



Walter Scott & Partners Ltd.

Global Equity – Benchmark: MSCI World

General Information

Head Office Location: Edinburgh, Scotland

Ownership Structure: Wholly owned by BNY Mellon Corp

of Investment Professionals: 16

Assets Under Management: \$33.96B

Investment Style: Growth

Portfolio Characteristics – 7 Years

	Walter Scott	Benchmark
# of Positive Quarters	17	16
# of Negative Quarters	11	12
Best Quarter	10.52%	13.15%
Worst Quarter	-11.86%	-14.79%
Beta	0.71	
Sharpe Ratio	0.00	-0.21
Information Ratio	0.43	

People

◆ Following discussions with company management to assess future business trends/competitive pressures, exhaustive analysis on a stock is performed and only when it has the unanimous support of the investment team is it considered for purchase.

Manager Description

- ◆ Walter Scott & Partners Limited (WSPL) was formed in 1983 as an independent investment manager.
- ◆ Initially clients were based primarily in the UK, but the firm was awarded their first US account in 1985 and their first Canadian account in 2001.
- ◆ The firm was purchased by Mellon Financial Corp. in September 2006, which subsequently merged with BNY in July 2007

Investment Philosophy

- ◆ Walter Scott & Partners Limited employs a Growth oriented philosophy.
- ◆ Portfolios focus upon high quality companies with high return on equity operating in industries enjoying above average, sustainable growth.
- ◆ They rely solely upon their own internal research to select and monitor stocks as most “street” research is far too short-term oriented.
- ◆ Focus is on “buy & hold” investing, allowing the growth of the underlying stocks to drive portfolio returns.
- ◆ Research approach is focused upon stock selection. Macroeconomic and country analysis play secondary roles in selection process.
- ◆ The objective of the portfolio is to achieve long-term real returns of 7-10% per year. They search for stocks with the capability to grow 20% per annum.

Other Information

- ◆ Dr. Walter Scott is a Cambridge nuclear physics graduate who left another UK money manager, Ivory & Sime in 1983 to start his firm.
- ◆ Assets under management have grown significantly in the last three years. The firm’s growth has occurred mainly in North America. 15% of assets under management are for Canadian clients.
- ◆ Portfolios have been highly overweight Japan and underweight U.S. for several years.
- ◆ The recent purchase of Walter Scott & Partners by Mellon Financial (and the subsequent merger with the Bank of New York Company) should not interfere with the investment management approach of the firm. Mellon has purchased several independent management firms which remain autonomous in their management style.
- ◆ Both Walter Scott (Chairman) and Alan McFarlane (CEO) have agreed to five-year lock-ups while many other key executives have financial incentives that will also require five years to be fully realized

Key Competencies

- ◆ Autonomous firm with exclusive focus on individual stock research thereby having little outside distractions.
- ◆ Very low employee turnover.



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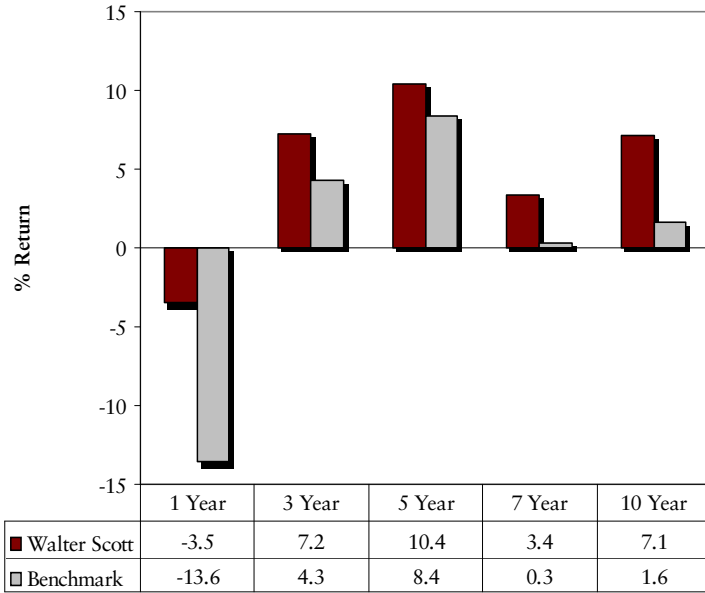
MANAGED ACCOUNT PROGRAM

