

2,528,016	136,012	8,300,000		
10,152,957	10,751,838	757,236		
153,287	577,440	855,176		
282,071	609,398			
			867	85,200
	99,189			88,200
415,050	13,494			131,950
155,816	18,640			
93,063				
13,780,263	12,205,800	9,967,736		35,950,800
			4,159	659,040
607,058	47,826	379,216		2,746,132
1,797,862	569,054	23,969		471,352
362,173	85,209	25,449		496,242
382,422	88,371			
			35	10,285
				2,616
				1,401
9,652	597			
2,606	10			
1,401				
3,163,174	791,068	432,828		4,387,071
				2,816
				141,938
				263,970
				311,566
				42,380
				256,801
				246,370
				1,288,381
				5,199,460

FINANCIAL STATEMENTS

Investment Funds – December 31, 2011

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INDEPENDENT AUDITORS' REPORT

To the contractholders of Assumption Life investment funds

We have audited the financial statements of the Assumption Life investment funds listed in note 2 of the supplementary notes to the financial statements (hereafter named the «Funds»), which comprise the statement of net assets and portfolio investments as at December 31, 2011 and the statements of operations and changes in net assets of each of the Funds for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Assumption Life investment funds as at December 31, 2011 and the results of operations and changes in net assets of each of the Funds for the year then ended in accordance with Canadian generally accepted accounting principles.

April 25, 2012
Dieppe, New Brunswick

Ernst & Young LLP

.....
Chartered Accountants

Assumption/Louisbourg Balanced Fund

Statement of Net Assets

As at December 31

	2011	2010
Assets		
Investments, at market value	25,450,818	30,013,278
Receivables from investments	14,623	200,000
Dividends & accrued interest	-	6,016
Cash	266,122	(181,270)
	<u>25,731,563</u>	<u>30,038,024</u>
Liabilities		
Payable for investments	51,033	-
Other liabilities	1,115	1,472
	<u>52,148</u>	<u>1,472</u>
Net assets at market value	<u>25,679,415</u>	<u>30,036,552</u>

Statement of Operations

For the period ended December 31

	2011	2010
Income		
Distributions from underlying funds	589,799	638,409
Dividends	59,297	94,098
Interest	2,007	71,106
	<u>651,103</u>	<u>803,613</u>
Expenses		
Management fees	361,147	352,286
Other administrative expenses	121,831	125,495
	<u>482,978</u>	<u>477,781</u>
Net investment income (loss)	<u>168,125</u>	<u>325,832</u>
Realized and unrealized gain (loss) on investments		
Proceeds from sales	19,311,094	21,437,895
Cost of investments sold	19,879,800	21,103,943
Realized gain (loss) on sale of investments	<u>(568,706)</u>	<u>333,952</u>
Unrealized appreciation (depreciation) on investments	(393,772)	1,489,241
Net gain (loss) on investments	<u>(962,478)</u>	<u>1,823,193</u>
Increase (decrease) in net assets resulting from operations	<u>(794,353)</u>	<u>2,149,025</u>

Statement of Changes in Net Assets

For the period ended December 31

	2011	2010
Net assets, beginning of period	30,036,552	29,817,267
Investment activities		
Increase (decrease) in net assets resulting from operations	(794,353)	2,149,025
	<u>29,242,199</u>	<u>31,966,292</u>
Transactions with contractholders		
Premiums from contractholders	2,753,732	3,564,364
Withdrawals from contractholders	(6,316,516)	(5,494,104)
	<u>(3,562,784)</u>	<u>(1,929,740)</u>
Net assets, end of period	<u>25,679,415</u>	<u>30,036,552</u>

Statement of Investment Portfolio

As at December 31, 2011

	Quantity	Investment	Cost	Market Value
1.	881,419	Louisbourg Canadian Bond Fund	8,837,203	9,406,331
2.	834,211	Louisbourg Canadian Equity Fund	8,117,104	7,572,297
3.	376,079	Louisbourg US Equity Fund	3,734,979	4,099,226
4.	327,876	Louisbourg EAFE Fund	3,212,777	2,761,310
5.	83,736	Louisbourg Quantitative Canadian Equity Fund	837,363	807,687
6.	79,968	Louisbourg Canadian Small Cap Fund	799,704	803,967
Total investments			<u>25,539,130</u>	<u>25,450,818</u>

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

	2011	2010	2009	2008	2007
Series A (No load contracts established prior to 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	12.10	12.35	11.40	10.12	12.92
Ratios and Supplemental Data					
Net assets at December 31 (000's)	18,747	22,136	22,542	22,363	30,974
Number of units outstanding at December 31	1,549,318	1,792,370	1,977,363	2,209,778	2,397,331
Management expense ratio (%) ¹	1.32	1.28	1.24	1.28	1.35
Series B (No load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	9.56	10.01	9.46	8.59	11.22
Ratios and Supplemental Data					
Net assets at December 31 (000's)	3,243	3,765	3,667	3,145	4,632
Number of units outstanding at December 31	339,236	376,135	387,610	366,125	412,844
Management expense ratio (%) ¹	3.42	3.31	3.20	3.20	3.23
Series C (Back-end load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	9.78	10.20	9.62	8.72	11.36
Ratios and Supplemental Data					
Net assets at December 31 (000's)	3,689	4,128	3,610	2,828	2,821
Number of units outstanding at December 31	377,194	404,673	375,220	324,354	248,364
Management expense ratio (%) ¹	3.14	3.07	2.99	2.99	3.02
Portfolio turnover rate for the period ended Dec. 31 (%) ²	70.88	109.61	47.41	33.68	71.29

¹ The management expense ratio is calculated by dividing the total of management fees and administrative expenses by the average net assets and also includes the management expense ratio of the underlying funds, when applicable.

² The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Assumption/Louisbourg Balanced Fund

Top 5 Holdings of Each Underlying Fund

As at December 31, 2011

Quantity	Investment	Cost	Market Value	Quantity	Investment	Cost	Market Value
Louisbourg Canadian Bond Fund							
13,000,000	Prov. of British Columbia, 5.75%, 01/09/2012	13,106,730	13,362,398				
4,445,000	Greater Toronto Airport Auth., 6.98%, 10/15/2032	5,504,155	6,176,908				
5,320,000	Canada Housing Trust F/R/90 days, 09/15/2015	5,328,640	5,328,420				
4,336,000	Yukon Development Corp., 5.00%, 06/29/2040	4,381,559	5,243,148				
4,600,868	Toronto-Dominion Bank, 2.75%, 01/01/2016	4,548,142	4,740,758				
Louisbourg Canadian Equity Fund							
95,700	Toronto Dominion Bank	7,097,244	7,300,953				
118,700	Bank of Nova Scotia	6,170,033	6,033,521				
195,900	Suncor Energy Inc.	6,355,349	5,755,542				
109,000	Royal Bank of Canada	5,304,738	5,665,820				
280,000	Talisman Energy Inc.	4,306,220	3,634,400				
Louisbourg US Equity Fund							
92,260	General Electric Company	1,544,844	1,652,377				
53,660	Wells Fargo & Company	1,487,685	1,478,870				
35,910	NYSE Euronext	966,684	937,251				
17,540	Baker Hughes Inc.	921,073	853,146				
10,400	Energizer Holdings Inc.	712,021	805,792				
Louisbourg EAFE Fund							
71,280	Mitsubishi UFJ Financial Group Inc.	341,322	303,740				
3,490	Royal Dutch Shell PLC	236,439	259,421				
3,590	BHP Billiton Ltd	304,328	257,872				
3,770	Nestle SA, Registered Shares	202,188	221,265				
3,380	East Japan Railway Company	186,777	218,784				
Louisbourg Quantitative Canadian Equity Fund							
19,000	Dollarama Inc.	713,830	845,500				
1,800	Fairfax Financial Holdings Limited, sub voting	752,485	786,618				
44,300	Alamos Gold Inc.	805,727	777,465				
20,400	Labrador Iron Ore Royalty Corporation	749,084	765,000				
25,600	Pembina Pipeline Corporation	695,808	759,296				
Louisbourg Canadian Small Cap Fund							
12,600	Home Capital Group Inc.	561,845	618,660				
21,610	Stantec Inc.	529,487	595,788				
47,000	Legacy Oil & Gas Inc.	428,170	492,560				
75,200	Forbes Energy Services Ltd	474,338	459,472				
27,200	Davis & Henderson Corporation	458,094	458,320				

Assumption Growth Portfolio

Statement of Net Assets

As at December 31

	2011	2010
Assets		
Investments, at market value	242,710	-
Receivables from investments	17,432	-
Dividends receivable	-	-
Cash	1,681	-
	<u>261,823</u>	<u>-</u>
Liabilities		
Payable for investments	17,486	-
Other liabilities	28	-
	<u>17,514</u>	<u>-</u>
Net assets at market value	<u>244,309</u>	<u>-</u>

Statement of Operations

For the period ended December 31

	2011	2010
Income		
Distributions from underlying funds	4,366	-
	<u>4,366</u>	<u>-</u>
Expenses		
Management fees	4,379	-
Other administrative expenses	833	-
	<u>5,212</u>	<u>-</u>
Net investment income (loss)	<u>(846)</u>	<u>-</u>
Realized and unrealized gain (loss) on investments		
Proceeds from sales	65,386	-
Cost of investments sold	64,815	-
Realized gain (loss) on sale of investments	571	-
Unrealized appreciation (depreciation) on investments	(16,854)	-
Net gain (loss) on investments	<u>(16,283)</u>	<u>-</u>
Increase (decrease) in net assets resulting from operations	<u>(17,129)</u>	<u>-</u>

Statement of Changes in Net Assets

For the period ended December 31

	2011	2010
Net assets, beginning of period		-
Investment activities		
Increase (decrease) in net assets resulting from operations	(17,129)	-
	<u>(17,129)</u>	<u>-</u>
Transactions with contractholders		
Premiums from contractholders	266,596	-
Withdrawals from contractholders	(5,158)	-
	<u>261,438</u>	<u>-</u>
Net assets, end of period	<u>244,309</u>	<u>-</u>

Statement of Investment Portfolio

As at December 31, 2011

	Quantity	Investment	Cost	Market Value
1.	5,053	Louisbourg Dividend Fund	51,360	49,048
2.	1,533	Fidelity True North® Fund	51,133	47,336
3.	2,411	Louisbourg Canadian Small Cap Fund	24,084	24,243
4.	2,195	Louisbourg Quantitative Canadian Equity Fund	21,754	21,169
5.	1,186	CI Global Managers® Corporate Class Fund	15,127	15,107
6.	1,361	Louisbourg US Equity Fund	14,406	14,839
7.	1,009	Fidelity NorthStar® Fund	15,650	14,788
8.	1,282	AGF International Stock Class Fund	15,524	13,658
9.	701	CI American Value Fund	13,145	13,152
10.	886	AGF Emerging Markets Fund	10,520	9,829
11.	310	Fidelity Far East Fund	10,867	9,781
12.	521	CI Global Small Companies Fund	10,279	9,760
		Total investments	<u>253,849</u>	<u>242,710</u>

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

	2011	2010	2009	2008	2007
Series A (No load contracts established prior to 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	9.08	-	-	-	-
Ratios and Supplemental Data					
Net assets at December 31 (000's)	19	-	-	-	-
Number of units outstanding at December 31	2,102	-	-	-	-
Management expense ratio (%) ¹	2.94	-	-	-	-
Series B (No load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	8.98	-	-	-	-
Ratios and Supplemental Data					
Net assets at December 31 (000's)	113	-	-	-	-
Number of units outstanding at December 31	12,538	-	-	-	-
Management expense ratio (%) ¹	4.11	-	-	-	-
Series C (Back-end load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	8.99	-	-	-	-
Ratios and Supplemental Data					
Net assets at December 31 (000's)	113	-	-	-	-
Number of units outstanding at December 31	12,529	-	-	-	-
Management expense ratio (%) ¹	3.94	-	-	-	-
Portfolio turnover rate for the period ended Dec. 31 (%)²	50.65	-	-	-	-

¹ The management expense ratio is calculated by dividing the total of management fees and administrative expenses by the average net assets and also includes the management expense ratio of the underlying funds, when applicable.

² The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Assumption Growth Portfolio

Top 5 Holdings of Each Underlying Fund

As at December 31, 2011

Quantity	Investment	Cost	Market Value	Quantity	Investment	Cost	Market Value
Louisbourg Dividend Fund				CI Global Small Companies Fund			
26,015	Toronto Dominion Bank	1,960,810	1,984,684	147,864	Subsea 7 SA	2,672,037	2,795,780
37,400	Bank of Nova Scotia	2,004,310	1,901,042	109,950	JGC Corp.	2,253,448	2,689,377
32,500	Royal Bank of Canada	1,684,822	1,689,350	63,400	Woodward Inc.	1,781,391	2,643,497
82,455	Davis & Henderson Income Fund	1,447,411	1,389,367	73,450	Arthur J Gallagher & Co.	1,828,397	2,502,107
19,420	Telus Corporation, Non voting	919,093	1,061,109	46,350	Corn Products International Inc.	1,552,281	2,483,137
Fidelity True North® Fund							
4,750,000	Toronto-Dominion Bank	257,185,662	362,377,500				
3,950,000	Shoppers Drug Mart Corp.	150,504,670	162,503,000				
4,615,000	Suncor Energy Inc.	175,830,356	135,588,700				
1,550,000	Canadian National Railway Co.	78,383,858	124,232,500				
2,625,000	Barrick Gold Corp.	124,635,977	121,143,750				
Louisbourg Canadian Small Cap Fund							
12,600	Home Capital Group Inc.	561,845	618,660				
21,610	Stantec Inc.	529,487	595,788				
47,000	Legacy Oil & Gas Inc.	428,170	492,560				
75,200	Forbes Energy Services Ltd	474,338	459,472				
27,200	Davis & Henderson Corporation	458,094	458,320				
Louisbourg Quantitative Canadian Equity Fund							
19,000	Dollarama Inc.	713,830	845,500				
1,800	Fairfax Financial Holdings Limited, sub voting	752,485	786,618				
44,300	Alamos Gold Inc.	805,727	777,465				
20,400	Labrador Iron Ore Royalty Corporation	749,084	765,000				
25,600	Pembina Pipeline Corporation	695,808	759,296				
CI Global Managers® Corporate Class Fund							
21,500	SPDR Gold Trust	1,133,207	3,328,904				
30,800	Energy Select Sector SPDR Fund	1,865,001	2,169,027				
60,000	Consumer Staples Select Sector SPDR Fund	1,844,052	1,985,860				
38,900	Health Care Select Sector SPDR Fund	1,256,932	1,374,680				
31,200	Utilities Select Sector SPDR Fund	1,005,547	1,143,572				
Louisbourg US Equity Fund							
92,260	General Electric Company	1,544,844	1,652,377				
53,660	Wells Fargo & Company	1,487,685	1,478,870				
35,910	NYSE Euronext	966,684	937,251				
17,540	Baker Hughes Inc.	921,073	853,146				
10,400	Energizer Holdings Inc.	712,021	805,792				
Fidelity NorthStar® Fund							
1,900,000	WellPoint Inc.	132,176,025	128,191,100				
4,310,000	ENI SpA	117,857,621	90,507,553				
750,000	L-3 Communications Holdings Inc.	68,742,838	50,930,184				
1,350,000	Plantronics, Inc.	13,306,087	48,999,298				
610,030	The Toronto-Dominion Bank	45,033,663	46,539,189				
AGF International Stock Class Fund							
1,016,285	GlaxoSmithKline PLC	28,211,616	23,623,521				
313,800	Sanofi-Aventis SA	27,833,607	23,484,926				
1,370,900	France Telecom SA	38,592,143	21,938,956				
643,830	Repsol YPF SA	14,843,583	20,152,589				
4,903,600	Kingfisher PLC	25,061,110	19,419,508				
CI American Value Fund							
162,114	Exxon Mobil Corp.	11,559,458	13,997,782				
503,980	Microsoft Corp.	15,081,488	13,328,023				
111,150	Praxair Inc.	8,986,092	12,104,168				
112,000	Visa Inc.	7,676,430	11,584,043				
138,550	Boeing Co.	8,204,942	10,352,718				
AGF Emerging Markets Fund							
1,333,417	Lojas Renner SA	24,036,030	35,230,492				
30,052,406	Daphne International Holdings Limited	23,530,758	34,036,663				
3,301,949	Vtech Holdings Limited	27,642,533	33,635,786				
35,207	Samsung Electronics Company Limited	26,674,877	32,694,674				
10,499,878	Tingyi (Cayman Islands) Holding Corporation	16,473,451	32,445,007				
Fidelity Far East Fund							
26,899	Samsung Electronics Co., Ltd	17,689,815	24,941,087				
8,634,537	Taiwan Semiconductor Manufacturing Co. Ltd	19,847,309	21,966,865				
1,495,500	China Mobile Limited	13,862,311	14,797,008				
6,360,500	CNOOC Ltd	10,263,656	11,295,164				
19,236	Samsung Electronics Co. Ltd	9,129,053	11,244,345				

Assumption Balanced Growth Portfolio

Statement of Net Assets

As at December 31

	2011	2010
Assets		
Investments, at market value	770,652	-
Receivables from investments	16,537	-
Dividends receivable	-	-
Cash	40,170	-
	<u>827,359</u>	<u>-</u>
Liabilities		
Payable for investments	17,197	-
Other liabilities	82	-
	<u>17,279</u>	<u>-</u>
Net assets at market value	<u>810,080</u>	<u>-</u>

Statement of Operations

For the period ended December 31

	2011	2010
Income		
Distributions from underlying funds	17,175	-
	<u>17,175</u>	<u>-</u>
Expenses		
Management fees	13,986	-
Other administrative expenses	2,051	-
	<u>16,037</u>	<u>-</u>
Net investment income (loss)	<u>1,138</u>	<u>-</u>
Realized and unrealized gain (loss) on investments		
Proceeds from sales	298,206	-
Cost of investments sold	297,828	-
Realized gain (loss) on sale of investments	378	-
Unrealized appreciation (depreciation) on investments	(40,765)	-
Net gain (loss) on investments	<u>(40,387)</u>	<u>-</u>
Increase (decrease) in net assets resulting from operations	<u>(39,249)</u>	<u>-</u>

Statement of Changes in Net Assets

For the period ended December 31

	2011	2010
Net assets, beginning of period		-
Investment activities		
Increase (decrease) in net assets resulting from operations	(39,249)	-
	<u>(39,249)</u>	<u>-</u>
Transactions with contractholders		
Premiums from contractholders	957,994	-
Withdrawals from contractholders	(108,665)	-
	<u>849,329</u>	<u>-</u>
Net assets, end of period	<u>810,080</u>	<u>-</u>

Statement of Investment Portfolio

As at December 31, 2011

	Quantity	Investment	Cost	Market Value
1.	13,739	Louisbourg Dividend Fund	140,305	133,355
2.	12,258	Louisbourg Canadian Bond Fund	126,788	130,813
3.	4,159	Fidelity True North® Fund	139,191	128,356
4.	5,951	Louisbourg Canadian Small Cap Fund	59,511	59,831
5.	5,245	Louisbourg Quantitative Canadian Equity Fund	52,514	50,595
6.	3,550	Louisbourg US Equity Fund	36,852	38,700
7.	3,007	CI Global Managers® Corporate Class Fund	38,058	38,309
8.	2,398	Fidelity NorthStar® Fund	38,055	35,154
9.	3,176	AGF International Stock Class Fund	38,543	33,820
10.	1,793	CI American Value Fund	32,599	33,633
11.	779	Fidelity Far East Fund	27,325	24,592
12.	2,209	AGF Emerging Markets Fund	26,152	24,497
13.	1,230	CI Global Small Companies Fund	23,914	23,020
14.	4,993	AGF Global Yield Bond Fund	16,264	15,977
		Total investments	<u>796,071</u>	<u>770,652</u>

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

	2011	2010	2009	2008	2007
Series A (No load contracts established prior to 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	9.38	-	-	-	-
Ratios and Supplemental Data					
Net assets at December 31 (000's)	277	-	-	-	-
Number of units outstanding at December 31	29,495	-	-	-	-
Management expense ratio (%) ¹	2.83	-	-	-	-
Series B (No load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	9.27	-	-	-	-
Ratios and Supplemental Data					
Net assets at December 31 (000's)	143	-	-	-	-
Number of units outstanding at December 31	15,410	-	-	-	-
Management expense ratio (%) ¹	3.94	-	-	-	-
Series C (Back-end load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	9.29	-	-	-	-
Ratios and Supplemental Data					
Net assets at December 31 (000's)	390	-	-	-	-
Number of units outstanding at December 31	42,033	-	-	-	-
Management expense ratio (%) ¹	3.74	-	-	-	-
Portfolio turnover rate for the period ended Dec. 31 (%)²	67.46	-	-	-	-

¹ The management expense ratio is calculated by dividing the total of management fees and administrative expenses by the average net assets and also includes the management expense ratio of the underlying funds, when applicable.

