

FORMULA GROWTH HEDGE FUND

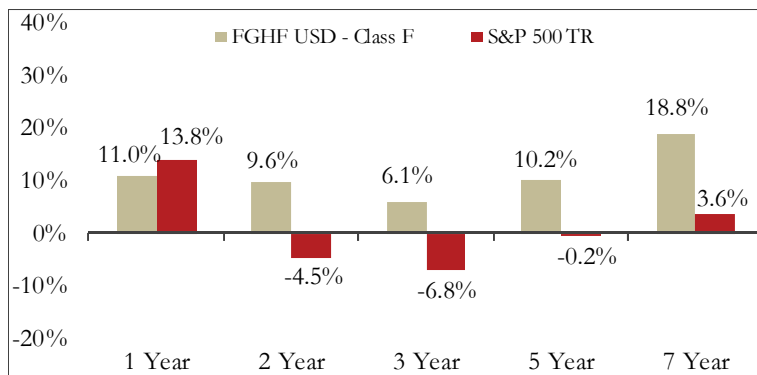
Summary

The Formula Growth Hedge Fund (FGHF) is an absolute return equity long/short strategy with the objective of achieving superior risk-adjusted returns relative to the market by maximizing such returns during periods of favourable market conditions and preserving capital in periods of difficult or uncertain market conditions.

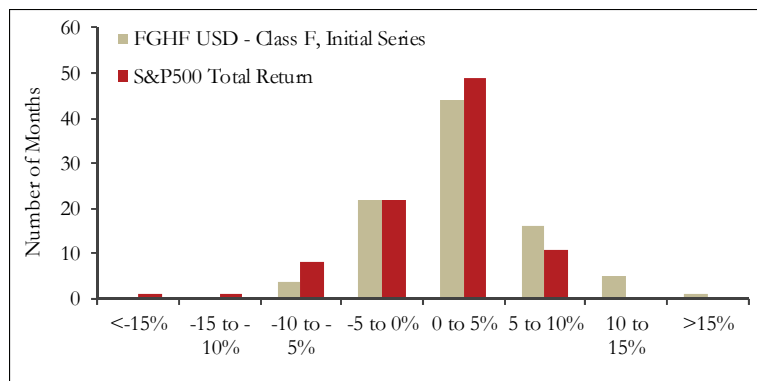
In pursuing its investment objective, the Fund will invest primarily in a portfolio of small to medium capitalization U.S. listed securities by basing its long and short equity selections on fundamental business and security analysis criteria.

The Fund's manager, Formula Growth Limited, has since its founding in 1960, focused on the U.S. stock market and has developed over these years a deep experience and knowledge of the small and medium capitalization market. This has enabled our firm to produce a long term track record of 12% since inception of the long-only fund and 30% since of the inception of the long/short strategy.

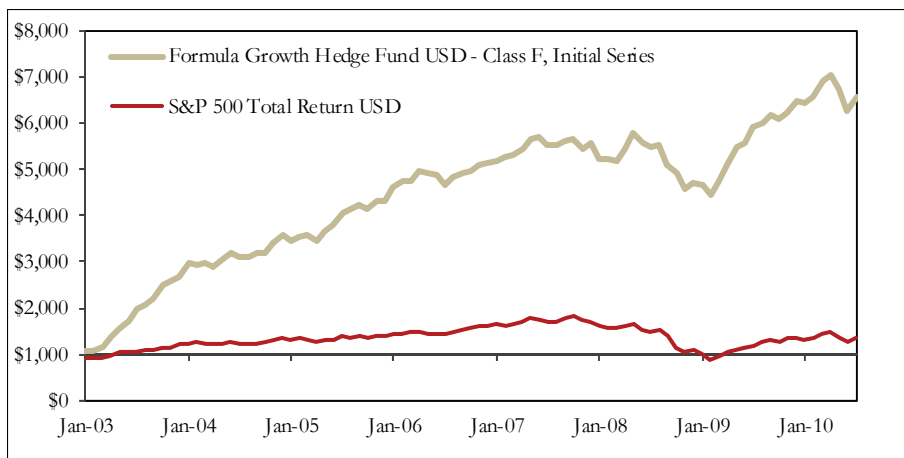
Annualized Returns



Monthly Return Distribution



Growth in \$1,000 Invested



Management Summary

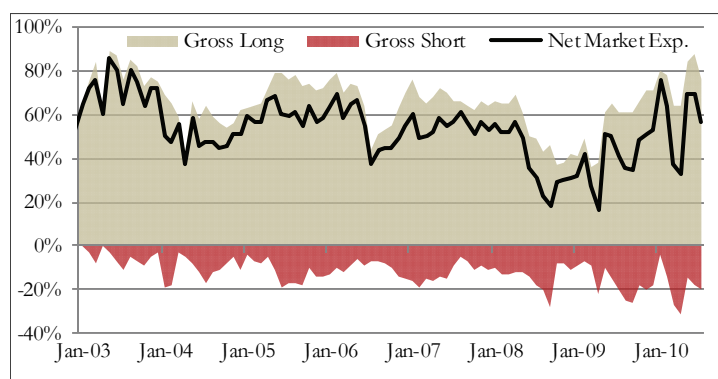
- Minimum:** \$250,000
- Subscription:** Monthly
- Redemption:** Monthly, 10 days notice
- Management fee:** 1%
- Performance fee:** 20%, highwater mark
- Canadian Structure:** RRSP Eligible Trust
- Alternate Structures:** Offshore vehicle
US L.P.
- Auditors:** Deloitte & Touche, LLP
- Custodian:** J.P. Morgan
- Legal:** McMillan Binch Mendelsohn LLP