March 31, 2008

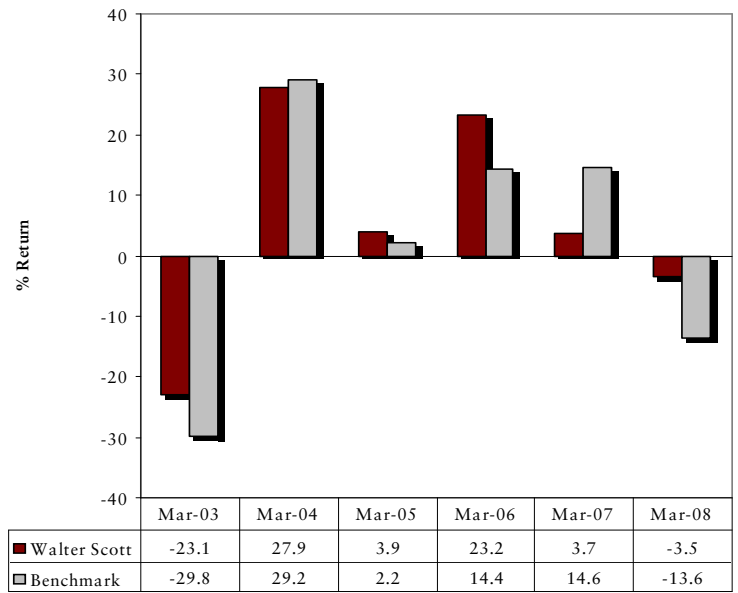
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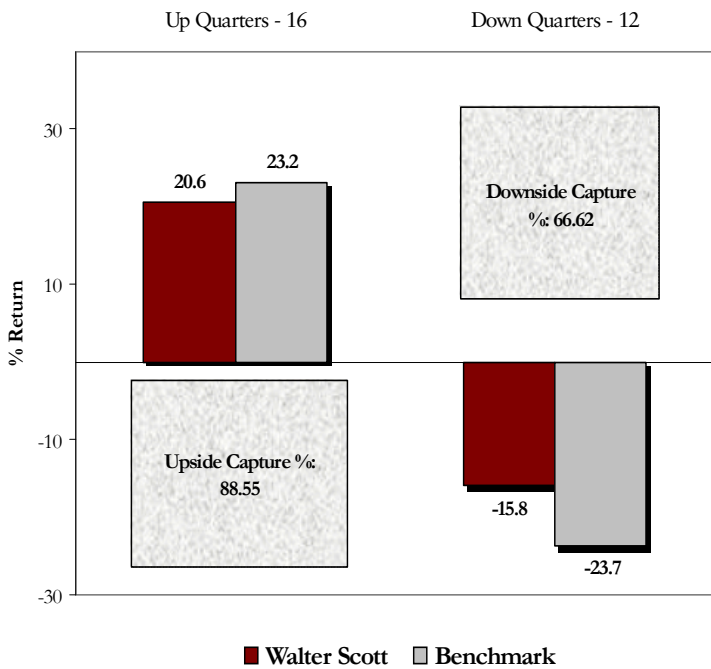
ANNUALIZED PERFORMANCE AS AT MARCH 31, 2008



