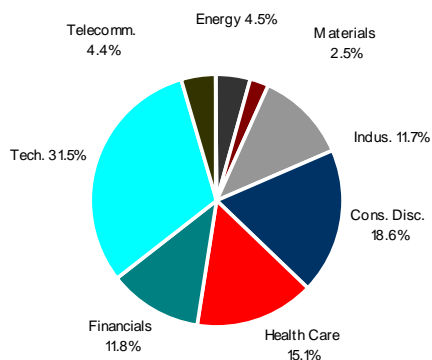


Hillsdale Investment Management Inc., an investment counselor and portfolio manager, offers one of the most sophisticated and disciplined equity management approaches in Canada. Since the inception of the company in January 1996, Hillsdale has developed and enhanced its proprietary capacity to deliver equity and equity-hedged products in the U.S. and Canadian markets.

Hillsdale's product line is purposely designed to complement core/index products by focusing on distinct ranges of risk and return not correlated with the majority of equity products offered for sale in Canada. Hillsdale offers its funds on a branded and a co-branded basis and sells to both the private client and institutional markets.

The investment strategies are based on a proprietary investment platform that uses a dynamic, fundamental based, multi-factor approach to stock selection and portfolio construction.

## Sector Allocation



## Contact Information

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- Fund returns are net of all fees and expenses. Returns presented are for US\$ Class A units of the Fund only. Past results are not indicative of future performance.
- Since inception of the strategy (March 1, 1996). The Fund was established pursuant to a Declaration of Trust November 2, 2005. Results prior to that date represent composite results. The returns were audited by Deloitte Touch LLP for the period March 1, 1996 through September 30, 2005.
- The US Performance Equity Fund assets at September 30, 2008 were \$61.8 Million, which represented 12.7% of the firm's total assets, including assets that Hillsdale manages through subadvisory relationships. These assets included \$41.9 Million invested by other funds managed by Hillsdale. Fees are paid by all unitholders of the Fund. Returns are calculated in U.S. dollars. Hillsdale Investment Management Inc. has prepared and presented these returns using a time weighted rate of return methodology. The Fund has been audited by Deloitte & Touche LLP for the period ended November 30, 2003 and annually for the years ended November 30, 2006 to 2007.