² The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Assumption Balanced Growth Portfolio

Top 5 Holdings of Each Underlying Fund

As at December 31, 2011

Quantity	Investment	Cost	Market Value	Quantity	Investment	Cost	Market Value
Louisbourg Dividend Fund				AGF Emerging Markets Fund			
26,015	Toronto Dominion Bank	1,960,810	1,984,684	1,333,417	Lojas Renner SA	24,036,030	35,230,492
37,400	Bank of Nova Scotia	2,004,310	1,901,042	30,052,406	Daphne International Holdings Limited	23,530,758	34,036,663
32,500	Royal Bank of Canada	1,684,822	1,689,350	3,301,949	Vtech Holdings Limited	27,642,533	33,635,786
82,455	Davis & Henderson Income Fund	1,447,411	1,389,367	35,207	Samsung Electronics Company Limited	26,674,877	32,694,674
19,420	Telus Corporation, Non voting	919,093	1,061,109	10,499,878	Tingyi (Cayman Islands) Holding Corporation	16,473,451	32,445,007
Louisbourg Canadian Bond Fund				CI Global Small Companies Fund			
13,000,000	Prov. of British Columbia, 5.75%, 01/09/2012	13,106,730	13,362,398	147,864	Subsea 7 SA	2,672,037	2,795,780
4,445,000	Greater Toronto Airport Auth., 6.98%, 10/15/2032	5,504,155	6,176,908	109,950	JGC Corp.	2,253,448	2,689,377
5,320,000	Canada Housing Trust F/R/90 days, 09/15/2015	5,328,640	5,328,420	63,400	Woodward Inc.	1,781,391	2,643,497
4,336,000	Yukon Development Corp., 5.00%, 06/29/2040	4,381,559	5,243,148	73,450	Arthur J Gallagher & Co.	1,828,397	2,502,107
4,600,868	Toronto-Dominion Bank, 2.75%, 01/01/2016	4,548,142	4,740,758	46,350	Corn Products International Inc.	1,552,281	2,483,137
Fidelity True North® Fund				AGF Global Yield Bond Fund			
4,750,000	Toronto-Dominion Bank	257,185,662	362,377,500	135,500,000	United Mexican States, 9.50%, 12/18,2014	12,831,122	11,040,993
3,950,000	Shoppers Drug Mart Corp.	150,504,670	162,503,000	14,080,000	Federal Republic of Brazil, 12.50%, 01/15/2022	8,944,862	9,541,946
4,615,000	Suncor Energy Inc.	175,830,356	135,588,700	6,790,000	Citigroup Funding Inc.- Indonesia Curr. Indexed Crdt Linked Note, 11.00%, 10/17/2014	7,679,171	8,236,206
1,550,000	Canadian National Railway Co.	78,383,858	124,232,500	7,930,000	Rite Aid Corporation, 8.625%, 03/01/2014	7,017,557	7,731,776
2,625,000	Barrick Gold Corp.	124,635,977	121,143,750	7,100,000	The Bear Stearns Companies LLC, floating rate, 04/24/2014	6,627,674	7,149,509
Louisbourg Canadian Small Cap Fund							
12,600	Home Capital Group Inc.	561,845	618,660				
21,610	Stantec Inc.	529,487	595,788				
47,000	Legacy Oil & Gas Inc.	428,170	492,560				
75,200	Forbes Energy Services Ltd	474,338	459,472				
27,200	Davis & Henderson Corporation	458,094	458,320				
Louisbourg Quantitative Canadian Equity Fund							
19,000	Dollarama Inc.	713,830	845,500				
1,800	Fairfax Financial Holdings Limited, sub voting	752,485	786,618				
44,300	Alamos Gold Inc.	805,727	777,465				
20,400	Labrador Iron Ore Royalty Corporation	749,084	765,000				
25,600	Pembina Pipeline Corporation	695,808	759,296				
Louisbourg US Equity Fund							
92,260	General Electric Company	1,544,844	1,652,377				
53,660	Wells Fargo & Company	1,487,685	1,478,870				
35,910	NYSE Euronext	966,684	937,251				
17,540	Baker Hughes Inc.	921,073	853,146				
10,400	Energizer Holdings Inc.	712,021	805,792				
CI Global Managers® Corporate Class Fund							
21,500	SPDR Gold Trust	1,133,207	3,328,904				
30,800	Energy Select Sector SPDR Fund	1,865,001	2,169,027				
60,000	Consumer Staples Select Sector SPDR Fund	1,844,052	1,985,860				
38,900	Health Care Select Sector SPDR Fund	1,256,932	1,374,680				
31,200	Utilities Select Sector SPDR Fund	1,005,547	1,143,572				
Fidelity NorthStar® Fund							
1,900,000	WellPoint Inc.	132,176,025	128,191,100				
4,310,000	ENI SpA	117,857,621	90,507,553				
750,000	L- 3 Communications Holdings Inc.	68,742,838	50,930,184				
1,350,000	Plantronics, Inc.	13,306,087	48,999,298				
610,030	The Toronto-Dominion Bank	45,033,663	46,539,189				
AGF International Stock Class Fund							
1,016,285	GlaxoSmithKline PLC	28,211,616	23,623,521				
313,800	Sanofi-Aventis SA	27,833,607	23,484,926				
1,370,900	France Telecom SA	38,592,143	21,938,956				
643,830	Repsol YPF SA	14,843,583	20,152,589				
4,903,600	Kingfisher PLC	25,061,110	19,419,508				
CI American Value Fund							
162,114	Exxon Mobil Corp.	11,559,458	13,997,782				
503,980	Microsoft Corp.	15,081,488	13,328,023				
111,150	Praxair Inc.	8,986,092	12,104,168				
112,000	Visa Inc.	7,676,430	11,584,043				
138,550	Boeing Co.	8,204,942	10,352,718				
Fidelity Far East Fund							
26,899	Samsung Electronics Co., Ltd	17,689,815	24,941,087				
8,634,537	Taiwan Semiconductor Manufacturing Co. Ltd	19,847,309	21,966,865				
1,495,500	China Mobile Limited	13,862,311	14,797,008				
6,360,500	CNOOC Ltd	10,263,656	11,295,164				
19,236	Samsung Electronics Co. Ltd	9,129,053	11,244,345				

Assumption Balanced Portfolio

Statement of Net Assets

As at December 31

	2011	2010
Assets		
Investments, at market value	1,410,858	-
Receivables from investments	23,022	-
Dividends receivable	-	-
Cash	74,302	-
	<u>1,508,182</u>	<u>-</u>
Liabilities		
Payable for investments	23,518	-
Other liabilities	154	-
	<u>23,672</u>	<u>-</u>
Net assets at market value	<u>1,484,510</u>	<u>-</u>

Statement of Operations

For the period ended December 31

	2011	2010
Income		
Distributions from underlying funds	28,986	-
	<u>28,986</u>	<u>-</u>
Expenses		
Management fees	15,614	-
Other administrative expenses	2,844	-
	<u>18,458</u>	<u>-</u>
Net investment income (loss)	<u>10,528</u>	<u>-</u>
Realized and unrealized gain (loss) on investments		
Proceeds from sales	197,411	-
Cost of investments sold	196,771	-
Realized gain (loss) on sale of investments	640	-
Unrealized appreciation (depreciation) on investments	(19,112)	-
Net gain (loss) on investments	<u>(18,472)</u>	<u>-</u>
Increase (decrease) in net assets resulting from operations	<u>(7,944)</u>	<u>-</u>

Statement of Changes in Net Assets

For the period ended December 31

	2011	2010
Net assets, beginning of period		-
Investment activities		
Increase (decrease) in net assets resulting from operations	(7,944)	-
	<u>(7,944)</u>	<u>-</u>
Transactions with contractholders		
Premiums from contractholders	1,811,208	-
Withdrawals from contractholders	(318,754)	-
	<u>1,492,454</u>	<u>-</u>
Net assets, end of period	<u>1,484,510</u>	<u>-</u>

Statement of Investment Portfolio

As at December 31, 2011

	Quantity	Investment	Cost	Market Value
1.	53,259	Louisbourg Canadian Bond Fund	557,027	568,374
2.	17,938	Louisbourg Dividend Fund	178,642	174,113
3.	5,069	Fidelity True North® Fund	164,933	156,470
	23,150	AGF Global Yield Bond Fund	75,575	74,079
5.	4,693	CI Global Managers® Corporate Class Fund	59,094	59,794
6.	3,937	Fidelity NorthStar® Fund	59,253	57,721
7.	5,893	Louisbourg Quantitative Canadian Equity Fund	58,997	56,840
8.	4,785	Louisbourg US Equity Fund	49,928	52,151
9.	2,240	CI American Value Fund	40,359	42,015
10.	3,895	AGF International Stock Class Fund	44,873	41,487
11.	2,044	Fidelity Canadian Opportunities Fund	40,394	36,881
12.	3,179	Louisbourg Canadian Small Cap Fund	31,692	31,961
13.	936	Fidelity Far East Fund	32,285	29,570
14.	2,651	AGF Emerging Markets Fund	31,237	29,402
Total investments			<u>1,424,289</u>	<u>1,410,858</u>

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

	2011	2010	2009	2008	2007
Series A (No load contracts established prior to 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	9.77	-	-	-	-
Ratios and Supplemental Data					
Net assets at December 31 (000's)	105	-	-	-	-
Number of units outstanding at December 31	10,797	-	-	-	-
Management expense ratio (%) ¹	2.67	-	-	-	-
Series B (No load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	9.65	-	-	-	-
Ratios and Supplemental Data					
Net assets at December 31 (000's)	402	-	-	-	-
Number of units outstanding at December 31	41,625	-	-	-	-
Management expense ratio (%) ¹	3.83	-	-	-	-
Series C (Back-end load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	9.68	-	-	-	-
Ratios and Supplemental Data					
Net assets at December 31 (000's)	977	-	-	-	-
Number of units outstanding at December 31	100,964	-	-	-	-
Management expense ratio (%) ¹	3.58	-	-	-	-
Portfolio turnover rate for the period ended Dec. 31 (%)²	26.45	-	-	-	-

¹ The management expense ratio is calculated by dividing the total of management fees and administrative expenses by the average net assets and also includes the management expense ratio of the underlying funds, when applicable.

² The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Assumption Balanced Portfolio

Top 5 Holdings of Each Underlying Fund

As at December 31, 2011

Quantity	Investment	Cost	Market Value	Quantity	Investment	Cost	Market Value
Louisbourg Canadian Bond Fund				Louisbourg Canadian Small Cap Fund			
13,000,000	Prov. of British Columbia, 5.75%, 01/09/2012	13,106,730	13,362,398	12,600	Home Capital Group Inc.	561,845	618,660
4,445,000	Greater Toronto Airport Auth., 6.98%, 10/15/2032	5,504,155	6,176,908	21,610	Stantec Inc.	529,487	595,788
5,320,000	Canada Housing Trust F/R/90 days, 09/15/2015	5,328,640	5,328,420	47,000	Legacy Oil & Gas Inc.	428,170	492,560
4,336,000	Yukon Development Corp., 5.00%, 06/29/2040	4,381,559	5,243,148	75,200	Forbes Energy Services Ltd	474,338	459,472
4,600,868	Toronto-Dominion Bank, 2.75%, 01/01/2016	4,548,142	4,740,758	27,200	Davis & Henderson Corporation	458,094	458,320
Louisbourg Dividend Fund				Fidelity Far East Fund			
26,015	Toronto Dominion Bank	1,960,810	1,984,684	26,899	Samsung Electronics Co., Ltd	17,689,815	24,941,087
37,400	Bank of Nova Scotia	2,004,310	1,901,042	8,634,537	Taiwan Semiconductor Manufacturing Co. Ltd	19,847,309	21,966,865
32,500	Royal Bank of Canada	1,684,822	1,689,350	1,495,500	China Mobile Limited	13,862,311	14,797,008
82,455	Davis & Henderson Income Fund	1,447,411	1,389,367	6,360,500	CNOOC Ltd	10,263,656	11,295,164
19,420	Telus Corporation, Non voting	919,093	1,061,109	19,236	Samsung Electronics Co. Ltd	9,129,053	11,244,345
Fidelity True North® Fund				AGF Emerging Markets Fund			
4,750,000	Toronto-Dominion Bank	257,185,662	362,377,500	1,333,417	Lojas Renner SA	24,036,030	35,230,492
3,950,000	Shoppers Drug Mart Corp.	150,504,670	162,503,000	30,052,406	Daphne International Holdings Limited	23,530,758	34,036,663
4,615,000	Suncor Energy Inc.	175,830,356	135,588,700	3,301,949	Vtech Holdings Limited	27,642,533	33,635,786
1,550,000	Canadian National Railway Co.	78,383,858	124,232,500	35,207	Samsung Electronics Company Limited	26,674,877	32,694,674
2,625,000	Barrick Gold Corp.	124,635,977	121,143,750	10,499,878	Tingyi (Cayman Islands) Holding Corporation	16,473,451	32,445,007
AGF Global Yield Bond Fund							
135,500,000	United Mexican States, 9.50%, 12/18,2014	12,831,122	11,040,993				
14,080,000	Federal Republic of Brazil, 12.50%, 01/15/2022	8,944,862	9,541,946				
6,790,000	Citigroup Funding Inc.- Indonesia Curr. Indexed Crdt Linked Note, 11.00%, 10/17/2014	7,679,171	8,236,206				
7,930,000	Rite Aid Corporation, 8.625%, 03/01/2014	7,017,557	7,731,776				
7,100,000	The Bear Stearns Companies LLC, floating rate, 04/24/2014	6,627,674	7,149,509				
CI Global Managers® Corporate Class Fund							
21,500	SPDR Gold Trust	1,133,207	3,328,904				
30,800	Energy Select Sector SPDR Fund	1,865,001	2,169,027				
60,000	Consumer Staples Select Sector SPDR Fund	1,844,052	1,985,860				
38,900	Health Care Select Sector SPDR Fund	1,256,932	1,374,680				
31,200	Utilities Select Sector SPDR Fund	1,005,547	1,143,572				
Fidelity NorthStar® Fund							
1,900,000	WellPoint Inc.	132,176,025	128,191,100				
4,310,000	ENI SpA	117,857,621	90,507,553				
750,000	L-3 Communications Holdings Inc.	68,742,838	50,930,184				
1,350,000	Plantronics, Inc.	13,306,087	48,999,298				
610,030	The Toronto-Dominion Bank	45,033,663	46,539,189				
Louisbourg Quantitative Canadian Equity Fund							
19,000	Dollarama Inc.	713,830	845,500				
1,800	Fairfax Financial Holdings Limited, sub voting	752,485	786,618				
44,300	Alamos Gold Inc.	805,727	777,465				
20,400	Labrador Iron Ore Royalty Corporation	749,084	765,000				
25,600	Pembina Pipeline Corporation	695,808	759,296				
Louisbourg US Equity Fund							
92,260	General Electric Company	1,544,844	1,652,377				
53,660	Wells Fargo & Company	1,487,685	1,478,870				
35,910	NYSE Euronext	966,684	937,251				
17,540	Baker Hughes Inc.	921,073	853,146				
10,400	Energizer Holdings Inc.	712,021	805,792				
CI American Value Fund							
162,114	Exxon Mobil Corp.	11,559,458	13,997,782				
503,980	Microsoft Corp.	15,081,488	13,328,023				
111,150	Praxair Inc.	8,986,092	12,104,168				
112,000	Visa Inc.	7,676,430	11,584,043				
138,550	Boeing Co.	8,204,942	10,352,718				
AGF International Stock Class Fund							
1,016,285	GlaxoSmithKline PLC	28,211,616	23,623,521				
313,800	Sanofi-Aventis SA	27,833,607	23,484,926				
1,370,900	France Telecom SA	38,592,143	21,938,956				
643,830	Repsol YPF SA	14,843,583	20,152,589				
4,903,600	Kingfisher PLC	25,061,110	19,419,508				
Fidelity Canadian Opportunities Fund							
1,200,000	Motorola Mobility Holdings	47,043,963	47,416,704				
1,175,000	Rogers Communications Inc., Class B, non-voting	41,240,019	46,118,750				
1,100,000	Shoppers Drug Mart Corp.	43,285,263	45,254,000				
800,000	Metro Inc., Class A, sub voting	36,317,991	43,200,000				
98,200	Fairfax Financial Holdings Ltd, sub voting	35,908,162	42,914,382				

Assumption Conservative Portfolio

Statement of Net Assets

As at December 31

	2011	2010
Assets		
Investments, at market value	621,084	-
Receivables from investments	850	-
Dividends receivable	-	-
Cash	33,965	-
	<u>655,899</u>	<u>-</u>
Liabilities		
Payable for investments	1,456	-
Other liabilities	49	-
	<u>1,505</u>	<u>-</u>
Net assets at market value	<u>654,394</u>	<u>-</u>

Statement of Operations

For the period ended December 31

	2011	2010
Income		
Distributions from underlying funds	13,865	-
	<u>13,865</u>	<u>-</u>
Expenses		
Management fees	6,450	-
Other administrative expenses	1,711	-
	<u>8,161</u>	<u>-</u>
Net investment income (loss)	<u>5,704</u>	<u>-</u>
Realized and unrealized gain (loss) on investments		
Proceeds from sales	434,822	-
Cost of investments sold	436,688	-
Realized gain (loss) on sale of investments	<u>(1,866)</u>	<u>-</u>
Unrealized appreciation (depreciation) on investments	8,607	-
Net gain (loss) on investments	<u>6,741</u>	<u>-</u>
Increase (decrease) in net assets resulting from operations	<u>12,445</u>	<u>-</u>

Statement of Changes in Net Assets

For the period ended December 31

	2011	2010
Net assets, beginning of period		-
Investment activities		
Increase (decrease) in net assets resulting from operations	12,445	-
	<u>12,445</u>	<u>-</u>
Transactions with contractholders		
Premiums from contractholders	1,120,897	-
Withdrawals from contractholders	(478,948)	-
	<u>641,949</u>	<u>-</u>
Net assets, end of period	<u>654,394</u>	<u>-</u>

Statement of Investment Portfolio

As at December 31, 2011

	Quantity	Investment	Cost	Market Value
1.	37,492	Louisbourg Canadian Bond Fund	392,122	400,109
2.	5,509	Louisbourg Dividend Fund	54,711	53,472
3.	4,134	AGF Dividend Income Fund	50,300	49,888
4.	14,173	AGF Global Yield Bond Fund	45,971	45,353
5.	2,029	Fidelity NorthStar® Fund	30,535	29,743
6.	2,331	CI Global Managers® Corporate Class Fund	29,320	29,691
7.	1,157	AGF Emerging Markets Fund	13,502	12,828
		Total investments	<u>616,461</u>	<u>621,084</u>

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

	2011	2010	2009	2008	2007
Series A (No load contracts established prior to 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	10.21	-	-	-	-
Ratios and Supplemental Data					
Net assets at December 31 (000's)	88	-	-	-	-
Number of units outstanding at December 31	8,644	-	-	-	-
Management expense ratio (%) ¹	2.55	-	-	-	-
Series B (No load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	10.18	-	-	-	-
Ratios and Supplemental Data					
Net assets at December 31 (000's)	428	-	-	-	-
Number of units outstanding at December 31	42,043	-	-	-	-
Management expense ratio (%) ¹	2.90	-	-	-	-
Series C (Back-end load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	10.20	-	-	-	-
Ratios and Supplemental Data					
Net assets at December 31 (000's)	138	-	-	-	-
Number of units outstanding at December 31	13,560	-	-	-	-
Management expense ratio (%) ¹	2.71	-	-	-	-
Portfolio turnover rate for the period ended Dec. 31 (%)²	136.64	-	-	-	-

¹ The management expense ratio is calculated by dividing the total of management fees and administrative expenses by the average net assets and also includes the management expense ratio of the underlying funds, when applicable.