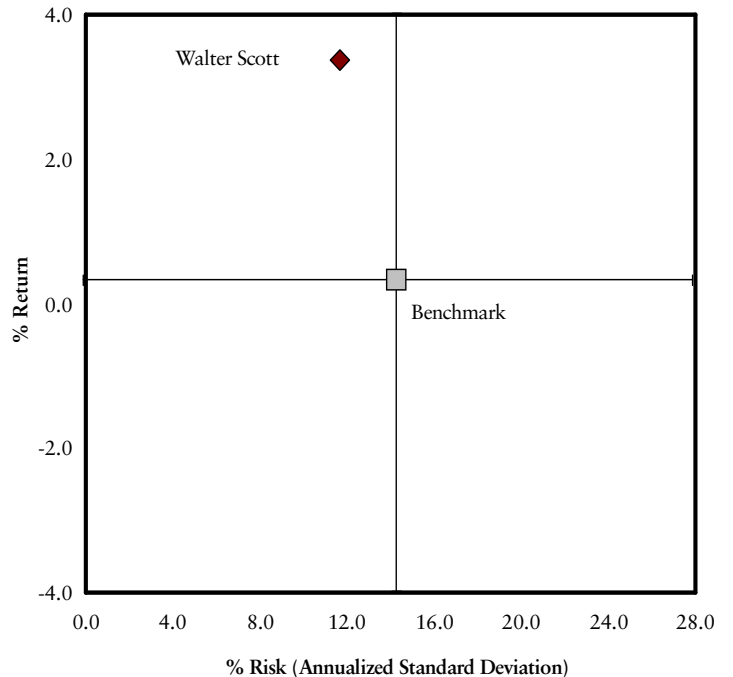
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UPSIDE/DOWNSIDE CAPTURE – 7 YEARS AS AT Q4 2007



RISK VS. RETURN – 7 YEARS AS AT Q4 2007





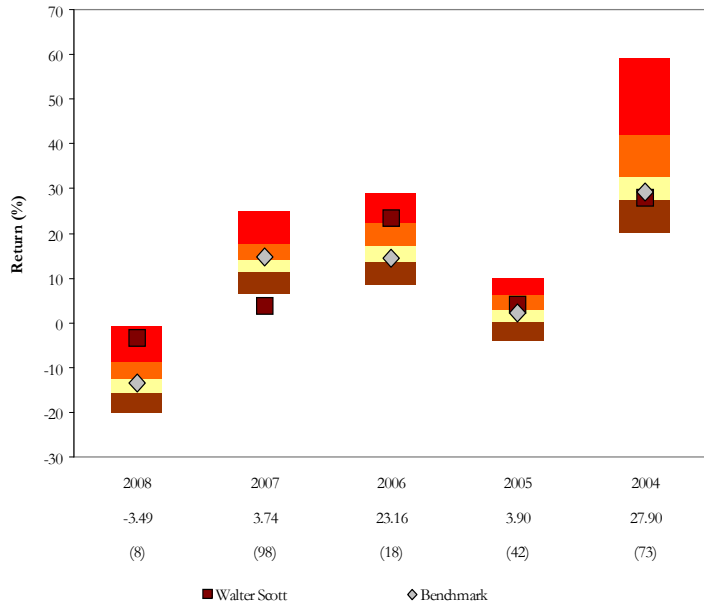
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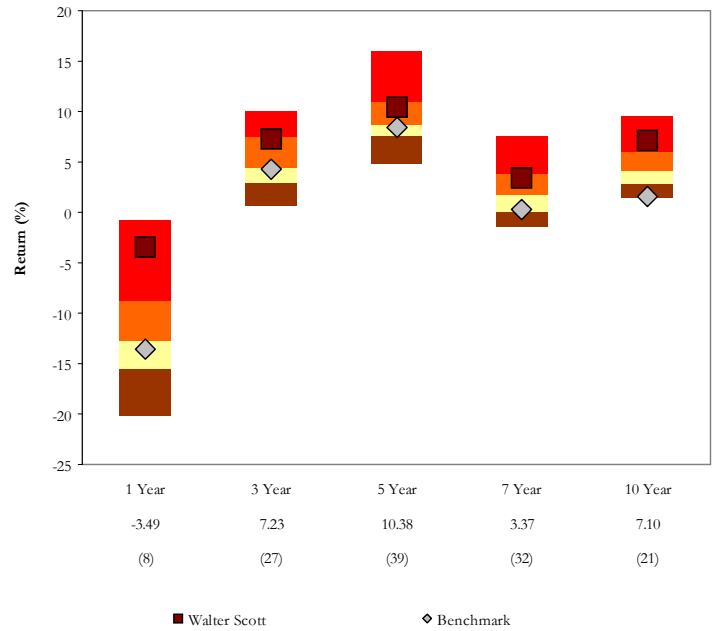
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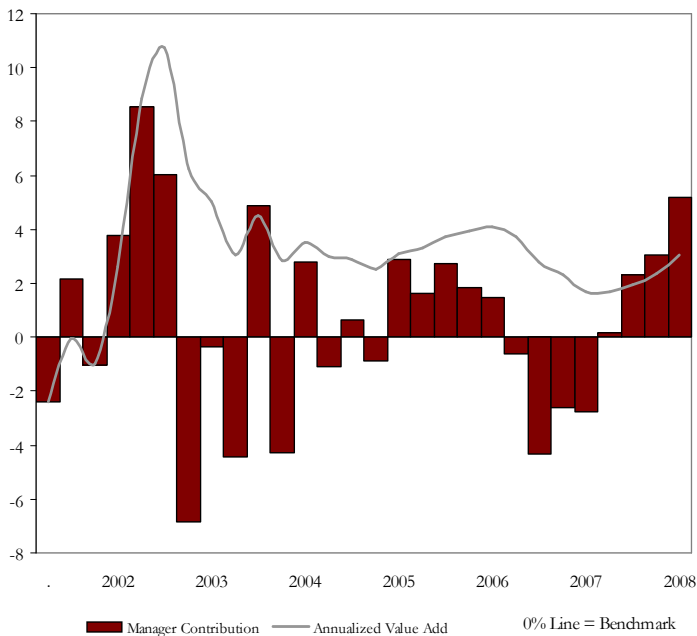
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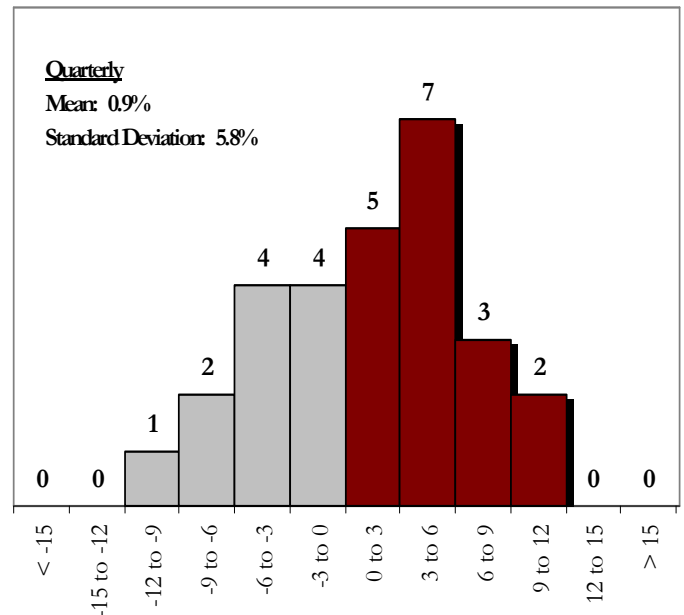
ANNUALIZED PERCENTILE PERFORMANCE AS AT MARCH 31, 2008