Monthly and Year-to-Date Returns – Net of Fees (U.S. Dollars)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	FGHF	S&P 500 TR
2010	(0.8%)	2.3%	5.4%	1.7%	(4.6%)	(6.6%)	4.7%						1.5%	(0.1%)
2009	(0.9%)	(4.9%)	7.2%	7.0%	8.1%	1.3%	6.4%	1.5%	2.6%	(1.1%)	2.0%	4.1%	37.7%	26.5%
2008	(6.2%)	0.6%	(1.0%)	5.0%	6.1%	(3.4%)	(1.9%)	0.8%	(7.5%)	(3.7%)	(6.4%)	2.3%	(15.3%)	(37.0%)
2007	0.9%	1.4%	0.8%	3.2%	3.6%	0.5%	(3.1%)	0.7%	1.5%	0.5%	(3.8%)	2.1%	8.4%	5.5%
2006	6.4%	2.8%	0.3%	4.6%	(1.1%)	(1.0%)	(3.9%)	3.5%	1.7%	1.2%	2.7%	0.3%	18.5%	15.8%
2005	(3.0%)	2.6%	0.6%	(2.8%)	5.7%	3.6%	6.7%	2.7%	1.4%	(2.2%)	4.4%	0.5%	21.4%	4.9%
2004	10.7%	(0.9%)	1.2%	(3.6%)	6.1%	5.0%	(3.1%)	(0.3%)	3.9%	(0.4%)	7.3%	3.9%	33.0%	10.9%
2003	3.4%	0.2%	9.9%	17.9%	13.0%	11.5%	13.8%	5.9%	6.5%	12.2%	4.6%	3.1%	162.3%	28.7%
2002												2.1%	2.1%	(5.9%)

Capital protection is very central to our overall investment philosophy. The fund is typically well diversified across industry sectors and normally invested in 70 - 90 securities with a gross market exposure of less than 100%. Our script based investing style is tied to measurable catalysts and our managers will typically examine over 2,000 ideas per year and transact in the top 15% long/short actionable investments. Returns are therefore achieved by relying on stock specific ideas tied to strong catalysts and tight price targets, rather than continued market exposure to fairly valued securities or to the use of financial leverage.

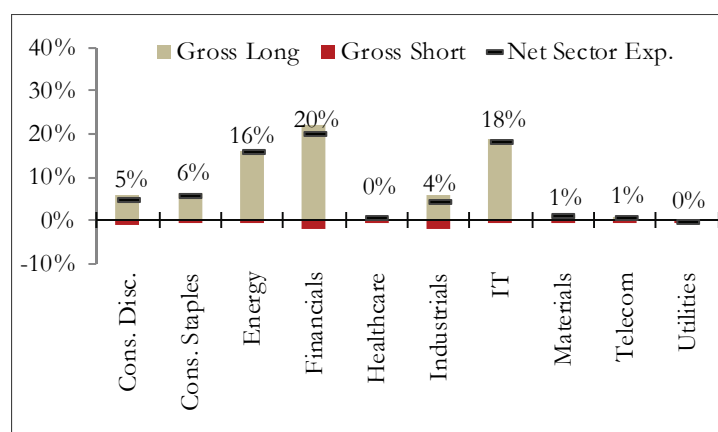
Market Exposure¹



Performance Statistics

Monthly Average Return	2.2%
Annualized Standard Deviation	16.1%
Sharpe Ratio	1.8
Average Monthly Loss	-3.0%
Deviation of Losses	2.1%
Ratio of Positive Months	72%
Largest Monthly Gain	17.9%
Largest Drawdown from Peak	-23.2%

Sector Exposure¹



Note: Up to December 31, 2005, the performance relates to the Canadian domiciled LP, FG Limited Partnership. From January 2006, the performance relates to the Formula Growth Hedge Fund.

¹ Sector and market exposure is adjusted for financial instruments which are purchased to replicate inverse movements in the stock markets.

The information provided herein should not be considered a solicitation to buy or an offer to sell a security. It does not take into account any investor's particular investment objectives, strategies, tax status or investment horizon. Past performance is no guarantee of future results. Information pertaining to the Formula Growth Fund and Formula Growth Hedge Fund (the "Funds") is not to be construed as a public offering of securities in any jurisdictions of Canada. The offering of units of the Funds is made pursuant to the Funds' offering documents only to those investors in jurisdictions of Canada who meet certain eligibility or minimum purchase requirements. Important information about the Funds, including statements of the Funds' investment objective, is contained in its offering documents. All performance data assume reinvestment of all distributions or dividends and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any unitholder that would have reduced returns.

CONTACTS

Mark Culver
 Vice President – Business Development
 mculver@formulagrowth.com

Marc-Andre Pouliot
 Senior Advisor – Sales & Client Servicing
 mapouliot@formulagrowth.com

Ari Kiriazidis
 Director – Product Development
 ari@formulagrowth.com

Tel.: 514.288.5136 or
 Toll Free: 877.343.6654