² The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Assumption Conservative Portfolio

Top 5 Holdings of Each Underlying Fund

As at December 31, 2011

Quantity	Investment	Cost	Market Value	Quantity	Investment	Cost	Market Value
Louisbourg Canadian Bond Fund							
13,000,000	Prov. of British Columbia, 5.75%, 01/09/2012	13,106,730	13,362,398				
4,445,000	Greater Toronto Airport Auth., 6.98%, 10/15/2032	5,504,155	6,176,908				
5,320,000	Canada Housing Trust F/R/90 days, 09/15/2015	5,328,640	5,328,420				
4,336,000	Yukon Development Corp., 5.00%, 06/29/2040	4,381,559	5,243,148				
4,600,868	Toronto-Dominion Bank, 2.75%, 01/01/2016	4,548,142	4,740,758				
Louisbourg Dividend Fund							
26,015	Toronto Dominion Bank	1,960,810	1,984,684				
37,400	Bank of Nova Scotia	2,004,310	1,901,042				
32,500	Royal Bank of Canada	1,684,822	1,689,350				
82,455	Davis & Henderson Income Fund	1,447,411	1,389,367				
19,420	Telus Corporation, Non voting	919,093	1,061,109				
AGF Dividend Income Fund							
897,500	Cenovus Energy Inc	29,367,473	30,362,425				
712,800	Rogers Communications Inc., Class B	26,522,820	27,977,400				
613,540	BCE Inc.	23,757,658	26,057,044				
1,646,800	Yamana Gold Inc.	22,696,713	24,734,936				
626,600	Enbridge Inc.	19,532,463	23,867,194				
AGF Global Yield Bond Fund							
135,500,000	United Mexican States, 9.50%, 12/18/2014	12,831,122	11,040,993				
14,080,000	Federal Republic of Brazil, 12.50%, 01/15/2022	8,944,862	9,541,946				
6,790,000	Citigroup Funding Inc.- Indonesia Curr. Indexed Crdt Linked Note, 11.00%, 10/17/2014	7,679,171	8,236,206				
7,930,000	Rite Aid Corporation, 8.625%, 03/01/2014	7,017,557	7,731,776				
7,100,000	The Bear Stearns Companies LLC, floating rate, 04/24/2014	6,627,674	7,149,509				
Fidelity NorthStar® Fund							
1,900,000	WellPoint Inc.	132,176,025	128,191,100				
4,310,000	ENI SpA	117,857,621	90,507,553				
750,000	L- 3 Communications Holdings Inc.	68,742,838	50,930,184				
1,350,000	Plantronics, Inc.	13,306,087	48,999,298				
610,030	The Toronto-Dominion Bank	45,033,663	46,539,189				
CI Global Managers® Corporate Class Fund							
21,500	SPDR Gold Trust	1,133,207	3,328,904				
30,800	Energy Select Sector SPDR Fund	1,865,001	2,169,027				
60,000	Consumer Staples Select Sector SPDR Fund	1,844,052	1,985,860				
38,900	Health Care Select Sector SPDR Fund	1,256,932	1,374,680				
31,200	Utilities Select Sector SPDR Fund	1,005,547	1,143,572				
AGF Emerging Markets Fund							
1,333,417	Lojas Renner SA	24,036,030	35,230,492				
30,052,406	Daphne International Holdings Limited	23,530,758	34,036,663				
3,301,949	Vtech Holdings Limited	27,642,533	33,635,786				
35,207	Samsung Electronics Company Limited	26,674,877	32,694,674				
10,499,878	Tingyi (Cayman Islands) Holding Corporation	16,473,451	32,445,007				

Assumption/Louisbourg U.S. Equity Fund

Statement of Net Assets

As at December 31

	2011	2010
Assets		
Investments, at market value	1,733,798	12,437,295
Receivables from investments	2,742	-
Dividends & accrued interest	-	-
Cash	1,292	-
	<u>1,737,832</u>	<u>12,437,295</u>
Liabilities		
Payable for investments	4,034	-
Other liabilities	62	342
	<u>4,096</u>	<u>342</u>
Net assets at market value	<u>1,733,736</u>	<u>12,436,953</u>

Statement of Operations

For the period ended December 31

	2011	2010
Income		
Distributions from underlying fund	40,502	-
Dividends	-	196,342
Interest	-	(53)
	<u>40,502</u>	<u>196,289</u>
Expenses		
Management fees	22,102	31,801
Other administrative expenses	10,625	10,354
	<u>32,727</u>	<u>42,155</u>
Net investment income (loss)	<u>7,775</u>	<u>154,134</u>
Realized and unrealized gain (loss) on investments		
Proceeds from sales	10,963,573	16,321,691
Cost of investments sold	11,456,613	16,041,870
Realized gain (loss) on sale of investments	<u>(493,040)</u>	<u>279,821</u>
Unrealized appreciation (depreciation) on investments	397,420	131,550
Net gain (loss) on investments	<u>(95,620)</u>	<u>411,371</u>
Increase (decrease) in net assets resulting from operations	<u>(87,845)</u>	<u>565,505</u>

Statement of Changes in Net Assets

For the period ended December 31

	2011	2010
Net assets, beginning of period	12,436,953	9,999,923
Investment activities		
Increase (decrease) in net assets resulting from operations	(87,845)	565,505
	<u>12,349,108</u>	<u>10,565,428</u>
Transactions with contractholders		
Premiums from contractholders	254,624	3,129,461
Withdrawals from contractholders	(10,869,996)	(1,257,936)
	<u>(10,615,372)</u>	<u>1,871,525</u>
Net assets, end of period	<u>1,733,736</u>	<u>12,436,953</u>

Top 25 Holdings of the Underlying Fund ¹

As at December 31, 2011

	Quantity	Investment	Cost	Market Value
1.	92,260	General Electric Company	1,544,844	1,652,377
2.	53,660	Wells Fargo & Company	1,487,685	1,478,870
3.	35,910	NYSE Euronext	966,684	937,251
4.	17,540	Baker Hughes Inc.	921,073	853,146
5.	10,400	Energizer Holdings Inc.	712,021	805,792
6.	10,680	Becton Dickinson and Company	842,592	798,010
7.	36,940	Bank of New York Mellon Corporation	704,664	735,475
8.	12,650	Target Corporation	623,375	647,933
9.	9,210	Monsanto Company	589,775	645,345
10.	33,890	Western Union Co.	614,271	618,831
11.	9,070	Pepsico Inc.	573,874	601,795
12.	7,280	3M Co.	596,786	594,994
13.	8,470	Wabtec Corporation	481,483	592,477
14.	6,260	The Goldman Sachs Group Inc.	923,445	566,092
15.	9,870	Tupperware Brand Corporation	533,388	552,424
16.	17,300	Autodesk, Inc.	498,412	524,709
17.	31,310	H & R Block Inc.	423,220	511,292
18.	20,060	Lowe's Companies, Inc.	438,502	509,123
19.	10,400	Express Scripts Inc.	440,260	464,776
20.	6,700	Schlumberger Limited	514,975	457,677
21.	9,580	Emerson Electric Co.	477,632	446,332
22.	7,910	Apollo Group Inc., Cat A	306,534	426,112
23.	650	Google Inc., Cat A	374,744	419,835
24.	4,120	Visa Inc., Cat A	323,827	418,304
25.	4,910	Exxon Mobil Corporation	361,266	416,172

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

	2011	2010	2009	2008	2007
Series A (No load contracts established prior to 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	14.80	13.60	13.10	11.82	15.23
Ratios and Supplemental Data					
Net assets at December 31 (000's)	1,515	12,230	9,759	10,643	17,228
Number of units outstanding at December 31	102,344	899,234	744,941	900,426	1,131,218
Management expense ratio (%) ²	1.08	1.02	0.98	0.97	0.98
Series B (No load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	11.09	10.50	10.41	9.67	12.82
Ratios and Supplemental Data					
Net assets at December 31 (000's)	68	95	137	63	192
Number of units outstanding at December 31	6,096	9,047	13,197	6,563	14,988
Management expense ratio (%) ²	3.95	3.83	3.73	3.73	3.76
Series C (Back-end load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	11.35	10.71	10.59	9.81	12.98
Ratios and Supplemental Data					
Net assets at December 31 (000's)	152	111	105	109	171
Number of units outstanding at December 31	13,378	10,383	9,896	11,094	13,143
Management expense ratio (%) ²	3.62	3.57	3.52	3.52	3.55
Portfolio turnover rate for the period ended Dec. 31 (%) ³	31.70	41.20	107.23	44.53	49.59

¹ Assumption/Louisbourg U.S. Equity Fund holds 159,124 units (original cost \$1,612,975) and invests 100% in the Louisbourg US Equity Fund, the underlying fund managed by Louisbourg Investments Inc.

² The management expense ratio is calculated by dividing the total of management fees and administrative expenses by the average net assets and also includes the management expense ratio of the underlying funds, when applicable.

³ The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Assumption/Louisbourg Canadian Dividend Fund

Statement of Net Assets

As at December 31

	2011	2010
Assets		
Investments, at market value	7,669,726	7,875,442
Receivables from investments	-	-
Dividends & accrued interest	-	-
Cash	-	-
	<u>7,669,726</u>	<u>7,875,442</u>
Liabilities		
Payable for investments	-	-
Other liabilities	406	392
	<u>406</u>	<u>392</u>
Net assets at market value	<u>7,669,320</u>	<u>7,875,050</u>

Statement of Operations

For the period ended December 31

	2011	2010
Income		
Distributions from underlying fund	295,506	5,549
Dividends	-	220,785
Interest	-	522
	<u>295,506</u>	<u>226,856</u>
Expenses		
Management fees	135,032	87,560
Other administrative expenses	66,932	54,193
	<u>201,964</u>	<u>141,753</u>
Net investment income (loss)	<u>93,542</u>	<u>85,103</u>
Realized and unrealized gain (loss) on investments		
Proceeds from sales	2,337,849	9,845,576
Cost of investments sold	2,336,251	9,273,373
Realized gain (loss) on sale of investments	1,598	572,203
Unrealized appreciation (depreciation) on investments	(505,148)	394,971
Net gain (loss) on investments	<u>(503,550)</u>	<u>967,174</u>
Increase (decrease) in net assets resulting from operations	<u>(410,008)</u>	<u>1,052,277</u>

Statement of Changes in Net Assets

For the period ended December 31

	2011	2010
Net assets, beginning of period	7,875,050	6,538,721
Investment activities		
Increase (decrease) in net assets resulting from operations	(410,008)	1,052,277
	<u>7,465,042</u>	<u>7,590,998</u>
Transactions with contractholders		
Premiums from contractholders	2,340,511	1,813,747
Withdrawals from contractholders	(2,136,233)	(1,529,695)
	<u>204,278</u>	<u>284,052</u>
Net assets, end of period	<u>7,669,320</u>	<u>7,875,050</u>

Top 25 Holdings of the Underlying Fund ¹

As at December 31, 2011

	Quantity	Investment	Cost	Market Value
1.	26,015	Toronto Dominion Bank	1,960,810	1,984,684
2.	37,400	Bank of Nova Scotia	2,004,310	1,901,042
3.	32,500	Royal Bank of Canada	1,684,822	1,684,350
4.	82,455	Davis & Henderson Income Fund	1,447,411	1,389,367
5.	19,420	Telus Corporation, Non voting	919,093	1,061,109
6.	32,570	Suncor Energy Inc.	1,146,975	956,907
7.	20,630	IGM Financial Inc.	915,478	912,465
8.	37,140	Badger Daylighting Ltd	712,841	811,880
9.	34,580	Canadian Oil Sands Trust	887,195	803,985
10.	15,300	Vermilion Energy Trust	675,030	694,161
11.	19,715	Fortis Inc.	642,609	657,890
12.	17,020	Loblaw Companies Limited	667,433	654,930
13.	59,370	Manulife Financial Corporation	870,684	644,165
14.	9,300	Canadian Pacific Railway Limited	543,753	641,793
15.	54,070	Killam Properties Inc.	560,856	625,590
16.	20,700	Silver Wheaton Corp.	682,124	610,650
17.	46,000	Talisman Energy Inc.	812,912	597,080
18.	11,800	Barrick Gold Corp.	565,318	544,570
19.	10,700	Crescent Point Energy Corp.	462,183	480,430
20.	40,930	Kinross Gold Corporation	644,315	476,016
21.	12,340	Teck Resources Limited, sub voting, Cat B	546,304	443,129
22.	10,300	Canadian Natural Resources Ltd	402,357	392,945
23.	7,900	Home Capital Group Inc.	364,144	387,890
24.	18,700	Gildan Activewear Inc.	519,982	358,292
25.	18,690	EnCana Corporation	516,754	353,054

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

	2011	2010	2009	2008	2007
Series A (No load contracts established prior to 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	19.51	20.06	16.95	12.96	20.58
Ratios and Supplemental Data					
Net assets at December 31 (000's)	4,683	5,256	5,097	4,059	6,956
Number of units outstanding at December 31	240,007	262,002	300,708	313,201	338,012
Management expense ratio (%) ²	1.77	1.73	1.69	1.74	1.79
Series B (No load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	14.62	15.49	13.47	10.60	17.32
Ratios and Supplemental Data					
Net assets at December 31 (000's)	1,274	1,071	636	553	803
Number of units outstanding at December 31	87,126	69,164	47,192	52,192	46,390
Management expense ratio (%) ²	3.83	3.73	3.62	3.62	3.66
Series C (Back-end load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	14.96	15.80	13.71	10.76	17.54
Ratios and Supplemental Data					
Net assets at December 31 (000's)	1,712	1,548	806	641	948
Number of units outstanding at December 31	114,408	98,005	58,789	59,593	54,061
Management expense ratio (%) ²	3.50	3.47	3.41	3.41	3.45
Portfolio turnover rate for the period ended Dec. 31 (%) ³	48.15	38.34	114.90	32.62	40.22

¹ Assumption/Louisbourg Canadian Dividend Fund holds 790,319 units (original cost \$7,995,334) and invests 100% in the Louisbourg Dividend Fund, the underlying fund managed by Louisbourg Investments Inc.

² The management expense ratio is calculated by dividing the total of management fees and administrative expenses by the average net assets and also includes the management expense ratio of the underlying funds, when applicable.

³ The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Assumption/Louisbourg Canadian Equity Fund

Statement of Net Assets

As at December 31

	2011	2010
Assets		
Investments, at market value	3,169,804	4,664,260
Receivables from investments	-	-
Distributions receivable	-	-
Cash	-	-
	<u>3,169,804</u>	<u>4,664,260</u>
Liabilities		
Payable for investments	-	-
Other liabilities	195	302
	<u>195</u>	<u>302</u>
Net assets at market value	<u><u>3,169,609</u></u>	<u><u>4,663,958</u></u>

Statement of Operations

For the period ended December 31

	2011	2010
Income		
Distributions from underlying fund	27,734	89,866
	<u>27,734</u>	<u>89,866</u>
Expenses		
Management fees	73,246	81,564
Other administrative expenses	36,719	41,243
	<u>109,965</u>	<u>122,807</u>
Net investment income (loss)	<u>(82,231)</u>	<u>(32,941)</u>
Realized and unrealized gain (loss) on investments		
Proceeds from sales	1,674,556	5,840,121
Cost of investments sold	1,673,464	6,004,058
Realized gain (loss) on sale of investments	1,092	(163,937)
Unrealized appreciation (depreciation) on investments	(473,096)	582,812
Net gain (loss) on investments	<u>(472,004)</u>	<u>418,875</u>
Increase (decrease) in net assets resulting from operations	<u>(554,235)</u>	<u>385,934</u>

Statement of Changes in Net Assets

For the period ended December 31

	2011	2010
Net assets, beginning of period	4,663,958	4,900,851
Investment activities		
Increase (decrease) in net assets resulting from operations	(554,235)	385,934
	<u>4,109,723</u>	<u>5,286,785</u>
Transactions with contractholders		
Premiums from contractholders	624,369	528,154
Withdrawals from contractholders	(1,564,483)	(1,150,981)
	<u>(940,114)</u>	<u>(622,827)</u>
Net assets, end of period	<u><u>3,169,609</u></u>	<u><u>4,663,958</u></u>

Top 25 Holdings of the Underlying Fund ¹

As at December 31, 2011

	Quantity	Investment	Cost	Market Value
1.	95,700	Toronto Dominion Bank	7,097,244	7,300,953
2.	118,700	Bank of Nova Scotia	6,170,033	6,033,521
3.	195,900	Suncor Energy Inc.	6,355,349	5,755,542
4.	109,000	Royal Bank of Canada	5,304,738	5,665,820
5.	280,000	Talisman Energy Inc.	4,306,220	3,634,400
6.	78,550	Barrick Gold Corp.	3,912,158	3,625,083
7.	88,900	Canadian Natural Resources Ltd	3,223,333	3,391,535
8.	75,970	Potash Corp. of Saskatchewan Inc.	3,651,181	3,199,097
9.	97,700	Silver Wheaton Corp.	3,289,085	2,882,150
10.	55,000	Open Text Corporation	3,085,288	2,872,650
11.	97,540	Stantec Inc.	2,384,319	2,689,178
12.	74,590	Teck Resources Limited, sub voting, Cat B	3,124,824	2,678,527
13.	227,990	Kinross Gold Corporation	3,486,475	2,651,524
14.	242,705	Manulife Financial Corporation	3,358,007	2,633,349
15.	37,000	Canadian Pacific Railway Limited	2,214,421	2,553,370
16.	40,670	TELUS Corporation, non-voting	2,005,624	2,222,209
17.	48,290	IGM Financial Inc.	2,081,581	2,135,867
18.	53,920	Loblaw Companies Limited	2,079,052	2,074,842
19.	87,960	Canadian Oil Sands Trust	2,033,855	2,045,070
20.	314,317	Forbes Energy Services Ltd	1,812,559	1,920,477
21.	37,300	Home Capital Group Inc.	1,672,587	1,831,430
22.	95,400	Gildan Activewear Inc.	2,389,915	1,827,864
23.	76,430	EnCana Corporation	1,830,810	1,443,763
24.	55,900	Canadian Western Bank	1,407,495	1,442,220
25.	90,936	Yamana Gold Inc.	1,345,248	1,365,859

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

	2011	2010	2009	2008	2007
Series A (No load contracts established prior to 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	11.74	13.37	12.03	9.14	15.32
Ratios and Supplemental Data					
Net assets at December 31 (000's)	1,657	2,676	2,603	1,932	3,111
Number of units outstanding at December 31	141,106	200,134	216,352	211,399	203,065
Management expense ratio (%) ²	2.12	1.92	1.83	1.85	1.93
Series B (No load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	8.79	10.32	9.57	7.47	12.89
Ratios and Supplemental Data					
Net assets at December 31 (000's)	667	1,045	1,213	936	2,152
Number of units outstanding at December 31	75,869	101,256	126,788	125,287	166,913
Management expense ratio (%) ²	3.89	3.76	3.62	3.62	3.66
Series C (Back-end load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	8.98	10.52	9.73	7.59	13.05
Ratios and Supplemental Data					
Net assets at December 31 (000's)	846	943	1,085	810	1,470
Number of units outstanding at December 31	94,197	89,616	111,492	106,728	112,656
Management expense ratio (%) ²	3.66	3.54	3.41	3.41	3.45
Portfolio turnover rate for the period ended Dec. 31 (%) ³	49.07	66.30	49.48	95.53	74.20

¹ Assumption/Louisbourg Canadian Equity Fund holds 349,400 units (original cost \$3,504,828) and invests 100% in the Louisbourg Canadian Equity Fund, the underlying fund managed by Louisbourg Investments Inc.

² The management expense ratio is calculated by dividing the total of management fees and administrative expenses by the average net assets and also includes the management expense ratio of the underlying funds, when applicable.

³ The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Assumption/Louisbourg Fixed Income Fund

Statement of Net Assets

As at December 31

	2011	2010
Assets		
Investments, at market value	3,085,391	2,925,408
Receivables from investments	-	400
Distributions receivable	-	-
Cash	-	1,420
	<u>3,085,391</u>	<u>2,927,228</u>
Liabilities		
Payable for investments	-	1,820
Other liabilities	152	150
	<u>152</u>	<u>1,970</u>
Net assets at market value	<u>3,085,239</u>	<u>2,925,258</u>

Statement of Operations

For the period ended December 31

	2011	2010
Income		
Distributions from underlying fund	106,946	132,053
	<u>106,946</u>	<u>132,053</u>
Expenses		
Management fees	36,951	35,797
Other administrative expenses	27,455	27,310
	<u>64,406</u>	<u>63,107</u>
Net investment income (loss)	<u>42,540</u>	<u>68,946</u>
Realized and unrealized gain (loss) on investments		
Proceeds from sales	1,684,710	3,939,097
Cost of investments sold	1,683,068	3,958,961
Realized gain (loss) on sale of investments	1,642	(19,864)
Unrealized appreciation (depreciation) on investments	141,140	90,286
Net gain (loss) on investments	<u>142,782</u>	<u>70,422</u>
Increase (decrease) in net assets resulting from operations	<u>185,322</u>	<u>139,368</u>

Statement of Changes in Net Assets

For the period ended December 31

	2011	2010
Net assets, beginning of period	2,925,258	2,917,164
Investment activities		
Increase (decrease) in net assets resulting from operations	185,322	139,368
	<u>3,110,580</u>	<u>3,056,532</u>
Transactions with contractholders		
Premiums from contractholders	1,594,965	822,659
Withdrawals from contractholders	(1,620,306)	(953,933)
	<u>(25,341)</u>	<u>(131,274)</u>
Net assets, end of period	<u>3,085,239</u>	<u>2,925,258</u>

Top 25 Holdings of the Underlying Fund ¹

As at December 31, 2011

	Quantity	Investment	Cost	Market Value
1.	13,000,000	Prov. of British Columbia, 5.75%, 01/09/2012	13,106,730	13,362,398
2.	4,445,000	Greater Toronto Airport Auth., 6.98%, 10/15/2032	5,504,155	6,176,908
3.	5,320,000	Canada Housing Trust F/R/90 days, 09/15/2015	5,328,640	5,328,420
4.	4,336,000	Yukon Development Corp., 5.00%, 06/29/2040	4,381,559	5,243,148
5.	4,600,868	Toronto-Dominion Bank, 2.75%, 01/01/2016	4,548,142	4,740,758
6.	4,309,000	Canada Housing Trust, 1.85%, 09/15/2016	4,303,269	4,360,819
7.	3,916,000	Prov. Of Nova Scotia, 4.10%, 06/01/2021	4,051,524	4,328,396
8.	3,325,000	SNC-Lavalin Group Inc, 6.19%, 07/03/2019	3,661,989	3,994,302
9.	3,475,000	Regional Municipality of York, 4.00%, 06/30/2021	3,477,179	3,723,266
10.	3,400,000	Capital Power LP, 4.60%, 12/01/2015	3,460,640	3,509,263
11.	2,980,000	Prov. of British Columbia, 4.65%, 12/18/2018	3,147,052	3,440,826
12.	2,345,000	Prov. of Saskatchewan, 6.35%, 01/25/2030	2,824,976	3,399,454
13.	2,845,000	Tim Hortons Inc., 4.20%, 06/01/2017	2,984,874	3,080,439
14.	2,890,000	Toronto-Dominion Bank, 2.948%, 08/02/2016	2,890,000	2,996,593
15.	2,625,000	Enbridge Inc., 5.00%, 08/09/2016	2,817,938	2,962,259
16.	2,772,000	Canada Housing Trust, 2.70%, 12/15/2013	2,844,578	2,862,112
17.	2,480,000	Toronto-Dominion Bank, 5.48%, 04/02/2020	2,718,201	2,744,791
18.	1,960,000	Union Gas Ltd, 9.70%, 11/06/2017	2,652,311	2,717,185
19.	2,247,149	Royal Office Finance, 5.209%, 11/12/2032	2,253,484	2,699,068
20.	2,240,000	Prov. of Prince Edward Island, 4.60%, 05/19/2041	2,239,001	2,680,465
21.	2,448,000	Enbridge Inc., 4.67%, 03/25/2013	2,539,188	2,566,176
22.	2,200,000	South Coast British Columbia Tran. Auth, 4.65%, 06/20/2041	2,197,888	2,557,913
23.	2,475,000	Merrill Lynch Mortgage Loans, 4.711%, 11/12/2016	2,443,808	2,550,017
24.	2,365,000	Schooner Trust, 4.719%, 04/12/2015	2,326,124	2,529,309
25.	1,980,000	Bank of Nova Scotia, 6.65%, 01/22/2021	2,279,101	2,337,494

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

	2011	2010	2009	2008	2007
Series A (No load contracts established prior to 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	12.63	11.64	10.95	10.32	10.50
Ratios and Supplemental Data					
Net assets at December 31 (000's)	1,048	1,477	1,492	1,392	1,213
Number of units outstanding at December 31	82,975	126,853	136,211	134,928	115,488
Management expense ratio (%) ²	2.27	2.01	1.91	1.99	2.08
Series B (No load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	10.82	10.13	9.68	9.26	9.57
Ratios and Supplemental Data					
Net assets at December 31 (000's)	759	839	839	1,321	774
Number of units outstanding at December 31	70,122	82,834	86,666	142,655	80,922
Management expense ratio (%) ²	2.45	2.38	2.31	2.61	2.33
Series C (Back-end load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	11.05	10.33	9.85	9.40	9.70
Ratios and Supplemental Data					
Net assets at December 31 (000's)	1,279	609	586	419	370
Number of units outstanding at December 31	115,713	58,952	59,520	44,620	38,131
Management expense ratio (%) ²	2.20	2.15	2.10	2.10	2.12
Portfolio turnover rate for the period ended Dec. 31 (%) ³	87.26	89.47	58.15	55.29	80.38

¹ Assumption/Louisbourg Fixed Income Fund holds 289,276 units (original cost \$2,970,730) and invests 100% in the Louisbourg Canadian Bond Fund, the underlying fund managed by Louisbourg Investments Inc.