MANAGER CONTRIBUTION AS AT MARCH 31, 2008



QUARTERLY DISTRIBUTIONS OF RETURNS (3% INTERVALS)





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MANAGED ACCOUNT PROGRAM

DISCLOSURE PAGE

Appendix to Managed Account Program Money Manager Profiles

The data set forth herein has been provided by the Money Manager and represents results that in the opinion of the Money Manager are representative of accounts managed with a similar strategy. The performance returns and account composition may differ from that of the manager's Model, on which each strategy is based. All performance data and benchmarks are presented in Canadian currency and include unrealized capital gains, interest, dividends and other income on a fully reinvested basis. Past performance is not necessarily indicative or a guarantee of future performance. Every effort has been made to ensure that the contents herein have been compiled or derived from sources believed reliable and contain information which is accurate and complete. However, BWMG or the Sub-Advisor mentioned above make no representation or warranty, express or implied, in respect thereof, take no responsibility for any errors and omissions which may be contained herein and accept no liability whatsoever for any loss arising from any use of or reliance on this report or its contents. The information contained herein does not constitute investment advice.

Unless otherwise noted, performance results do not reflect the deduction of fees, which will reduce overall returns. The net effect of the deduction of fees on annualized performance will vary by the size of the fee and account performance. For example, a 3% annual fee deducted quarterly (0.75%) from an account with a 10-year annualized growth rate of 14% will produce a net result of 10.8%. Actual performance results will of course vary from this example.