² The management expense ratio is calculated by dividing the total of management fees and administrative expenses by the average net assets and also includes the management expense ratio of the underlying funds, when applicable.

³ The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Assumption/Louisbourg Money Market Fund

Statement of Net Assets

As at December 31

	2011	2010
Assets		
Investments, at market value	3,490,730	3,616,244
Receivables from investments	-	-
Dividends & accrued interest	-	5,174
Cash	-	136,449
	<u>3,490,730</u>	<u>3,757,867</u>
Liabilities		
Payable for investments	-	-
Other liabilities	22	26
	<u>22</u>	<u>26</u>
Net assets at market value	<u>3,490,708</u>	<u>3,757,841</u>

Statement of Operations

For the period ended December 31

	2011	2010
Income		
Distributions from underlying fund	14,350	-
Dividends	-	-
Interest	20,101	44,463
	<u>34,451</u>	<u>44,463</u>
Expenses		
Management fees	-	4
Other administrative expenses	16,025	11,328
	<u>16,025</u>	<u>11,332</u>
Net investment income (loss)	<u>18,426</u>	<u>33,131</u>
Realized and unrealized gain (loss) on investments		
Proceeds from sales	1,635,802	1,000,000
Cost of investments sold	1,635,802	1,004,134
Realized gain (loss) on sale of investments	-	(4,134)
Unrealized appreciation (depreciation) on investments	(229)	(17,045)
Net gain (loss) on investments	<u>(229)</u>	<u>(21,179)</u>
Increase (decrease) in net assets resulting from operations	<u>18,197</u>	<u>11,952</u>

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

	2011	2010	2009	2008	2007
Series A (No load contracts established prior to 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	10.20	10.11	10.05	10.00	-
Ratios and Supplemental Data					
Net assets at December 31 (000's)	1,709	1,759	1,687	1,562	-
Number of units outstanding at December 31	167,551	174,001	167,886	156,179	-
Management expense ratio (%) ²	0.38	0.20	0.81	1.31	-
Series B (No load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	10.07	10.03	10.01	10.00	-
Ratios and Supplemental Data					
Net assets at December 31 (000's)	1,092	1,260	2,476	2,282	-
Number of units outstanding at December 31	108,463	125,667	247,320	228,179	-
Management expense ratio (%) ²	0.55	0.36	1.04	1.89	-
Series C (Back-end load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	10.13	10.07	10.02	10.00	-
Ratios and Supplemental Data					
Net assets at December 31 (000's)	690	738	390	503	-
Number of units outstanding at December 31	68,072	73,325	38,931	50,314	-
Management expense ratio (%) ²	0.33	0.15	0.83	1.68	-

¹ Assumption/Louisbourg Money Market Fund holds 349,096 units (original cost \$3,490,963) and invests 100% in the Louisbourg Money Market Fund, the underlying fund managed by Louisbourg Investments Inc.

² The management expense ratio is calculated by dividing the total of management fees and administrative expenses by the average net assets and also includes the management expense ratio of the underlying funds, when applicable.

Assumption/Louisbourg Canadian Small Capitalization Equity Fund

Statement of Net Assets

As at December 31

	2011	2010
Assets		
Investments, at market value	6,585,213	7,450,044
Receivables from investments	-	-
Distributions receivable	-	-
Cash	-	-
	<u>6,585,213</u>	<u>7,450,044</u>
Liabilities		
Payable for investments	-	-
Other liabilities	530	500
	<u>530</u>	<u>500</u>
Net assets at market value	<u>6,584,683</u>	<u>7,449,544</u>

Statement of Operations

For the period ended December 31

	2011	2010
Income		
Distributions from underlying fund	92,449	187,005
	<u>92,449</u>	<u>187,005</u>
Expenses		
Management fees	159,250	109,468
Other administrative expenses	72,421	54,266
	<u>231,671</u>	<u>163,734</u>
Net investment income (loss)	<u>(139,222)</u>	<u>23,271</u>
Realized and unrealized gain (loss) on investments		
Proceeds from sales	9,456,095	1,121,001
Cost of investments sold	9,427,668	1,112,145
Realized gain (loss) on sale of investments	28,427	8,856
Unrealized appreciation (depreciation) on investments	(857,141)	1,788,311
Net gain (loss) on investments	<u>(828,714)</u>	<u>1,797,167</u>
Increase (decrease) in net assets resulting from operations	<u>(967,936)</u>	<u>1,820,438</u>

Statement of Changes in Net Assets

For the period ended December 31

	2011	2010
Net assets, beginning of period	7,449,544	4,370,815
Investment activities		
Increase (decrease) in net assets resulting from operations	(967,936)	1,820,438
	<u>6,481,608</u>	<u>6,191,253</u>
Transactions with contractholders		
Premiums from contractholders	9,327,526	2,215,792
Withdrawals from contractholders	(9,224,451)	(957,501)
	<u>103,075</u>	<u>1,258,291</u>
Net assets, end of period	<u>6,584,683</u>	<u>7,449,544</u>

Top 25 Holdings of the Underlying Fund ¹

As at December 31, 2011

	Quantity	Investment	Cost	Market Value
1.	12,600	Home Capital Group Inc.	561,845	618,660
2.	21,610	Stantec Inc.	529,487	595,788
3.	47,000	Legacy Oil & Gas Inc.	428,170	492,560
4.	75,200	Forbes Energy Services Ltd	474,338	459,472
5.	27,200	Davis & Henderson Corporation	458,094	458,320
6.	64,110	Semafo	497,898	423,126
7.	56,400	Descartes Systems Group Inc.	403,971	412,848
8.	27,000	Imperial Metals Corporation	298,442	337,500
9.	12,000	Genivar Inc.	271,980	315,840
10.	51,000	Wi-Lan Inc.	363,230	299,370
11.	76,000	Sabina Gold & Silver Corporation	309,979	291,840
12.	35,000	Dundee Precious Metals Inc.	280,685	287,700
13.	15,800	Glentel Inc.	243,388	287,402
14.	13,000	Badger Daylighting Ltd	269,475	284,180
15.	9,000	Calfrac Well Services Ltd	280,590	256,500
16.	6,100	Paladin Labs, Inc.	233,874	254,614
17.	28,200	Wild Stream Exploration Inc.	269,460	251,262
18.	9,670	Canadian Western Bank	261,120	249,486
19.	35,000	Thompson Creek Metals Company Inc.	244,673	249,200
20.	12,200	North West Company Inc.	234,025	245,830
21.	100,000	Pinecrest Energy Inc.	237,758	237,000
22.	51,000	Pace Oil and Gas Ltd	260,167	219,300
23.	34,000	Angle Energy Inc.	225,140	215,900
24.	74,000	Alderon Iron Ore Corporation	204,390	198,320
25.	23,000	Whitecap Resources Inc.	177,560	190,670

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

	2011	2010	2009	2008	2007
Series A (No load contracts established prior to 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	22.87	25.31	18.29	11.03	21.08
Ratios and Supplemental Data					
Net assets at December 31 (000's)	2,474	3,309	2,202	1,264	2,562
Number of units outstanding at December 31	108,167	130,739	120,374	114,615	121,557
Management expense ratio (%) ²	2.36	2.23	2.08	2.09	2.11
Series B (No load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	17.05	19.45	14.48	8.99	17.68
Ratios and Supplemental Data					
Net assets at December 31 (000's)	1,964	1,979	1,197	775	1,974
Number of units outstanding at December 31	115,216	101,762	82,660	86,205	111,653
Management expense ratio (%) ²	3.88	3.78	3.68	3.68	3.71
Series C (Back-end load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	17.44	19.84	14.73	9.12	17.90
Ratios and Supplemental Data					
Net assets at December 31 (000's)	2,146	2,161	972	542	1,072
Number of units outstanding at December 31	123,067	108,927	66,013	59,407	59,882
Management expense ratio (%) ²	3.56	3.53	3.47	3.47	3.50
Portfolio turnover rate for the period ended Dec. 31 (%) ³	58.71	29.86	34.49	39.12	113.80

¹ Assumption/Louisbourg Canadian Small Capitalization Equity Fund holds 655,492 units (original cost \$6,546,296) and invests 100% in the Louisbourg Canadian Small Capitalization Equity Fund, the underlying fund managed by Louisbourg Investments Inc.

² The management expense ratio is calculated by dividing the total of management fees and administrative expenses by the average net assets and also includes the management expense ratio of the underlying funds, when applicable.

³ The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Assumption/Louisbourg Momentum Fund

Statement of Net Assets

As at December 31

	2011	2010
Assets		
Investments, at market value	5,777,505	7,741,792
Receivables from investments	-	113,838
Distributions receivable	-	-
Cash	-	3,506
	<u>5,777,505</u>	<u>7,859,136</u>
Liabilities		
Payable for investments	-	117,344
Other liabilities	344	437
	<u>344</u>	<u>117,781</u>
Net assets at market value	<u>5,777,161</u>	<u>7,741,355</u>

Statement of Operations

For the period ended December 31

	2011	2010
Income		
Distributions from underlying fund	-	43,862
	<u>-</u>	<u>43,862</u>
Expenses		
Management fees	122,780	103,813
Other administrative expenses	62,200	54,979
	<u>184,980</u>	<u>158,792</u>
Net investment income (loss)	<u>(184,980)</u>	<u>(114,930)</u>
Realized and unrealized gain (loss) on investments		
Proceeds from sales	8,465,385	1,341,898
Cost of investments sold	8,265,596	1,305,809
Realized gain (loss) on sale of investments	199,789	36,089
Unrealized appreciation (depreciation) on investments	(1,567,439)	1,594,806
Net gain (loss) on investments	<u>(1,367,650)</u>	<u>1,630,895</u>
Increase (decrease) in net assets resulting from operations	<u>(1,552,630)</u>	<u>1,515,965</u>

Statement of Changes in Net Assets

For the period ended December 31

	2011	2010
Net assets, beginning of period	7,741,355	6,255,204
Investment activities		
Increase (decrease) in net assets resulting from operations	(1,552,630)	1,515,965
	<u>6,188,725</u>	<u>7,771,169</u>
Transactions with contractholders		
Premiums from contractholders	7,868,137	1,146,873
Withdrawals from contractholders	(8,279,701)	(1,176,687)
	<u>(411,564)</u>	<u>(29,814)</u>
Net assets, end of period	<u>5,777,161</u>	<u>7,741,355</u>

Top 25 Holdings of the Underlying Fund ¹

As at December 31, 2011

Quantity	Investment	Cost	Market Value
1.	19,000 Dollarama Inc.	713,830	845,500
2.	1,800 Fairfax Financial Holdings Limited, sub voting	752,485	786,618
3.	44,300 Atamos Gold Inc.	805,727	777,465
4.	20,400 Labrador Iron Ore Royalty Corporation	749,084	765,000
5.	25,600 Pembina Pipeline Corporation	695,808	759,296
6.	67,300 New Gold Inc.	816,813	691,844
7.	17,600 Franco-Nevada Corp.	695,904	682,528
8.	64,400 Alacer Gold Corporation	741,888	675,556
9.	44,400 Yamana Gold Inc.	662,004	666,888
10.	14,300 Barrick Gold Corporation	768,625	659,945
11.	13,900 Goldcorp Inc.	674,845	628,419
12.	33,600 Centerra Gold Inc.	664,944	604,800
13.	2,700 iShares S & P/TSX 60 Index Fund	47,370	46,089

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

	2011	2010	2009	2008	2007
Series A (No load contracts established prior to 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	32.48	39.66	30.85	23.83	40.00
Ratios and Supplemental Data					
Net assets at December 31 (000's)	1,603	2,443	1,901	1,484	1,956
Number of units outstanding at December 31	49,342	61,596	61,627	62,263	48,891
Management expense ratio (%) ²	1.41	1.28	1.21	1.27	1.46
Series B (No load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	23.96	30.19	24.21	19.27	33.33
Ratios and Supplemental Data					
Net assets at December 31 (000's)	1,709	2,037	1,867	1,403	1,458
Number of units outstanding at December 31	71,336	67,473	77,113	72,807	43,738
Management expense ratio (%) ²	3.15	3.07	2.99	2.99	3.02
Series C (Back-end load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	24.48	30.77	24.63	19.56	33.76
Ratios and Supplemental Data					
Net assets at December 31 (000's)	2,465	3,262	2,487	1,712	1,592
Number of units outstanding at December 31	100,701	106,000	100,960	87,526	47,171
Management expense ratio (%) ²	2.91	2.85	2.78	2.78	2.81
Portfolio turnover rate for the period ended Dec. 31 (%) ³	203.45	242.30	257.23	292.85	258.34

¹ Assumption/Louisbourg Momentum Fund holds 599,052 units (original cost \$5,989,241) and invests 100% in the Louisbourg Quantitative Canadian Equity Fund, the underlying fund managed by Louisbourg Investments Inc.

² The management expense ratio is calculated by dividing the total of management fees and administrative expenses by the average net assets and also includes the management expense ratio of the underlying funds, when applicable.

³ The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Assumption/Fidelity True North[®] Fund

Statement of Net Assets

As at December 31

	2011	2010
Assets		
Investments, at market value	11,372,987	12,947,144
Receivables from investments	-	-
Distributions receivable	-	-
Cash	-	-
	<u>11,372,987</u>	<u>12,947,144</u>
Liabilities		
Payable for investments	-	-
Other liabilities	1,091	1,233
	<u>1,091</u>	<u>1,233</u>
Net assets at market value	<u>11,371,896</u>	<u>12,945,911</u>

Statement of Operations

For the period ended December 31

	2011	2010
Income		
Distributions from underlying fund	394,267	234,689
	<u>394,267</u>	<u>234,689</u>
Expenses		
Management fees	388,028	354,892
Other administrative expenses	48,434	42,667
	<u>436,462</u>	<u>397,559</u>
Net investment income (loss)	<u>(42,195)</u>	<u>(162,870)</u>
Realized and unrealized gain (loss) on investments		
Proceeds from sales	3,436,849	3,375,974
Cost of investments sold	3,398,052	3,343,949
Realized gain (loss) on sale of investments	38,797	32,025
Unrealized appreciation (depreciation) on investments	(1,192,852)	1,437,743
Net gain (loss) on investments	<u>(1,154,055)</u>	<u>1,469,768</u>
Increase (decrease) in net assets resulting from operations	<u>(1,196,250)</u>	<u>1,306,898</u>

Statement of Changes in Net Assets

For the period ended December 31

	2011	2010
Net assets, beginning of period	12,945,911	11,823,313
Investment activities		
Increase (decrease) in net assets resulting from operations	(1,196,250)	1,306,898
	<u>11,749,661</u>	<u>13,130,211</u>
Transactions with contractholders		
Premiums from contractholders	2,625,178	2,788,581
Withdrawals from contractholders	(3,002,943)	(2,972,881)
	<u>(377,765)</u>	<u>(184,300)</u>
Net assets, end of period	<u>11,371,896</u>	<u>12,945,911</u>

Top 25 Holdings of the Underlying Fund¹

As at December 31, 2011

	Quantity	Investment	Cost	Market Value
1.	4,750,000	Toronto-Dominion Bank	257,185,662	362,377,500
2.	3,950,000	Shoppers Drug Mart Corp.	150,504,670	162,503,000
3.	4,615,000	Suncor Energy Inc.	175,830,356	135,588,700
4.	1,550,000	Canadian National Railway Co.	78,383,858	124,232,500
5.	2,625,000	Barrick Gold Corp.	124,635,977	121,143,750
6.	4,750,000	Power Corp. of Canada, sub voting	110,388,703	113,145,000
7.	2,000,000	Bank of Montreal	120,297,605	111,760,000
8.	5,700,000	CGI Groupe Inc Class A, sub voting	88,977,878	109,440,000
9.	2,650,000	Rogers Communications Inc., Class B, non-voting	61,754,243	104,012,500
10.	2,450,000	Potash Corp. of Saskatchewan Inc.	73,484,349	103,169,500
11.	2,650,000	Enbridge Inc.	61,088,877	100,938,500
12.	3,500,000	Vodafone Group PLC	84,630,295	99,910,132
13.	2,350,000	BCE Inc.	84,668,471	99,804,500
14.	2,500,000	Canadian Natural Resources Ltd	61,871,590	95,375,000
15.	1,600,000	Intact Financial Corp.	61,312,434	93,648,000
16.	1,900,000	Goldcorp Inc.	63,413,571	85,899,000
17.	184,500	Fairfax Financial Holdings Limited, sub voting	71,386,939	80,628,345
18.	2,350,000	Alimentation Couche-Tard, Class B, sub voting	45,501,952	74,495,000
19.	1,400,000	Keyera Corp.	38,544,076	70,000,000
20.	4,900,000	Eldorado Gold Corp.	59,092,666	68,698,000
21.	6,300,000	Manulife Financial Corporation	82,718,556	68,355,000
22.	1,300,000	Royal Bank of Canada	58,568,757	67,574,000
23.	1,500,000	Dollarama Inc.	31,526,975	66,750,000
24.	900,000	Canadian Imperial Bank of Commerce	64,420,464	66,411,000
25.	160,000	Apple Inc.	49,576,822	65,992,320

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

	2011	2010	2009	2008	2007
Series A (No load contracts established prior to 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	25.13	27.53	24.60	18.93	29.64
Ratios and Supplemental Data					
Net assets at December 31 (000's)	5,046	5,989	5,364	3,791	4,402
Number of units outstanding at December 31	200,812	217,551	218,048	200,252	148,524
Management expense ratio (%) ²	2.92	2.81	2.70	2.71	2.75

Series B (No load contracts established since 2002)

The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	22.14	24.56	22.21	17.31	27.45
Ratios and Supplemental Data					
Net assets at December 31 (000's)	2,723	2,914	3,268	2,359	3,636
Number of units outstanding at December 31	123,002	118,661	147,134	136,298	132,441
Management expense ratio (%) ²	4.10	4.01	3.94	3.94	3.98

Series C (Back-end load contracts established since 2002)

The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	22.60	25.02	22.59	17.57	27.80
Ratios and Supplemental Data					
Net assets at December 31 (000's)	3,601	4,042	3,193	2,279	2,451
Number of units outstanding at December 31	159,334	161,551	141,328	129,714	88,178
Management expense ratio (%) ²	3.92	3.83	3.73	3.73	3.76

Portfolio turnover rate for the period ended June 30 (%)³

2011	38.00
2010	32.00
2009	28.00
2008	39.00
2007	37.00

¹ Assumption/Fidelity True North[®] Fund holds 368,815 units (original cost \$11,204,619) and invests 100% in the Fidelity True North[®] Fund, the underlying fund managed by Fidelity Investments Canada Limited.

² The management expense ratio is calculated by dividing the total of management fees and administrative expenses by the average net assets and also includes the management expense ratio of the underlying funds, when applicable.

³ The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Assumption/Fidelity Overseas Fund

Statement of Net Assets

As at December 31

	2011	2010
Assets		
Investments, at market value	285,518	426,692
Receivables from investments	-	-
Distributions receivable	-	-
Cash	-	-
	<u>285,518</u>	<u>426,692</u>
Liabilities		
Payable for investments	-	-
Other liabilities	28	42
	<u>28</u>	<u>42</u>
Net assets at market value	<u>285,490</u>	<u>426,650</u>

Statement of Operations

For the period ended December 31

	2011	2010
Income		
Distributions from underlying fund	8,509	-
	<u>8,509</u>	<u>-</u>
Expenses		
Management fees	10,580	14,705
Other administrative expenses	1,359	2,015
	<u>11,939</u>	<u>16,720</u>
Net investment income (loss)	<u>(3,430)</u>	<u>(16,720)</u>
Realized and unrealized gain (loss) on investments		
Proceeds from sales	190,644	237,673
Cost of investments sold	191,062	235,725
Realized gain (loss) on sale of investments	(418)	1,948
Unrealized appreciation (depreciation) on investments	(47,169)	20,373
Net gain (loss) on investments	<u>(47,587)</u>	<u>22,321</u>
Increase (decrease) in net assets resulting from operations	<u>(51,017)</u>	<u>5,601</u>

Statement of Changes in Net Assets

For the period ended December 31

	2011	2010
Net assets, beginning of period	426,650	619,164
Investment activities		
Increase (decrease) in net assets resulting from operations	(51,017)	5,601
	<u>375,633</u>	<u>624,765</u>
Transactions with contractholders		
Premiums from contractholders	88,243	22,503
Withdrawals from contractholders	(178,386)	(220,618)
	<u>(90,143)</u>	<u>(198,115)</u>
Net assets, end of period	<u>285,490</u>	<u>426,650</u>

Top 25 Holdings of the Underlying Fund ¹

As at December 31, 2011

	Quantity	Investment	Cost	Market Value
1.	10,250	Royal Dutch Shell PLC	399,290	383,022
2.	6,209	Nestle SA, Registered Shares	283,348	363,579
3.	1,438	Roche Holdings Genussscheine	233,513	248,248
4.	250	Samsung Electronics Co., Ltd	165,537	231,803
5.	78,680	Vodafone Group PLC	235,616	223,426
6.	2,834	Sanofi	202,633	210,995
7.	4,200	British American Tobacco PLC	172,623	202,935
8.	8,854	BG Group PLC	172,329	192,774
9.	5,100	Unilever NV CVA (Bearer)	157,065	178,603
10.	4,800	Shire PLC	88,008	169,906
11.	2,200	Toronto-Dominion Bank	157,477	167,838
12.	19,943	HSBC Holdings PLC	219,325	155,062
13.	7,204	Australia & NZ Banking Grp.	150,397	154,031
14.	2,916	Commonwealth Bank of Australia	106,221	149,477
15.	1,224	Novo-Nordisk AS, Class B	80,839	143,219
16.	5,000	Sumitomo Mitsui Financial Group Inc.	194,486	141,224
17.	3,927	BHP Billiton Ltd	122,798	141,148
18.	3,141	Saipem SPA	94,209	136,016
19.	2,439	SAP AG	128,600	131,392
20.	10,795	UBS AG, Registered shares	171,368	130,435
21.	1,338	Siemens AG	120,945	130,385
22.	685	Hyundai Motor Co.	84,107	127,868
23.	50,001	Taiwan Semiconductor Manufacturing Co. Ltd	124,530	127,206
24.	2,900	AngloGold Ashanti Ltd	114,618	125,409
25.	5,325	Diageo PLC	102,072	118,504

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

	2011	2010	2009	2008	2007
Series A (No load contracts established prior to 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	7.18	8.43	8.09	6.97	11.42
Ratios and Supplemental Data					
Net assets at December 31 (000's)	114	179	192	177	367
Number of units outstanding at December 31	15,878	21,177	23,758	25,428	32,155
Management expense ratio (%) ²	2.97	2.85	2.74	2.80	2.76
Series B (No load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	6.64	7.89	7.65	6.67	11.06
Ratios and Supplemental Data					
Net assets at December 31 (000's)	58	143	298	339	1,098
Number of units outstanding at December 31	8,752	18,076	38,913	50,817	99,262
Management expense ratio (%) ²	4.02	3.95	3.92	3.92	4.03
Series C (Back-end load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	6.69	7.95	7.71	6.71	11.12
Ratios and Supplemental Data					
Net assets at December 31 (000's)	113	105	129	157	254
Number of units outstanding at December 31	16,951	13,270	16,753	23,454	22,870
Management expense ratio (%) ²	4.02	3.92	3.81	3.81	3.82
Portfolio turnover rate for the period ended March 31 (%) ³	72.00	85.00	208.00	300.00	64.00

¹ Assumption/Fidelity Overseas Fund holds 30,532 units (original cost \$328,603) and invests 100% in the Fidelity Overseas Fund, the underlying fund managed by Fidelity Investments Canada Limited.

² The management expense ratio is calculated by dividing the total of management fees and administrative expenses by the average net assets and also includes the management expense ratio of the underlying funds, when applicable.

³ The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Assumption/Fidelity Global Health Care Fund

Statement of Net Assets

As at December 31

	2011	2010
Assets		
Investments, at market value	159,895	153,586
Receivables from investments	-	-
Distributions receivable	-	-
Cash	-	-
	<u>159,895</u>	<u>153,586</u>
Liabilities		
Payable for investments	-	-
Other liabilities	16	15
	<u>16</u>	<u>15</u>
Net assets at market value	<u>159,879</u>	<u>153,571</u>

Statement of Operations

For the period ended December 31

	2011	2010
Income		
Distributions from underlying fund	-	-
	<u>-</u>	<u>-</u>
Expenses		
Management fees	5,233	5,097
Other administrative expenses	646	552
	<u>5,879</u>	<u>5,649</u>
Net investment income (loss)	<u>(5,879)</u>	<u>(5,649)</u>
Realized and unrealized gain (loss) on investments		
Proceeds from sales	54,496	47,153
Cost of investments sold	55,064	46,860
Realized gain (loss) on sale of investments	<u>(568)</u>	<u>293</u>
Unrealized appreciation (depreciation) on investments	2,816	(3,104)
	<u>2,248</u>	<u>(2,811)</u>
Net gain (loss) on investments	<u>2,248</u>	<u>(2,811)</u>
Increase (decrease) in net assets resulting from operations	<u>(3,631)</u>	<u>(8,460)</u>

Statement of Changes in Net Assets

For the period ended December 31

	2011	2010
Net assets, beginning of period	153,571	168,004
Investment activities		
Increase (decrease) in net assets resulting from operations	(3,631)	(8,460)
	<u>149,940</u>	<u>159,544</u>
Transactions with contractholders		
Premiums from contractholders	58,493	35,454
Withdrawals from contractholders	(48,554)	(41,427)
	<u>9,939</u>	<u>(5,973)</u>
Net assets, end of period	<u>159,879</u>	<u>153,571</u>

Top 25 Holdings of the Underlying Fund ¹

As at December 31, 2011

Quantity	Investment	Cost	Market Value
1.	135,300 Glaxosmithkline PLC	2,692,967	3,139,965
2.	39,870 Sanofi-Aventis	2,870,053	2,968,374
3.	16,217 Roche Holdings Genusssscheine	2,487,196	2,799,607
4.	34,600 Abbott Laboratories	1,958,696	1,981,356
5.	86,254 Pfizer Inc.	1,604,278	1,900,881
6.	28,330 Johnson & Johnson	1,989,873	1,899,066
7.	37,300 Baxter International Inc.	2,027,553	1,879,563
8.	14,014 Novo Nordisk AS, Class B	1,157,922	1,639,768
9.	20,100 WellPoint Inc.	1,481,267	1,356,127
10.	37,700 Bristol-Myers Squibb Co.	1,088,305	1,352,993
11.	19,600 Amgen Inc.	1,189,924	1,281,673
12.	26,900 Teva Pharmaceutical Industries Ltd ADR	1,313,140	1,105,661
13.	13,800 McKesson Corp.	975,001	1,094,941
14.	22,800 Covidien Ltd, PLC	1,082,547	1,045,111
15.	21,800 Express Scripts Inc.	1,158,728	992,168
16.	12,200 Davita Inc.	820,927	941,900
17.	25,086 Shire PLC	552,685	887,969
18.	20,500 Gilead Sciences Inc.	817,028	854,504
19.	17,500 Terumo Corp.	889,722	839,404
20.	17,900 Thermo Fisher Scientific Inc.	1,087,097	819,774
21.	14,300 Medco Health Solutions, Inc.	693,467	814,078
22.	11,700 Fresenius Medical Care AG & Co. KGaA	638,394	809,429
23.	14,600 Zimmer Holdings Inc.	845,568	794,283
24.	8,000 Laboratory Corp. of America Holdings	640,249	700,415
25.	6,500 Sawai Pharmaceutical Co. Ltd	561,678	687,203

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

	2011	2010	2009	2008	2007
Series A (No load contracts established prior to 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	14.65	14.56	14.70	13.69	15.19
Ratios and Supplemental Data					
Net assets at December 31 (000's)	75	77	88	79	96
Number of units outstanding at December 31	5,137	5,278	6,007	5,754	6,343
Management expense ratio (%) ²	3.02	2.88	2.76	2.90	2.82
Series B (No load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	12.88	12.96	13.25	12.48	14.02
Ratios and Supplemental Data					
Net assets at December 31 (000's)	56	50	46	28	56
Number of units outstanding at December 31	4,332	3,877	3,460	2,270	3,990
Management expense ratio (%) ²	4.23	4.08	3.92	3.92	4.08
Series C (Back-end load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	13.13	13.18	13.45	12.66	14.20
Ratios and Supplemental Data					
Net assets at December 31 (000's)	29	27	34	38	91
Number of units outstanding at December 31	2,195	2,011	2,519	2,981	6,406
Management expense ratio (%) ²	3.98	3.89	3.81	3.81	3.87
Portfolio turnover rate for the period ended March 31 (%) ³	66.00	57.00	86.00	46.00	52.00

¹ Assumption/Fidelity Global Health Care Fund holds 8,055 units (original cost \$152,448) and invests 100% in the Fidelity Global Health Care Fund, the underlying fund managed by Fidelity Investments Canada Limited.

² The management expense ratio is calculated by dividing the total of management fees and administrative expenses by the average net assets and also includes the management expense ratio of the underlying funds, when applicable.

³ The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Assumption/Fidelity Global Technology Fund

Statement of Net Assets

As at December 31

	2011	2010
Assets		
Investments, at market value	52,377	62,735
Receivables from investments	-	-
Distributions receivable	-	-
Cash	-	-
	<u>52,377</u>	<u>62,735</u>
Liabilities		
Payable for investments	-	-
Other liabilities	5	6
	<u>5</u>	<u>6</u>
Net assets at market value	<u>52,372</u>	<u>62,729</u>

Statement of Operations

For the period ended December 31

	2011	2010
Income		
Distributions from underlying fund	-	-
	<u>-</u>	<u>-</u>
Expenses		
Management fees	1,918	1,885
Other administrative expenses	296	288
	<u>2,214</u>	<u>2,173</u>
Net investment income (loss)	<u>(2,214)</u>	<u>(2,173)</u>
Realized and unrealized gain (loss) on investments		
Proceeds from sales	17,164	19,943
Cost of investments sold	17,304	19,395
Realized gain (loss) on sale of investments	(140)	548
Unrealized appreciation (depreciation) on investments	(3,764)	4,103
Net gain (loss) on investments	<u>(3,904)</u>	<u>4,651</u>
Increase (decrease) in net assets resulting from operations	<u>(6,118)</u>	<u>2,478</u>

Statement of Changes in Net Assets

For the period ended December 31

	2011	2010
Net assets, beginning of period	62,729	68,974
Investment activities		
Increase (decrease) in net assets resulting from operations	(6,118)	2,478
	<u>56,611</u>	<u>71,452</u>
Transactions with contractholders		
Premiums from contractholders	10,678	9,008
Withdrawals from contractholders	(14,917)	(17,731)
	<u>(4,239)</u>	<u>(8,723)</u>
Net assets, end of period	<u>52,372</u>	<u>62,729</u>

Top 25 Holdings of the Underlying Fund ¹

As at December 31, 2011

	Quantity	Investment	Cost	Market Value
1.	6,682	Google Inc., Cat A	3,498,256	4,395,316
2.	9,700	Apple Inc.	1,747,494	4,000,784
3.	216,900	Cisco Systems Inc.	4,925,629	3,993,709
4.	146,300	Microsoft Corp.	4,119,740	3,867,830
5.	66,400	eBay, Inc.	1,437,250	2,050,968
6.	191,446	Ericsson (LM) Tele Co. Class B	2,211,787	1,977,432
7.	71,900	Oracle Corp.	2,074,713	1,878,169
8.	26,200	Citrix Systems, Inc.	1,799,247	1,620,136
9.	121,700	Corning, Inc.	2,226,428	1,608,732
10.	88,300	Nvidia Corp.	1,304,159	1,246,357
11.	23,100	Tokyo Electron Ltd	1,278,695	1,196,655
12.	224,000	Hitachi Ltd	1,106,423	1,186,759
13.	4,700	CME Group Inc., Class A	1,310,518	1,166,322
14.	6,100	International Business Machines Corp.	659,247	1,142,307
15.	34,300	Autodesk Inc.	1,136,357	1,059,461
16.	24,800	Lam Research Corp.	1,002,625	934,989
17.	999	Samsung Electronics Company Limited	653,736	926,285
18.	692,660	WPG Holding Co. Ltd	919,249	812,899
19.	23,100	Synaptics Inc.	687,512	709,280
20.	18,700	Altera Corp.	702,246	706,535
21.	16,100	ASML Holding NV	574,545	684,974
22.	15,700	FTI Consulting Inc.	573,139	678,248
23.	17,500	Agilent Technologies Inc.	629,746	622,522
24.	2,280,000	Gome Electrical Appliances Holdings	781,872	538,139
25.	66,000	AsiaInfo Linkage Inc.	1,342,705	520,912

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

	2011	2010	2009	2008	2007
Series A (No load contracts established prior to 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	8.52	9.41	8.77	6.35	9.86
Ratios and Supplemental Data					
Net assets at December 31 (000's)	18	19	24	18	35
Number of units outstanding at December 31	2,103	2,070	2,715	2,906	3,510
Management expense ratio (%) ²	3.09	2.97	2.86	2.96	2.93
Series B (No load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	7.50	8.38	7.90	5.79	9.10
Ratios and Supplemental Data					
Net assets at December 31 (000's)	26	37	37	21	39
Number of units outstanding at December 31	3,441	4,408	4,659	3,583	4,327
Management expense ratio (%) ²	4.15	4.01	3.92	3.92	4.08
Series C (Back-end load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	7.64	8.52	8.03	5.88	9.22
Ratios and Supplemental Data					
Net assets at December 31 (000's)	9	6	8	5	44
Number of units outstanding at December 31	1,134	738	1,038	810	4,766
Management expense ratio (%) ²	3.91	3.90	3.81	3.81	3.87
Portfolio turnover rate for the period ended March 31 (%) ³	126.00	86.00	131.00	137.00	209.00

¹ Assumption/Fidelity Global Technology Fund holds 4,531 units (original cost \$44,547) and invests 100% in the Fidelity Global Technology Fund, the underlying fund managed by Fidelity Investments Canada Limited.
² The management expense ratio is calculated by dividing the total of management fees and administrative expenses by the average net assets and also includes the management expense ratio of the underlying funds, when applicable.
³ The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Assumption/Fidelity Canadian Opportunities Fund

Statement of Net Assets

As at December 31

	2011	2010
Assets		
Investments, at market value	3,387,358	2,947,700
Receivables from investments	-	-
Distributions receivable	-	-
Cash	-	-
	<u>3,387,358</u>	<u>2,947,700</u>
Liabilities		
Payable for investments	-	-
Other liabilities	346	296
	<u>346</u>	<u>296</u>
Net assets at market value	<u>3,387,012</u>	<u>2,947,404</u>

Statement of Operations

For the period ended December 31

	2011	2010
Income		
Distributions from underlying fund	237,414	496,204
	<u>237,414</u>	<u>496,204</u>
Expenses		
Management fees	108,602	64,434
Other administrative expenses	17,541	9,738
	<u>126,143</u>	<u>74,172</u>
Net investment income (loss)	<u>111,271</u>	<u>422,032</u>
Realized and unrealized gain (loss) on investments		
Proceeds from sales	898,335	497,960
Cost of investments sold	886,400	491,431
Realized gain (loss) on sale of investments	11,935	6,529
Unrealized appreciation (depreciation) on investments	(581,562)	64,174
Net gain (loss) on investments	<u>(569,627)</u>	<u>70,703</u>
Increase (decrease) in net assets resulting from operations	<u>(458,356)</u>	<u>492,735</u>

Statement of Changes in Net Assets

For the period ended December 31

	2011	2010
Net assets, beginning of period	2,947,404	1,818,936
Investment activities		
Increase (decrease) in net assets resulting from operations	(458,356)	492,735
	<u>2,489,048</u>	<u>2,311,671</u>
Transactions with contractholders		
Premiums from contractholders	1,669,190	1,058,492
Withdrawals from contractholders	(771,226)	(422,759)
	<u>897,964</u>	<u>635,733</u>
Net assets, end of period	<u>3,387,012</u>	<u>2,947,404</u>

Top 25 Holdings of the Underlying Fund ¹

As at December 31, 2011

	Quantity	Investment	Cost	Market Value
1.	1,200,000	Motorola Mobility Holdings	47,043,963	47,416,704
2.	1,175,000	Rogers Communications Inc., Class B, non-voting	41,240,019	46,118,750
3.	1,100,000	Shoppers Drug Mart Corp.	43,285,263	45,254,000
4.	800,000	Metro Inc., Class A, sub voting	36,317,991	43,200,000
5.	98,200	Fairfax Financial Holdings Ltd, sub voting	35,908,162	42,914,382
6.	2,500,000	Enghouse Systems Ltd	17,783,133	30,600,000
7.	471,150	Empire Company Limited, Class A, non-voting	27,618,150	27,849,677
8.	1,350,000	Shaw Communications Inc., Class B, non-voting	27,522,687	27,337,500
9.	625,000	Rightnow Technologies Inc.	27,207,194	27,197,645
10.	1,325,000	CGI Group Inc., Class A, sub voting	24,569,002	25,440,000
11.	960,000	Uni-Select Inc.	25,585,645	25,200,000
12.	650,000	Loblaws Companies Limited	24,524,683	25,012,000
13.	900,000	Thomson Reuters Corporation	25,824,381	24,507,000
14.	3,000,048	Norbord Inc.	27,127,823	24,300,389
15.	2,750,000	Transat A.T. Inc., Class B	20,211,054	19,305,000
16.	540,100	Astral Media Inc., Class A, non-voting	17,923,484	19,168,149
17.	6,750,000	Mood Media Corp.	11,068,485	16,267,500
18.	15,500,200	Avala Res Ltd	10,940,029	15,500,200
19.	7,560,000	Com Dev International Ltd	14,622,480	15,498,000
20.	4,175,000	GLV Inc.	29,135,274	14,946,500
21.	1,250,000	Aimia	14,166,182	14,925,000
22.	575,000	Great West Lifeco Inc.	12,406,312	11,730,000
23.	2,600,000	Cascades Inc.	14,295,172	11,518,000
24.	5,500,296	Pan Orient Energy Corp.	27,363,803	10,725,577
25.	1,000,000	Morneau Shephell Inc.	10,234,948	10,440,000

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

	2011	2010	2009	2008	2007
Series A (No load contracts established prior to 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	19.90	22.28	17.92	11.19	17.69
Ratios and Supplemental Data					
Net assets at December 31 (000's)	651	750	544	406	635
Number of units outstanding at December 31	32,732	33,667	30,380	36,258	35,892
Management expense ratio (%) ²	2.89	2.79	2.69	2.69	2.71
Series B (No load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	17.54	19.87	16.18	10.24	16.39
Ratios and Supplemental Data					
Net assets at December 31 (000's)	1,075	989	603	406	763
Number of units outstanding at December 31	61,276	49,790	37,238	39,693	46,523
Management expense ratio (%) ²	4.07	4.01	3.94	3.94	3.98
Series C (Back-end load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	17.92	20.26	16.46	10.39	16.60
Ratios and Supplemental Data					
Net assets at December 31 (000's)	1,661	1,208	672	365	558
Number of units outstanding at December 31	92,709	59,648	40,811	35,093	33,608
Management expense ratio (%) ²	3.85	3.78	3.73	3.73	3.76
Portfolio turnover rate for the period ended June 30 (%) ³	220.00	162.00	328.00	64.00	74.00

¹ Assumption/Fidelity Canadian Opportunities Fund holds 187,692 units (original cost \$3,877,453) and invests 100% in the Fidelity Canadian Opportunities Fund, the underlying fund managed by Fidelity Investments Canada Limited.

² The management expense ratio is calculated by dividing the total of management fees and administrative expenses by the average net assets and also includes the management expense ratio of the underlying funds, when applicable.

³ The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Assumption/Fidelity Europe Fund

Statement of Net Assets

As at December 31

	2011	2010
Assets		
Investments, at market value	1,135,209	1,428,253
Receivables from investments	-	-
Distributions receivable	-	-
Cash	-	-
	<u>1,135,209</u>	<u>1,428,253</u>
Liabilities		
Payable for investments	-	-
Other liabilities	109	139
	<u>109</u>	<u>139</u>
Net assets at market value	<u>1,135,100</u>	<u>1,428,114</u>

Statement of Operations

For the period ended December 31

	2011	2010
Income		
Distributions from underlying fund	35,653	37,052
	<u>35,653</u>	<u>37,052</u>
Expenses		
Management fees	41,642	44,776
Other administrative expenses	4,927	5,602
	<u>46,569</u>	<u>50,378</u>
Net investment income (loss)	<u>(10,916)</u>	<u>(13,326)</u>
Realized and unrealized gain (loss) on investments		
Proceeds from sales	382,370	614,783
Cost of investments sold	385,017	609,173
Realized gain (loss) on sale of investments	<u>(2,647)</u>	<u>5,610</u>
Unrealized appreciation (depreciation) on investments	(189,151)	75,603
Net gain (loss) on investments	<u>(191,798)</u>	<u>81,213</u>
Increase (decrease) in net assets resulting from operations	<u>(202,714)</u>	<u>67,887</u>

Statement of Changes in Net Assets

For the period ended December 31

	2011	2010
Net assets, beginning of period	1,428,114	1,715,591
Investment activities		
Increase (decrease) in net assets resulting from operations	(202,714)	67,887
	<u>1,225,400</u>	<u>1,783,478</u>
Transactions with contractholders		
Premiums from contractholders	252,347	208,467
Withdrawals from contractholders	(342,647)	(563,831)
	<u>(90,300)</u>	<u>(355,364)</u>
Net assets, end of period	<u>1,135,100</u>	<u>1,428,114</u>

Top 25 Holdings of the Underlying Fund ¹

As at December 31, 2011

	Quantity	Investment	Cost	Market Value
1.	2,136,240	BP PLC	14,763,277	15,498,546
2.	201,398	Sanofi-Aventis	15,652,862	14,994,346
3.	255,607	Nestle SA, Registered Shares	11,624,993	14,967,523
4.	4,693,381	Vodafone Group PLC	12,170,304	13,327,709
5.	1,164,025	WPP PLC	11,690,821	12,433,243
6.	98,344	Novo Nordisk AS, Class B	6,090,496	11,507,162
7.	508,872	BG Group PLC	9,716,917	11,079,408
8.	39,897	Zurich Financial Services AG	8,733,800	9,193,536
9.	190,142	British American Tobacco PLC	6,908,039	9,187,272
10.	750,165	UBS AG, Registered shares	11,160,853	9,064,160
11.	52,371	Roche Holdings Genussscheine	8,668,680	9,041,019
12.	138,100	Bayer AG	8,159,354	8,993,061
13.	261,500	Wolseley PLC	6,074,186	8,818,418
14.	88,004	Allianz SE, Registered Shares	9,727,358	8,574,178
15.	197,422	Saipem SPA	7,419,438	8,549,049
16.	133,730	Anheuser-Busch InBev NV	5,136,754	8,313,123
17.	585,300	Experian PLC	6,757,232	8,105,251
18.	364,345	Virgin Media, Inc.	5,414,902	7,941,341
19.	1,056,933	Serco Group PLC	8,057,932	7,924,239
20.	49,421	Linde AG	7,489,589	7,488,717
21.	1,432,800	Morrison (WM) Supermarkets	6,838,964	7,392,670
22.	48,773	PPR SA	6,650,751	7,114,064
23.	123,591	SAP AG	6,295,895	6,657,982
24.	143,790	Unicore SA	4,468,349	6,040,844
25.	84,842	BASF SE	7,053,816	6,027,066

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

	2011	2010	2009	2008	2007
Series A (No load contracts established prior to 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	19.17	22.41	21.15	19.22	31.12
Ratios and Supplemental Data					
Net assets at December 31 (000's)	539	643	669	551	482
Number of units outstanding at December 31	28,101	28,676	31,647	28,673	15,488
Management expense ratio (%) ²	2.94	2.85	2.74	2.78	2.77
Series B (No load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	16.91	20.02	19.13	17.59	28.82
Ratios and Supplemental Data					
Net assets at December 31 (000's)	180	283	416	416	878
Number of units outstanding at December 31	10,621	14,150	21,768	23,640	30,449
Management expense ratio (%) ²	4.16	4.04	3.92	3.92	4.03
Series C (Back-end load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	17.23	20.37	19.43	17.84	29.19
Ratios and Supplemental Data					
Net assets at December 31 (000's)	417	502	630	787	2,402
Number of units outstanding at December 31	24,190	24,658	32,411	44,111	82,280
Management expense ratio (%) ²	4.01	3.90	3.78	3.78	3.82
Portfolio turnover rate for the period ended March 31 (%) ³	69.00	157.00	263.00	217.00	157.00

¹ Assumption/Fidelity Europe Fund holds 47,719 units (original cost \$1,281,757) and invests 100% in Fidelity Europe Fund, the underlying fund managed by Fidelity Investments Canada Limited.

² The management expense ratio is calculated by dividing the total of management fees and administrative expenses by the average net assets and also includes the management expense ratio of the underlying funds, when applicable.

³ The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Assumption/Fidelity Canadian Asset Allocation Fund

Statement of Net Assets

As at December 31

	2011	2010
Assets		
Investments, at market value	6,858,693	6,270,540
Receivables from investments	21,427	25,770
Distributions receivable	-	-
Cash	42,440	24,075
	<u>6,922,560</u>	<u>6,320,385</u>
Liabilities		
Payable for investments	63,867	49,845
Other liabilities	632	582
	<u>64,499</u>	<u>50,427</u>
Net assets at market value	<u>6,858,061</u>	<u>6,269,958</u>

Statement of Operations

For the period ended December 31

	2011	2010
Income		
Distributions from underlying fund	341,122	241,845
	<u>341,122</u>	<u>241,845</u>
Expenses		
Management fees	192,158	131,607
Other administrative expenses	32,396	22,116
	<u>224,554</u>	<u>153,723</u>
Net investment income (loss)	<u>116,568</u>	<u>88,122</u>
Realized and unrealized gain (loss) on investments		
Proceeds from sales	2,005,258	1,142,770
Cost of investments sold	1,994,631	1,131,970
Realized gain (loss) on sale of investments	10,627	10,800
Unrealized appreciation (depreciation) on investments	(573,765)	390,562
Net gain (loss) on investments	<u>(563,138)</u>	<u>401,362</u>
Increase (decrease) in net assets resulting from operations	<u>(446,570)</u>	<u>489,484</u>

Statement of Changes in Net Assets

For the period ended December 31

	2011	2010
Net assets, beginning of period	6,269,958	3,249,115
Investment activities		
Increase (decrease) in net assets resulting from operations	(446,570)	489,484
	<u>5,823,388</u>	<u>3,738,599</u>
Transactions with contractholders		
Premiums from contractholders	2,812,550	3,518,517
Withdrawals from contractholders	(1,777,877)	(987,158)
	<u>1,034,673</u>	<u>2,531,359</u>
Net assets, end of period	<u>6,858,061</u>	<u>6,269,958</u>

Top 25 Holdings of the Underlying Fund ¹

As at December 31, 2011

	Quantity	Investment	Cost	Market Value
1.	6,454,300	The Toronto-Dominion Bank	407,401,580	492,398,547
2.	10,071,490	Cenovus Energy Inc	326,822,769	340,718,507
3.	8,536,200	Canadian Natural Resources Ltd	320,319,016	325,656,030
4.	5,940,700	Bank of Nova Scotia	305,458,621	301,965,781
5.	4,460,685	Baytex Energy Corp.	231,477,860	254,125,224
6.	6,120,800	Enbridge Inc	148,462,593	233,141,272
7.	4,908,000	BCE, Inc.	149,172,155	208,442,760
8.	3,700,700	Bank of Montreal	224,045,573	206,795,116
9.	4,298,000	Barrick Gold Corp.	194,295,390	198,352,700
10.	3,883,650	Keyera Corp.	114,034,986	194,182,500
11.	4,314,500	Polash Corp. of Saskatchewan Inc.	158,005,083	181,683,595
12.	2,302,970	Canadian Imperial Bank of Commerce	159,069,739	169,936,156
13.	4,301,490	Rogers Communications Inc., Class B, non-voting	124,237,076	168,833,483
14.	3,619,167	Goldcorp Inc.	164,518,964	163,622,534
15.	3,613,000	Crescent Point Energy Corp.	152,875,979	162,223,700
16.	2,640,700	Royal Bank of Canada	151,895,328	137,263,586
17.	3,250,037	Shoppers Drug Mart Corp.	129,288,195	133,706,522
18.	8,695,932	Yamana Gold Inc.	110,518,870	130,612,903
19.	4,391,550	Brookfield Asset Management Inc., Class A	151,666,620	123,139,062
20.	3,894,000	Silver Wheaton Corp.	145,560,634	114,873,000
21.	2,137,900	Market Vectors Gold Miners ETF	122,049,813	111,975,317
22.	7,638,300	Eldorado Gold Corp.	118,318,896	107,088,986
23.	1,785,100	TELUS Corp.	86,995,989	102,893,164
24.	1,755,800	Intact Financial Corp.	65,361,227	102,766,974
25.	3,500,000	Hewlett-Packard Co.	86,751,713	91,818,944

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

	2011	2010	2009	2008	2007
Series A (No load contracts established prior to 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	24.72	26.22	23.95	19.25	24.74
Ratios and Supplemental Data					
Net assets at December 31 (000's)	1,916	1,735	891	613	207
Number of units outstanding at December 31	77,504	66,188	37,218	31,821	8,373
Management expense ratio (%) ²	2.66	2.56	2.47	2.56	2.49
Series B (No load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	23.62	25.31	23.37	18.98	24.65
Ratios and Supplemental Data					
Net assets at December 31 (000's)	2,662	2,556	1,376	677	343
Number of units outstanding at December 31	112,706	100,999	58,879	35,643	13,900
Management expense ratio (%) ²	3.70	3.62	3.52	3.52	3.55
Series C (Back-end load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	23.72	25.40	23.43	19.01	24.66
Ratios and Supplemental Data					
Net assets at December 31 (000's)	2,280	1,978	982	732	366
Number of units outstanding at December 31	96,129	77,865	41,906	38,499	14,844
Management expense ratio (%) ²	3.62	3.52	3.41	3.41	3.45
Portfolio turnover rate for the period ended June 30 (%) ³	149.00	57.00	74.00	64.00	85.00

¹ Assumption/Fidelity Canadian Asset Allocation Fund holds 285,872 units (original cost \$7,188,735) and invests 100% in the Fidelity Canadian Asset Allocation Fund, the underlying fund managed by Fidelity Investments Canada Limited.

² The management expense ratio is calculated by dividing the total of management fees and administrative expenses by the average net assets and also includes the management expense ratio of the underlying funds, when applicable.

³ The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Assumption/Fidelity Monthly Income Fund

Statement of Net Assets

As at December 31

	2011	2010
Assets		
Investments, at market value	5,873,723	4,119,136
Receivables from investments	19,380	13,252
Distributions receivable	-	-
Cash	6,357	12,591
	<u>5,899,460</u>	<u>4,144,979</u>
Liabilities		
Payable for investments	25,737	25,843
Other liabilities	822	389
	<u>26,559</u>	<u>26,232</u>
Net assets at market value	<u>5,872,901</u>	<u>4,118,747</u>

Statement of Operations

For the period ended December 31

	2011	2010
Income		
Distributions from underlying fund	252,816	114,128
	<u>252,816</u>	<u>114,128</u>
Expenses		
Management fees	143,008	74,224
Other administrative expenses	25,727	13,503
	<u>168,735</u>	<u>87,727</u>
Net investment income (loss)	<u>84,081</u>	<u>26,401</u>
Realized and unrealized gain (loss) on investments		
Proceeds from sales	1,434,514	739,486
Cost of investments sold	1,422,376	733,459
Realized gain (loss) on sale of investments	12,138	6,027
Unrealized appreciation (depreciation) on investments	114,021	237,975
Net gain (loss) on investments	<u>126,159</u>	<u>244,002</u>
Increase (decrease) in net assets resulting from operations	<u>210,240</u>	<u>270,403</u>

Statement of Changes in Net Assets

For the period ended December 31

	2011	2010
Net assets, beginning of period	4,118,747	1,447,127
Investment activities		
Increase (decrease) in net assets resulting from operations	210,240	270,403
	<u>4,328,987</u>	<u>1,717,530</u>
Transactions with contractholders		
Premiums from contractholders	2,808,910	3,052,354
Withdrawals from contractholders	(1,264,996)	(651,137)
	<u>1,543,914</u>	<u>2,401,217</u>
Net assets, end of period	<u>5,872,901</u>	<u>4,118,747</u>

Top 25 Holdings of the Underlying Fund ¹

As at December 31, 2011

	Quantity	Investment	Cost	Market Value
1.	207,000	Fairfax Financial Holdings Limited, sub voting	78,371,130	90,461,070
2.	1,168,246	The Toronto-Dominion Bank	82,194,672	89,125,503
3.	2,075,293	Shoppers Drug Mart Corp.	81,538,921	85,377,567
4.	1,948,967	Rogers Communications Inc., Class B, non voting	68,767,682	76,496,935
5.	1,340,000	Metro Inc., Class A, sub voting	54,731,630	72,360,000
6.	1,510,000	BP PLC	61,729,632	65,724,888
7.	55,294,720	Gov of Canada, 3.25%, 06/01/2021	59,911,899	61,465,611
8.	53,900,407	Gov of Canada, 3.00%, 12/01/2015	55,573,498	57,639,478
9.	2,020,000	Thomson Reuters Corporation	56,518,872	55,004,620
10.	1,132,000	Astrazeneca PLC	53,606,305	53,256,639
11.	2,196,760	Best Buy Co. Inc.	62,131,240	52,282,906
12.	1,130,000	Aetna Inc.	47,321,892	48,551,914
13.	1,180,000	Medtronic Inc.	40,776,176	45,965,484
14.	42,673,251	Gov of Canada, 2.75%, 06/01/2022	44,875,082	45,462,375
15.	2,400,000	Sun Life Financial Inc.	49,512,392	45,360,000
16.	1,700,000	Hewlett-Packard Co.	41,753,754	44,597,773
17.	982,957	TransCanada Corporation	39,092,452	43,771,060
18.	1,580,955	Microsoft Corp.	38,925,029	41,796,754
19.	723,193	TELUS Corp.	37,896,900	41,684,870
20.	1,755,255	H&R Real Estate Investment Trust/H&R Finance Trust	31,566,940	40,827,242
21.	590,000	General Dynamics Corporation	37,752,939	39,902,847
22.	3,311,205	Aimia	39,233,208	39,535,792
23.	1,503,623	Industrial Alliance Insurance	40,097,324	39,530,249
24.	3,300,000	Manulife Financial Corporation	35,622,072	35,805,000
25.	997,278	Fortis Inc.	32,099,123	33,279,163

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

	2011	2010	2009	2008	2007
Series A (No load contracts established prior to 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	10.78	10.21	9.18	7.31	9.56
Ratios and Supplemental Data					
Net assets at December 31 (000's)	998	900	384	273	37
Number of units outstanding at December 31	92,571	88,175	41,779	37,296	3,897
Management expense ratio (%) ²	2.67	2.57	2.47	2.58	2.49
Series B (No load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	10.30	9.86	8.96	7.21	9.53
Ratios and Supplemental Data					
Net assets at December 31 (000's)	3,085	2,038	689	140	40
Number of units outstanding at December 31	299,512	206,712	76,914	19,455	4,205
Management expense ratio (%) ²	3.71	3.63	3.52	3.52	3.55
Series C (Back-end load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	10.35	9.89	8.98	7.22	9.53
Ratios and Supplemental Data					
Net assets at December 31 (000's)	1,791	1,181	375	160	22
Number of units outstanding at December 31	173,054	119,407	41,714	22,114	2,309
Management expense ratio (%) ²	3.56	3.49	3.41	3.41	3.45
Portfolio turnover rate for the period ended June 30 (%) ³	35.00	41.00	34.00	24.00	34.00

¹ Assumption/Fidelity Monthly Income Fund holds 533,163 units (original cost \$5,665,571) and invests 100% in the Fidelity Monthly Income Fund, the underlying fund managed by Fidelity Investments Canada Limited.

² The management expense ratio is calculated by dividing the total of management fees and administrative expenses by the average net assets and also includes the management expense ratio of the underlying funds, when applicable.

³ The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Assumption/Fidelity American Disciplined Equity[®] Fund

Statement of Net Assets

As at December 31

	2011	2010
Assets		
Investments, at market value	164,267	132,458
Receivables from investments	-	-
Distributions receivable	-	-
Cash	-	-
	<u>164,267</u>	<u>132,458</u>
Liabilities		
Payable for investments	-	-
Other liabilities	17	13
	<u>17</u>	<u>13</u>
Net assets at market value	<u>164,250</u>	<u>132,445</u>

Statement of Operations

For the period ended December 31

	2011	2010
Income		
Distributions from underlying fund	1,317	840
	<u>1,317</u>	<u>840</u>
Expenses		
Management fees	4,643	3,488
Other administrative expenses	791	603
	<u>5,434</u>	<u>4,091</u>
Net investment income (loss)	<u>(4,117)</u>	<u>(3,251)</u>
Realized and unrealized gain (loss) on investments		
Proceeds from sales	39,340	52,912
Cost of investments sold	39,134	52,434
Realized gain (loss) on sale of investments	206	478
Unrealized appreciation (depreciation) on investments	(2,629)	11,672
Net gain (loss) on investments	<u>(2,423)</u>	<u>12,150</u>
Increase (decrease) in net assets resulting from operations	<u>(6,540)</u>	<u>8,899</u>

Statement of Changes in Net Assets

For the period ended December 31

	2011	2010
Net assets, beginning of period	132,445	126,870
Investment activities		
Increase (decrease) in net assets resulting from operations	(6,540)	8,899
	<u>125,905</u>	<u>135,769</u>
Transactions with contractholders		
Premiums from contractholders	72,219	45,481
Withdrawals from contractholders	(33,874)	(48,805)
	<u>38,345</u>	<u>(3,324)</u>
Net assets, end of period	<u>164,250</u>	<u>132,445</u>

Top 25 Holdings of the Underlying Fund¹

As at December 31, 2011

	Quantity	Investment	Cost	Market Value
1.	209,660	Chevron Corp.	20,380,745	22,718,288
2.	52,040	Apple Inc.	15,263,119	21,464,002
3.	24,990	Google Inc., Class A	13,437,451	16,438,036
4.	216,010	Procter & Gamble Co.	13,684,639	14,675,172
5.	589,635	Pfizer, Inc.	10,754,023	12,994,480
6.	300,820	CVS Caremark Corp.	10,688,204	12,493,161
7.	365,510	JPMorgan Chase & Co.	14,381,830	12,376,826
8.	121,160	Occidental Petroleum Corporation	10,966,084	11,561,581
9.	128,260	Berkshire Hathaway Inc., Class B	9,419,652	9,966,305
10.	307,190	Altria Group Inc.	8,146,673	9,275,774
11.	251,320	MetLife Inc.	8,125,038	7,980,343
12.	149,780	Danaher Corp.	7,580,343	7,175,291
13.	104,670	Cognizant Tech Solutions, Class A	7,286,661	6,855,184
14.	226,480	PPL Corporation	5,914,340	6,785,642
15.	230,750	Dish Network Corp., Class A	6,344,000	6,692,680
16.	35,990	Amazon.com Inc.	7,057,434	6,344,499
17.	337,790	General Electric Co.	5,726,537	6,161,136
18.	110,200	Qualcomm Inc.	5,480,613	6,138,854
19.	232,350	Hewlett-Packard Co.	6,473,341	6,095,466
20.	297,800	Invesco Ltd	6,774,209	6,092,886
21.	80,990	United Technologies Corp.	6,077,849	6,028,479
22.	78,860	Boeing Co.	4,998,384	5,890,814
23.	53,400	Union Pacific Corp.	4,187,920	5,761,288
24.	121,490	Viacom Inc., Class B	5,435,211	5,618,371
25.	86,610	Time Warner Cable	5,606,210	5,607,104

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

	2011	2010	2009	2008	2007
Series A (No load contracts established prior to 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	10.20	10.71	9.90	9.10	13.34
Ratios and Supplemental Data					
Net assets at December 31 (000's)	27	24	29	25	21
Number of units outstanding at December 31	2,606	2,264	2,967	2,766	1,547
Management expense ratio (%) ²	2.88	2.78	2.68	2.80	2.70
Series B (No load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	9.74	10.33	9.66	8.97	13.29
Ratios and Supplemental Data					
Net assets at December 31 (000's)	70	21	8	9	4
Number of units outstanding at December 31	7,176	2,010	827	958	291
Management expense ratio (%) ²	3.99	3.87	3.73	3.73	3.76
Series C (Back-end load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	9.79	10.37	9.68	8.98	13.30
Ratios and Supplemental Data					
Net assets at December 31 (000's)	68	87	89	65	19
Number of units outstanding at December 31	6,920	8,428	9,206	7,272	1,412
Management expense ratio (%) ²	3.84	3.73	3.62	3.62	3.66
Portfolio turnover rate for the period ended June 30 (%)³	119.00	219.00	270.00	245.00	178.00

¹ Assumption/Fidelity American Disciplined Equity[®] Fund holds 14,669 units (original cost \$153,903) and invests 100% in the Fidelity American Disciplined Equity[®] Fund, the underlying fund managed by Fidelity Investments Canada Limited.

² The management expense ratio is calculated by dividing the total of management fees and administrative expenses by the average net assets and also includes the management expense ratio of the underlying funds, when applicable.

³ The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Assumption/Fidelity North Star[®] Fund

Statement of Net Assets

As at December 31

	2011	2010
Assets		
Investments, at market value	285,716	209,097
Receivables from investments	-	-
Distributions receivable	-	-
Cash	-	-
	<u>285,716</u>	<u>209,097</u>
Liabilities		
Payable for investments	-	-
Other liabilities	29	21
	<u>29</u>	<u>21</u>
Net assets at market value	<u>285,687</u>	<u>209,076</u>

Statement of Operations

For the period ended December 31

	2011	2010
Income		
Distributions from underlying fund	4,524	-
	<u>4,524</u>	<u>-</u>
Expenses		
Management fees	7,953	5,368
Other administrative expenses	1,266	808
	<u>9,219</u>	<u>6,176</u>
Net investment income (loss)	<u>(4,695)</u>	<u>(6,176)</u>
Realized and unrealized gain (loss) on investments		
Proceeds from sales	75,983	14,645
Cost of investments sold	75,995	14,397
Realized gain (loss) on sale of investments	(12)	248
Unrealized appreciation (depreciation) on investments	(23,865)	24,979
Net gain (loss) on investments	<u>(23,877)</u>	<u>25,227</u>
Increase (decrease) in net assets resulting from operations	<u>(28,572)</u>	<u>19,051</u>

Statement of Changes in Net Assets

For the period ended December 31

	2011	2010
Net assets, beginning of period	209,076	129,479
Investment activities		
Increase (decrease) in net assets resulting from operations	(28,572)	19,051
	<u>180,504</u>	<u>148,530</u>
Transactions with contractholders		
Premiums from contractholders	171,740	68,822
Withdrawals from contractholders	(66,557)	(8,276)
	<u>105,183</u>	<u>60,546</u>
Net assets, end of period	<u>285,687</u>	<u>209,076</u>

Top 25 Holdings of the Underlying Fund ¹

As at December 31, 2011

	Quantity	Investment	Cost	Market Value
1.	1,900,000	WellPoint Inc.	132,176,025	128,191,100
2.	4,310,000	ENI SpA	117,857,621	90,507,553
3.	750,000	L-3 Communications Holdings Inc.	68,742,838	50,930,184
4.	1,350,000	Plantronics, Inc.	13,306,087	48,999,298
5.	610,030	The Toronto-Dominion Bank	45,033,663	46,539,189
6.	7,270	Seria Co. Ltd	6,199,893	41,075,930
7.	14,300,000	Hon Hai Precision Industry Co. Ltd (Foxconn)	38,218,606	39,864,046
8.	290,000	Ottogi Corp	36,549,751	39,393,382
9.	850,000	BP PLC	32,192,886	36,997,454
10.	860,000	Shoppers Drug Mart Corp.	34,996,851	35,380,400
11.	890,000	Motorola Mobility Holdings	35,038,195	35,167,389
12.	1,260,050	Hewlett-Packard Co.	32,846,090	33,056,132
13.	1,375,620	Best Buy Co. Inc.	33,820,517	32,739,767
14.	800,000	Scansource Inc.	21,901,226	29,329,920
15.	621,000	Astrazeneca PLC	29,405,513	29,215,877
16.	730,080	Medtronic Inc.	24,507,344	28,439,390
17.	13,446	Seaboard Corp.	18,625,674	27,879,775
18.	980,000	Thomson Reuters Corporation	28,706,290	26,685,400
19.	1,000,000	Microsoft Corp.	27,324,313	26,437,864
20.	610,000	Aetna Inc.	22,318,829	26,209,441
21.	670,000	Don Quijote Co. Ltd	15,048,178	23,413,607
22.	1,100,000	Bank of New York Mellon Corporation	20,724,505	22,303,978
23.	10,200	Okinawa Cellular Telephone Co.	21,485,889	22,066,987
24.	700,111	USANA Health Sciences Inc.	18,752,202	21,653,599
25.	2,750,000	Nishimatsuya Chain Co Ltd	25,573,317	21,650,841

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

	2011	2010	2009	2008	2007
Series A (No load contracts established prior to 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	13.17	14.58	13.16	10.64	-
Ratios and Supplemental Data					
Net assets at December 31 (000's)	60	61	47	7	-
Number of units outstanding at December 31	4,547	4,201	3,569	621	-
Management expense ratio (%) ²	2.96	2.80	2.80	3.12	-
Series B (No load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	12.58	14.08	12.84	10.49	16.24
Ratios and Supplemental Data					
Net assets at December 31 (000's)	171	91	40	32	14
Number of units outstanding at December 31	13,565	6,476	3,099	3,066	843
Management expense ratio (%) ²	4.03	3.93	3.83	3.83	3.87
Series C (Back-end load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	12.66	14.14	12.87	10.51	16.24
Ratios and Supplemental Data					
Net assets at December 31 (000's)	55	57	43	26	32
Number of units outstanding at December 31	4,356	4,006	3,320	2,496	1,958
Management expense ratio (%) ²	3.82	3.78	3.73	3.73	3.76
Portfolio turnover rate for the period ended March 31 (%) ³	77.00	104.00	181.00	126.00	102.00

¹ Assumption/Fidelity North Star[®] Fund holds 19,489 units (original cost \$286,899) and invests 100% in the Fidelity North Star[®] Fund, the underlying fund managed by Fidelity Investments Canada Limited.

² The management expense ratio is calculated by dividing the total of management fees and administrative expenses by the average net assets and also includes the management expense ratio of the underlying funds, when applicable.

³ The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Assumption/Fidelity Far East Fund

Statement of Net Assets

As at December 31

	2011	2010
Assets		
Investments, at market value	18,260	-
Receivables from investments	-	-
Distributions receivable	-	-
Cash	-	-
	<u>18,260</u>	<u>-</u>
Liabilities		
Payable for investments	-	-
Other liabilities	2	-
	<u>2</u>	<u>-</u>
Net assets at market value	<u>18,258</u>	<u>-</u>

Statement of Operations

For the period ended December 31

	2011	2010
Income		
Distributions from underlying fund	859	-
	<u>859</u>	<u>-</u>
Expenses		
Management fees	553	-
Other administrative expenses	97	-
	<u>650</u>	<u>-</u>
Net investment income (loss)	<u>209</u>	<u>-</u>
Realized and unrealized gain (loss) on investments		
Proceeds from sales	24,505	-
Cost of investments sold	24,454	-
Realized gain (loss) on sale of investments	51	-
Unrealized appreciation (depreciation) on investments	(2,618)	-
Net gain (loss) on investments	<u>(2,567)</u>	<u>-</u>
Increase (decrease) in net assets resulting from operations	<u>(2,358)</u>	<u>-</u>

Statement of Changes in Net Assets

For the period ended December 31

	2011	2010
Net assets, beginning of period	-	-
Investment activities		
Increase (decrease) in net assets resulting from operations	(2,358)	-
	<u>(2,358)</u>	<u>-</u>
Transactions with contractholders		
Premiums from contractholders	44,469	-
Withdrawals from contractholders	(23,853)	-
	<u>20,616</u>	<u>-</u>
Net assets, end of period	<u>18,258</u>	<u>-</u>

Top 25 Holdings of the Underlying Fund ¹

As at December 31, 2011

	Quantity	Investment	Cost	Market Value
1.	26,899	Samsung Electronics Co., Ltd	17,689,815	24,941,087
2.	8,634,537	Taiwan Semiconductor Manufacturing Co. Ltd	19,847,309	21,966,865
3.	1,495,500	China Mobile Limited	13,862,311	14,797,008
4.	6,360,500	CNOOC Ltd	10,263,656	11,295,164
5.	19,236	Samsung Electronics Co. Ltd	9,129,053	11,244,345
6.	15,628,000	China Construction Bank Corp.	11,826,539	11,106,831
7.	529,900	Tencent Holdings Limited	6,587,948	10,846,367
8.	17,769,000	Industrial & Commercial Bank of China	12,936,671	10,741,165
9.	4,886,000	China Unicom (Hong Kong) Ltd	8,252,591	10,489,992
10.	4,250,500	Bank of China Hong Kong Ltd	9,330,402	10,255,227
11.	8,786,000	China Petrol & Chemicals Corp.	8,709,405	9,392,925
12.	573,800	Hong Kong Exchanges & Clearing Ltd	10,074,164	9,337,267
13.	9,852,500	Bank Central Asia	6,478,928	8,852,527
14.	2,644,800	AIA Group Ltd	8,658,860	8,409,923
15.	576,000	Sun Hung Kai Properties Ltd	8,887,678	7,352,684
16.	4,366,000	China Resources Land Ltd	6,340,030	7,144,729
17.	118,360	Hyundai Motor Co. Ltd	5,891,304	6,960,189
18.	36,903	NHN Corporation	6,705,487	6,823,979
19.	1,127,600	Bangkok Bank Public Co. Ltd	5,269,129	5,959,780
20.	4,090,000	Kunlun Energy Company Ltd	5,959,558	5,931,519
21.	488,000	Cheung Kong Holdings Ltd	7,461,132	5,912,610
22.	9,430,000	China Telecom Corp. Ltd	5,714,812	5,462,353
23.	20,130	NCsoft Corporation	6,066,409	5,424,784
24.	45,300	Baidu Inc.	5,743,392	5,373,171
25.	4,102,000	Petrochina Co. Ltd	5,190,341	5,187,733

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

	2011	2010	2009	2008	2007
Series A (No load contracts established prior to 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	8.35	-	-	-	-
Ratios and Supplemental Data					
Net assets at December 31 (000's)	1	-	-	-	-
Number of units outstanding at December 31	173	-	-	-	-
Management expense ratio (%) ²	3.28	-	-	-	-
Series B (No load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	8.26	-	-	-	-
Ratios and Supplemental Data					
Net assets at December 31 (000's)	17	-	-	-	-
Number of units outstanding at December 31	2,035	-	-	-	-
Management expense ratio (%) ²	4.35	-	-	-	-
Series C (Back-end load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	-	-	-	-	-
Ratios and Supplemental Data					
Net assets at December 31 (000's)	-	-	-	-	-
Number of units outstanding at December 31	-	-	-	-	-
Management expense ratio (%) ²	-	-	-	-	-
Portfolio turnover rate for the period ended March 31 (%) ³	91.00	-	-	-	-

¹ Assumption/Fidelity Far East Fund holds 578 units (original cost \$20,659) and invests 100% in the Fidelity Far East Fund, the underlying fund managed by Fidelity Investments Canada Limited.

² The management expense ratio is calculated by dividing the total of management fees and administrative expenses by the average net assets and also includes the management expense ratio of the underlying funds, when applicable.

³ The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Assumption/CI Global Managers® Corporate Class Fund

Statement of Net Assets

As at December 31

	2011	2010
Assets		
Investments, at market value	1,116,367	1,284,564
Receivables from investments	-	-
Distributions receivable	-	-
Cash	-	-
	<u>1,116,367</u>	<u>1,284,564</u>
Liabilities		
Payable for investments	-	-
Other liabilities	99	115
	<u>99</u>	<u>115</u>
Net assets at market value	<u>1,116,268</u>	<u>1,284,449</u>

Statement of Operations

For the period ended December 31

	2011	2010
Income		
Distributions from underlying fund	5,095	3,434
	<u>5,095</u>	<u>3,434</u>
Expenses		
Management fees	34,458	32,098
Other administrative expenses	2,869	3,159
	<u>37,327</u>	<u>35,257</u>
Net investment income (loss)	<u>(32,232)</u>	<u>(31,823)</u>
Realized and unrealized gain (loss) on investments		
Proceeds from sales	397,984	214,685
Cost of investments sold	401,769	214,302
Realized gain (loss) on sale of investments	<u>(3,785)</u>	<u>383</u>
Unrealized appreciation (depreciation) on investments	8,821	70,336
Net gain (loss) on investments	<u>5,036</u>	<u>70,719</u>
Increase (decrease) in net assets resulting from operations	<u>(27,196)</u>	<u>38,896</u>

Statement of Changes in Net Assets

For the period ended December 31

	2011	2010
Net assets, beginning of period	1,284,449	1,116,214
Investment activities		
Increase (decrease) in net assets resulting from operations	(27,196)	38,896
	<u>1,257,253</u>	<u>1,155,110</u>
Transactions with contractholders		
Premiums from contractholders	218,757	308,262
Withdrawals from contractholders	(359,742)	(178,923)
	<u>(140,985)</u>	<u>129,339</u>
Net assets, end of period	<u>1,116,268</u>	<u>1,284,449</u>

Top 25 Holdings of the Underlying Fund ¹

As at December 31, 2011

	Quantity	Investment	Cost	Market Value
1.	21,500	SPDR Gold Trust	1,133,207	3,328,904
2.	30,800	Energy Select Sector SPDR Fund	1,865,001	2,168,027
3.	60,000	Consumer Staples Select Sector SPDR Fund	1,844,052	1,985,860
4.	38,900	Health Care Select Sector SPDR Fund	1,256,932	1,374,680
5.	31,200	Utilities Select Sector SPDR Fund	1,005,547	1,143,572
6.	36,000	PowerShares DB Agriculture Fund	998,652	1,059,126
7.	16,630	Wal-Mart Stores, Inc.	899,892	1,012,396
8.	5,330	Roche Holding AG	734,761	920,221
9.	17,500	Market Vectors Gold Miners ETF	977,254	916,858
10.	25,340	Public Service Enterprise Group Inc.	771,949	852,118
11.	42,914	Cisco Systems Inc.	879,219	790,397
12.	20,210	Merck & Co., Inc.	694,237	776,167
13.	33,300	GlaxoSmithKline PLC	819,847	775,246
14.	25,100	SPDR EURO STOXX 50 ETF	1,144,449	754,555
15.	26,950	Microsoft Corp.	751,184	712,707
16.	27,050	SES SA	691,692	661,474
17.	7,690	Everest Re Group Ltd	659,238	658,747
18.	10,040	Bayer AG	597,700	654,003
19.	133,100	The Bank of Yokohama Ltd	689,852	641,260
20.	54,031	Rolls-Royce Holdings PLC	523,431	638,128
21.	6,200	McDonald's Corp.	514,735	633,680
22.	8,050	Anadarko Petroleum Corp.	598,101	625,949
23.	25,800	Comcast Corp., Class A	464,942	619,217
24.	8,500	The Coca-Cola Co.	550,087	605,869
25.	10,111	Ecolab Inc.	427,344	595,449

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

	2011	2010	2009	2008	2007
Series A (No load contracts established prior to 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	8.56	8.75	8.42	7.33	8.85
Ratios and Supplemental Data					
Net assets at December 31 (000's)	770	856	643	462	693
Number of units outstanding at December 31	89,920	97,841	76,321	63,030	78,328
Management expense ratio (%) ²	2.92	2.82	2.72	2.71	2.73
Series B (No load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	7.53	7.80	7.61	6.71	8.19
Ratios and Supplemental Data					
Net assets at December 31 (000's)	140	162	181	78	159
Number of units outstanding at December 31	18,653	20,829	23,744	11,634	19,454
Management expense ratio (%) ²	4.21	4.07	3.94	3.94	3.98
Series C (Back-end load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	7.70	7.95	7.74	6.81	8.30
Ratios and Supplemental Data					
Net assets at December 31 (000's)	206	266	293	207	453
Number of units outstanding at December 31	26,757	33,451	37,855	30,433	54,534
Management expense ratio (%) ²	3.95	3.84	3.73	3.73	3.76
Portfolio turnover rate for the period ended March 31 (%) ³	73.16	90.85	85.21	47.36	58.67

¹ Assumption/CI Global Managers® Corporate Class Fund holds 87,957 units (original cost \$1,036,140) and invests 100% in the CI Global Managers® Corporate Class Fund, the underlying fund managed by CI Investments Inc.

² The management expense ratio is calculated by dividing the total of management fees and administrative expenses by the average net assets and also includes the management expense ratio of the underlying funds, when applicable.

³ The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Assumption/CI Synergy American Fund

Statement of Net Assets

As at December 31

	2011	2010
Assets		
Investments, at market value	609,508	739,824
Receivables from investments	-	-
Distributions receivable	-	-
Cash	-	-
	<u>609,508</u>	<u>739,824</u>
Liabilities		
Payable for investments	-	-
Other liabilities	55	66
	<u>55</u>	<u>66</u>
Net assets at market value	<u>609,453</u>	<u>739,758</u>

Statement of Operations

For the period ended December 31

	2011	2010
Income		
Distributions from underlying fund	-	-
	<u>-</u>	<u>-</u>
Expenses		
Management fees	18,929	19,181
Other administrative expenses	1,659	1,809
	<u>20,588</u>	<u>20,990</u>
Net investment income (loss)	<u>(20,588)</u>	<u>(20,990)</u>
Realized and unrealized gain (loss) on investments		
Proceeds from sales	224,093	128,697
Cost of investments sold	225,033	127,599
Realized gain (loss) on sale of investments	(940)	1,098
Unrealized appreciation (depreciation) on investments	5,087	64,230
	<u>4,147</u>	<u>65,328</u>
Net gain (loss) on investments	<u>4,147</u>	<u>65,328</u>
Increase (decrease) in net assets resulting from operations	<u>(16,441)</u>	<u>44,338</u>

Statement of Changes in Net Assets

For the period ended December 31

	2011	2010
Net assets, beginning of period	739,758	711,347
Investment activities		
Increase (decrease) in net assets resulting from operations	(16,441)	44,338
	<u>723,317</u>	<u>755,685</u>
Transactions with contractholders		
Premiums from contractholders	88,857	91,090
Withdrawals from contractholders	(202,721)	(107,017)
	<u>(113,864)</u>	<u>(15,927)</u>
Net assets, end of period	<u>609,453</u>	<u>739,758</u>

Top 25 Holdings of the Underlying Fund ¹

As at December 31, 2011

	Quantity	Investment	Cost	Market Value
1.	7,200	Apple Inc.	1,534,012	2,970,539
2.	70,000	Well Fargo & Co.	1,787,257	1,965,283
3.	18,100	Union Pacific Corp.	1,038,839	1,953,378
4.	21,600	Humana Inc.	1,417,066	1,927,770
5.	43,100	CVS Caremark Corp.	1,490,039	1,790,491
6.	18,100	Noble Energy Inc.	1,424,971	1,740,413
7.	87,100	Cisco Systems Inc.	1,666,984	1,604,222
8.	41,800	CenturyLink Inc.	1,670,333	1,584,043
9.	71,200	EMC Corp.	1,504,143	1,562,332
10.	29,300	UnitedHealth Group, Inc.	1,138,875	1,512,697
11.	37,800	Canadian Natural Resources Ltd	1,415,561	1,439,006
12.	33,900	BE Aerospace Inc.	1,187,870	1,336,813
13.	13,900	Occidental Petroleum Corp.	1,308,865	1,326,790
14.	13,000	EOG Resources Inc.	1,292,706	1,304,582
15.	21,000	American Tower Corp., Class A	1,080,990	1,283,780
16.	26,500	American Express Co.	1,305,340	1,273,384
17.	30,000	Assurant Inc.	1,006,461	1,254,839
18.	20,400	Watson Pharmaceuticals Inc.	1,126,484	1,253,959
19.	23,300	Check Point Software Technologies Ltd	1,066,167	1,247,078
20.	30,300	Wyndham Worldwide Corp.	755,487	1,167,688
21.	23,300	Cameron International Corp.	1,088,578	1,167,563
22.	28,700	Atwood Oceanics Inc.	1,227,300	1,163,332
23.	11,100	Randgold Resources Ltd, ADR	1,165,464	1,154,507
24.	16,600	Kansas City Southern	635,465	1,150,082
25.	11,100	McDonald's Corp.	572,137	1,134,492

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

	2011	2010	2009	2008	2007
Series A (No load contracts established prior to 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	10.35	10.62	9.94	9.49	13.10
Ratios and Supplemental Data					
Net assets at December 31 (000's)	378	454	413	362	527
Number of units outstanding at December 31	36,515	42,718	41,557	38,097	40,246
Management expense ratio (%) ²	2.85	2.74	2.63	2.63	2.65
Series B (No load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	9.52	9.90	9.39	9.08	12.70
Ratios and Supplemental Data					
Net assets at December 31 (000's)	79	100	106	114	191
Number of units outstanding at December 31	8,327	10,080	11,320	12,510	15,008
Management expense ratio (%) ²	4.13	4.04	3.94	3.94	3.92
Series C (Back-end load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	9.66	10.02	9.48	9.15	12.77
Ratios and Supplemental Data					
Net assets at December 31 (000's)	152	186	192	177	281
Number of units outstanding at December 31	15,763	18,589	20,238	19,290	21,996
Management expense ratio (%) ²	3.92	3.83	3.73	3.73	3.71
Portfolio turnover rate for the period ended March 31 (%) ³	163.41	163.86	83.45	70.04	94.31

¹ Assumption/CI Synergy American Fund holds 47,579 units (original cost \$626,833) and invests 100% in the CI Synergy American Fund, the underlying fund managed by CI Investments Inc.

² The management expense ratio is calculated by dividing the total of management fees and administrative expenses by the average net assets and also includes the management expense ratio of the underlying funds, when applicable.

³ The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Assumption/CI Signature Canadian Bond Fund

Statement of Net Assets

As at December 31

	2011	2010
Assets		
Investments, at market value	1,847,805	1,489,840
Receivables from investments	-	-
Distributions receivable	-	-
Cash	-	-
	<u>1,847,805</u>	<u>1,489,840</u>
Liabilities		
Payable for investments	-	-
Other liabilities	137	111
	<u>137</u>	<u>111</u>
Net assets at market value	<u>1,847,668</u>	<u>1,489,729</u>

Statement of Operations

For the period ended December 31

	2011	2010
Income		
Distributions from underlying fund	89,819	67,512
	<u>89,819</u>	<u>67,512</u>
Expenses		
Management fees	37,147	26,548
Other administrative expenses	8,129	5,844
	<u>45,276</u>	<u>32,392</u>
Net investment income (loss)	<u>44,543</u>	<u>35,120</u>
Realized and unrealized gain (loss) on investments		
Proceeds from sales	581,307	354,463
Cost of investments sold	581,969	354,485
Realized gain (loss) on sale of investments	(662)	(22)
Unrealized appreciation (depreciation) on investments	60,003	20,290
Net gain (loss) on investments	<u>59,341</u>	<u>20,268</u>
Increase (decrease) in net assets resulting from operations	<u>103,884</u>	<u>55,388</u>

Statement of Changes in Net Assets

For the period ended December 31

	2011	2010
Net assets, beginning of period	1,489,729	1,026,708
Investment activities		
Increase (decrease) in net assets resulting from operations	103,884	55,388
	<u>1,593,613</u>	<u>1,082,096</u>
Transactions with contractholders		
Premiums from contractholders	789,775	729,454
Withdrawals from contractholders	(535,720)	(321,821)
	<u>254,055</u>	<u>407,633</u>
Net assets, end of period	<u>1,847,668</u>	<u>1,489,729</u>

Top 25 Holdings of the Underlying Fund ¹

As at December 31, 2011

	Quantity	Investment	Cost	Market Value
1.	204,772,000	Canadian Government Bond, 2.75%, 09/01/2016	217,237,028	218,343,264
2.	96,970,000	Canadian Government Bond, 4.00%, 06/01/2041	113,374,750	127,286,883
3.	84,120,000	Canadian Government Bond, 1.75%, 03/01/2013	84,766,379	84,872,126
4.	60,090,000	United States Treasury, 3.78%, 07/15/2012	79,270,426	78,752,474
5.	58,820,000	Canadian Government Bond, 4.00%, 06/01/2017	65,949,935	66,805,787
6.	57,560,000	Canadian Government Bond, 3.50%, 06/01/2020	63,782,880	64,954,687
7.	56,635,000	Prov. of Quebec, 4.25%, 12/01/2021	61,294,055	62,972,957
8.	50,990,000	Prov. of Ontario, 4.20%, 06/02/2020	53,391,675	56,912,075
9.	51,655,000	Canadian Government Bond, 2.50%, 09/01/2013	53,175,245	52,966,461
10.	34,843,000	Canadian Government Bond, 5.00%, 06/01/2037	43,784,891	50,919,004
11.	38,790,000	55 Ontario School Board Trust, 5.90%, 06/02/2033	42,110,318	50,573,050
12.	29,990,000	Canadian Government Bond, 5.75%, 06/01/2029	43,048,809	44,270,948
13.	40,745,000	Canadian Government Bond, 2.75%, 06/01/2022	43,184,197	43,408,254
14.	34,970,000	Canadian Government Bond, 3.25%, 06/01/2021	37,871,494	38,872,768
15.	36,430,000	Canadian Government Bond, 2.00%, 06/01/2016	36,975,084	37,602,253
16.	33,464,000	Prov. of British Columbia, 3.25%, 12/18/2021	34,119,219	34,710,745
17.	30,065,000	Prov. of Quebec, 4.50%, 12/01/2018	33,743,996	34,165,828
18.	24,850,000	Prov. of Quebec, 5.75%, 12/01/2036	28,406,543	33,741,352
19.	29,252,000	Canadian Government Bond, 3.00%, 12/01/2015	30,296,733	31,279,848
20.	20,540,000	Prov. of British Columbia, 6.35%, 06/18/2031	27,681,997	29,370,414
21.	28,385,000	United States Treasury Note, 2.00%, 11/15/2021	28,781,525	29,246,826
22.	27,575,000	The Governor & Co of the Bank of Ireland, 2.75%, 03/02/2012	28,131,928	27,846,638
23.	21,445,000	Austria Government Int'l Bond, 5.375%, 12/01/2034	22,434,989	26,362,372
24.	22,230,000	Prov. of Ontario, 4.40%, 06/02/2019	24,828,687	25,198,946
25.	23,690,000	Royal Bank of Canada, 3.27%, 11/10/2014	24,084,309	24,619,876

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

	2011	2010	2009	2008	2007
Series A (No load contracts established prior to 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	5.83	5.49	5.23	5.13	5.26
Ratios and Supplemental Data					
Net assets at December 31 (000's)	555	327	310	307	313
Number of units outstanding at December 31	95,165	59,477	59,337	59,787	59,442
Management expense ratio (%) ²	2.66	2.56	2.47	2.58	2.75
Series B (No load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	5.68	5.37	5.12	5.04	5.17
Ratios and Supplemental Data					
Net assets at December 31 (000's)	713	577	343	632	215
Number of units outstanding at December 31	125,492	107,446	66,917	125,348	41,621
Management expense ratio (%) ²	2.84	2.79	2.73	2.73	2.76
Series C (Back-end load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	5.81	5.47	5.21	5.11	5.24
Ratios and Supplemental Data					
Net assets at December 31 (000's)	580	587	374	416	343
Number of units outstanding at December 31	99,778	107,235	71,717	81,455	65,436
Management expense ratio (%) ²	2.59	2.57	2.52	2.52	2.54
Portfolio turnover rate for the period ended March 31 (%) ³	97.39	82.29	86.62	110.86	93.70

¹ Assumption/CI Signature Canadian Bond Fund holds 174,946 units (original cost \$1,790,963) and invests 100% in the CI Signature Canadian Bond Fund, the underlying fund managed by CI Investments Inc.

² The management expense ratio is calculated by dividing the total of management fees and administrative expenses by the average net assets and also includes the management expense ratio of the underlying funds, when applicable.

³ The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Assumption/CI Harbour Growth & Income Fund

Statement of Net Assets

As at December 31

	2011	2010
Assets		
Investments, at market value	41,789,095	48,926,414
Receivables from investments	-	-
Distributions receivable	-	-
Cash	-	-
	<u>41,789,095</u>	<u>48,926,414</u>
Liabilities		
Payable for investments	-	-
Other liabilities	3,741	4,416
	<u>3,741</u>	<u>4,416</u>
Net assets at market value	<u>41,785,354</u>	<u>48,921,998</u>

Statement of Operations

For the period ended December 31

	2011	2010
Income		
Distributions from underlying fund	976,827	860,197
	<u>976,827</u>	<u>860,197</u>
Expenses		
Management fees	1,352,620	1,286,893
Other administrative expenses	131,460	134,308
	<u>1,484,080</u>	<u>1,421,201</u>
Net investment income (loss)	<u>(507,253)</u>	<u>(561,004)</u>
Realized and unrealized gain (loss) on investments		
Proceeds from sales	13,530,327	9,517,649
Cost of investments sold	13,471,838	9,395,602
Realized gain (loss) on sale of investments	58,489	122,047
Unrealized appreciation (depreciation) on investments	(3,643,009)	3,728,135
Net gain (loss) on investments	<u>(3,584,520)</u>	<u>3,850,182</u>
Increase (decrease) in net assets resulting from operations	<u>(4,091,773)</u>	<u>3,289,178</u>

Statement of Changes in Net Assets

For the period ended December 31

	2011	2010
Net assets, beginning of period	48,921,998	44,207,572
Investment activities		
Increase (decrease) in net assets resulting from operations	(4,091,773)	3,289,178
	<u>44,830,225</u>	<u>47,496,750</u>
Transactions with contractholders		
Premiums from contractholders	8,975,962	9,494,107
Withdrawals from contractholders	(12,020,833)	(8,068,859)
	<u>(3,044,871)</u>	<u>1,425,248</u>
Net assets, end of period	<u>41,785,354</u>	<u>48,921,998</u>

Top 25 Holdings of the Underlying Fund ¹

As at December 31, 2011

	Quantity	Investment	Cost	Market Value
1.	11,900,000	Suncor Energy Inc.	365,648,839	349,622,000
2.	12,500,000	Microsoft Corp.	336,864,585	330,569,251
3.	4,000,000	Canadian National Railway Co.	162,320,083	320,600,000
4.	5,000,000	Intact Financial Corp.	157,468,000	292,650,000
5.	5,400,000	Tim Hortons Inc.	174,189,766	266,544,000
6.	3,500,000	Canadian Imperial Bank of Commerce	258,778,742	258,265,000
7.	10,000,000	Intel Corp.	203,150,636	247,035,573
8.	5,000,000	Barrick Gold Corp.	164,826,899	230,750,000
9.	4,500,000	Bank of Nova Scotia	181,974,199	228,735,000
10.	5,300,000	Potash Corp. of Saskatchewan Inc.	177,192,400	223,183,000
11.	3,150,000	George Weston Ltd	222,703,769	214,483,500
12.	100,000,000	Canadian Government Bond, 5.71%, 12/01/2021	172,814,422	207,928,730
13.	10,000,000	Bank of New York Mellon Corporation	200,748,242	202,823,846
14.	15,000,000	Taiwan Semiconductor Manufacturing Co. Ltd, ADR	147,723,701	197,271,912
15.	14,500,000	Talisman Energy Inc.	204,539,203	188,210,000
16.	4,000,000	Goldcorp Inc.	95,725,670	180,840,000
17.	5,000,000	BHP Billiton Ltd	114,833,028	179,308,189
18.	3,000,000	Abbott Laboratories	143,995,747	171,845,076
19.	1,800,000	Occidental Petroleum Corp.	160,803,938	171,814,515
20.	6,500,000	Discover Financial Services	147,446,218	158,917,730
21.	7,000,000	Diageo PLC	127,992,709	155,765,975
22.	8,300,000	Xstrata PLC	128,598,911	128,425,649
23.	6,500,000	Cameco Corp.	146,940,588	119,665,000
24.	6,000,000	Encana Corp.	152,947,067	113,340,000
25.	5,500,000	Penn West Petroleum Ltd	101,526,652	111,045,000

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

	2011	2010	2009	2008	2007
Series A (No load contracts established prior to 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	15.93	17.40	16.18	13.39	17.55
Ratios and Supplemental Data					
Net assets at December 31 (000's)	25,348	28,466	24,282	15,623	11,273
Number of units outstanding at December 31	1,591,222	1,635,968	1,500,725	1,166,778	642,342
Management expense ratio (%) ²	2.90	2.79	2.64	2.66	2.70
Series B (No load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	14.18	15.67	14.73	12.33	16.36
Ratios and Supplemental Data					
Net assets at December 31 (000's)	7,518	9,125	9,270	8,124	8,581
Number of units outstanding at December 31	530,153	582,302	629,336	658,861	524,507
Management expense ratio (%) ²	4.00	3.90	3.78	3.78	3.82
Series C (Back-end load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	14.49	15.97	14.98	12.52	16.57
Ratios and Supplemental Data					
Net assets at December 31 (000's)	8,926	11,335	10,656	9,975	11,056
Number of units outstanding at December 31	615,995	709,758	711,349	796,755	667,240
Management expense ratio (%) ²	3.79	3.68	3.57	3.57	3.60
Portfolio turnover rate for the period ended March 31 (%) ³	18.45	15.72	6.89	17.89	13.20

¹ Assumption/CI Harbour Growth & Income Fund holds 2,648,518 units (original cost \$40,689,162) and invests 100% in the CI Harbour Growth & Income Fund, the underlying fund managed by CI Investments Inc.

² The management expense ratio is calculated by dividing the total of management fees and administrative expenses by the average net assets and also includes the management expense ratio of the underlying funds, when applicable.

³ The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Assumption/CI Signature High Income Fund

Statement of Net Assets

As at December 31

	2011	2010
Assets		
Investments, at market value	4,759,589	2,561,909
Receivables from investments	45,815	-
Distributions receivable	-	-
Cash	21,221	-
	<u>4,826,625</u>	<u>2,561,909</u>
Liabilities		
Payable for investments	67,036	-
Other liabilities	443	238
	<u>67,479</u>	<u>238</u>
Net assets at market value	<u>4,759,146</u>	<u>2,561,671</u>

Statement of Operations

For the period ended December 31

	2011	2010
Income		
Distributions from underlying fund	285,968	113,478
	<u>285,968</u>	<u>113,478</u>
Expenses		
Management fees	103,572	37,312
Other administrative expenses	21,764	7,782
	<u>125,336</u>	<u>45,094</u>
Net investment income (loss)	<u>160,632</u>	<u>68,384</u>
Realized and unrealized gain (loss) on investments		
Proceeds from sales	677,667	998,904
Cost of investments sold	678,705	989,834
Realized gain (loss) on sale of investments	(1,038)	9,070
Unrealized appreciation (depreciation) on investments	(77,666)	98,611
Net gain (loss) on investments	<u>(78,704)</u>	<u>107,681</u>
Increase (decrease) in net assets resulting from operations	<u>81,928</u>	<u>176,065</u>

Statement of Changes in Net Assets

For the period ended December 31

	2011	2010
Net assets, beginning of period	2,561,671	724,495
Investment activities		
Increase (decrease) in net assets resulting from operations	81,928	176,065
	<u>2,643,599</u>	<u>900,560</u>
Transactions with contractholders		
Premiums from contractholders	2,667,717	2,615,024
Withdrawals from contractholders	(552,170)	(953,913)
	<u>2,115,547</u>	<u>1,661,111</u>
Net assets, end of period	<u>4,759,146</u>	<u>2,561,671</u>

Top 25 Holdings of the Underlying Fund ¹

As at December 31, 2011

	Quantity	Investment	Cost	Market Value
1.	7,448,480	Inter Pipeline Fund LP, Class A	75,916,548	138,765,182
2.	4,576,775	Brookfield Asset Management Inc., Class A	120,724,431	128,332,771
3.	2,984,170	Canadian REIT	71,019,017	105,639,618
4.	4,790,507	Cominar REIT, Class U	70,528,482	105,534,869
5.	15,178,474	Transurban Group	76,184,395	88,875,832
6.	3,452,725	Allied Properties REIT	60,984,948	87,284,888
7.	3,527,500	H & R Real Estate Investment Trust	59,244,951	82,049,650
8.	9,803,761	Westfield Group	87,148,502	79,774,300
9.	3,097,350	ARC Resources Ltd	60,404,653	77,743,485
10.	4,940,260	Veresen Inc.	52,567,649	75,585,978
11.	2,402,323	Brookfield Infrastructure Partners LP	47,555,562	67,788,952
12.	1,494,008	Vermilion Energy Trust	38,756,715	67,783,143
13.	19,030,700	Telstra Corp., Ltd	54,651,829	66,026,496
14.	2,372,270	Brookfield Renewable Energy Partners LP	60,564,053	64,430,853
15.	3,581,811	First Capital Realty Inc.	48,459,563	61,965,330
16.	2,132,900	Bonavista Energy Corp.	52,626,915	55,604,703
17.	984,100	TELUS Corp., Non-Voting Shares	34,257,694	53,771,224
18.	49,505,000	JPMorgan Chase & Co., FRN Callable 7.9% 04/30/2049	46,179,968	53,693,287
19.	1,225,000	BCE Inc.	36,462,620	52,025,750
20.	51,500,000	PNC Financial Services Group Inc., FRN	48,885,824	51,305,361
21.	1,128,600	Crescent Point Energy Corp.	30,990,125	50,674,140
22.	2,603,960	Northland Power Inc.	34,072,210	46,689,003
23.	2,260,830	Primaris Retail Real Estate Investment Trust	37,297,621	46,595,706
24.	1,461,063	Bell Aliant Inc.	43,276,650	41,771,791
25.	14,081,294	Sydney Airport	28,891,813	39,025,049

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

	2011	2010	2009	2008	2007
Series A (No load contracts established prior to 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	13.74	13.24	11.59	9.25	12.88
Ratios and Supplemental Data					
Net assets at December 31 (000's)	508	280	128	78	88
Number of units outstanding at December 31	36,986	21,136	11,001	8,433	6,866
Management expense ratio (%) ²	2.56	2.45	2.37	2.36	2.40
Series B (No load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	13.13	12.79	11.31	9.12	12.83
Ratios and Supplemental Data					
Net assets at December 31 (000's)	1,336	940	432	161	60
Number of units outstanding at December 31	101,716	73,461	38,170	17,621	4,676
Management expense ratio (%) ²	3.63	3.51	3.41	3.41	3.45
Series C (Back-end load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	13.20	12.84	11.34	9.14	12.83
Ratios and Supplemental Data					
Net assets at December 31 (000's)	2,915	1,343	165	28	9
Number of units outstanding at December 31	220,838	104,571	14,593	3,072	698
Management expense ratio (%) ²	3.44	3.36	3.31	3.31	3.34
Portfolio turnover rate for the period ended March 31 (%) ³	36.03	47.20	41.22	60.48	64.57

¹ Assumption/CI Signature High Income Fund holds 386,683 units (original cost \$4,801,785) and invests 100% in the CI Signature High Income Fund, the underlying fund managed by CI Investments Inc.

² The management expense ratio is calculated by dividing the total of management fees and administrative expenses by the average net assets and also includes the management expense ratio of the underlying funds, when applicable.

³ The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Assumption/CI American Value Fund

Statement of Net Assets

As at December 31

	2011	2010
Assets		
Investments, at market value	163,762	167,031
Receivables from investments	-	-
Distributions receivable	-	-
Cash	-	-
	<u>163,762</u>	<u>167,031</u>
Liabilities		
Payable for investments	-	-
Other liabilities	17	18
	<u>17</u>	<u>18</u>
Net assets at market value	<u>163,745</u>	<u>167,013</u>

Statement of Operations

For the period ended December 31

	2011	2010
Income		
Distributions from underlying fund	719	633
	<u>719</u>	<u>633</u>
Expenses		
Management fees	5,166	4,799
Other administrative expenses	849	825
	<u>6,015</u>	<u>5,624</u>
Net investment income (loss)	<u>(5,296)</u>	<u>(4,991)</u>
Realized and unrealized gain (loss) on investments		
Proceeds from sales	35,928	56,282
Cost of investments sold	36,229	55,976
Realized gain (loss) on sale of investments	(301)	306
Unrealized appreciation (depreciation) on investments	4,515	11,762
Net gain (loss) on investments	<u>4,214</u>	<u>12,068</u>
Increase (decrease) in net assets resulting from operations	<u>(1,082)</u>	<u>7,077</u>

Statement of Changes in Net Assets

For the period ended December 31

	2011	2010
Net assets, beginning of period	167,013	168,973
Investment activities		
Increase (decrease) in net assets resulting from operations	(1,082)	7,077
	<u>165,931</u>	<u>176,050</u>
Transactions with contractholders		
Premiums from contractholders	27,645	41,543
Withdrawals from contractholders	(29,831)	(50,580)
	<u>(2,186)</u>	<u>(9,037)</u>
Net assets, end of period	<u>163,745</u>	<u>167,013</u>

Top 25 Holdings of the Underlying Fund ¹

As at December 31, 2011

Quantity	Investment	Cost	Market Value
1.	162,114 Exxon Mobil Corp.	11,559,458	13,997,782
2.	503,980 Microsoft Corp.	15,081,488	13,328,023
3.	111,150 Praxair Inc.	8,986,092	12,104,168
4.	112,000 Visa Inc.	7,676,430	11,584,043
5.	138,550 Boeing Co.	8,204,942	10,352,718
6.	405,539 Comcast Corp., Class A	9,643,390	9,733,200
7.	147,916 TJX Cos Inc.	6,293,883	9,726,557
8.	262,350 Wisconsin Energy Corp.	6,734,516	9,343,299
9.	120,400 DaVita Inc.	5,677,133	9,298,240
10.	153,900 Abbott Laboratories	8,099,206	8,815,652
11.	176,350 Danaher Corp.	7,541,144	8,450,658
12.	195,620 Aetna Inc.	6,773,055	8,407,571
13.	319,880 Oracle Corp.	6,583,131	8,358,382
14.	269,450 Texas Instruments Inc.	7,302,870	7,990,393
15.	90,600 Laboratory Corp. of America Holdings	5,878,921	7,934,561
16.	140,851 Ventas Inc.	4,481,886	7,910,350
17.	207,806 CenturyLink Inc.	6,795,533	7,874,968
18.	152,050 UnitedHealth Group, Inc.	5,253,059	7,850,020
19.	232,250 Waste Management Inc.	8,655,808	7,738,985
20.	167,800 Thermo Fisher Scientific Inc.	8,062,325	7,687,101
21.	18,180 Apple Inc.	2,393,266	7,500,611
22.	132,150 Ameriprise Financial Inc.	5,374,566	6,682,619
23.	381,500 Yahoo!, Inc.	6,322,070	6,268,688
24.	128,640 NSTAR	4,758,731	6,153,920
25.	33,670 BlackRock Inc.	5,596,375	6,113,586

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

	2011	2010	2009	2008	2007
Series A (No load contracts established prior to 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	16.84	16.90	16.09	14.79	20.15
Ratios and Supplemental Data					
Net assets at December 31 (000's)	39	32	29	24	9
Number of units outstanding at December 31	2,319	1,886	1,831	1,646	458
Management expense ratio (%) ²	2.99	2.89	2.78	2.78	2.81
Series B (No load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	16.07	16.31	15.70	14.58	-
Ratios and Supplemental Data					
Net assets at December 31 (000's)	24	40	39	67	-
Number of units outstanding at December 31	1,469	2,451	2,491	4,621	-
Management expense ratio (%) ²	4.12	3.98	3.83	3.83	-
Series C (Back-end load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	16.15	16.37	15.74	14.60	20.08
Ratios and Supplemental Data					
Net assets at December 31 (000's)	101	95	100	62	20
Number of units outstanding at December 31	6,261	5,816	6,381	4,235	1,015
Management expense ratio (%) ²	4.01	3.87	3.73	3.73	3.76
Portfolio turnover rate for the period ended March 31 (%) ³	24.66	25.32	30.53	34.96	28.62

¹ Assumption/CI American Value Fund holds 8,709 units (original cost \$142,383) and invests 100% in the CI American Value Fund, the underlying fund managed by CI Investments Inc.

² The management expense ratio is calculated by dividing the total of management fees and administrative expenses by the average net assets and also includes the management expense ratio of the underlying funds, when applicable.

³ The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Assumption/CI Synergy Global Corporate Class Fund

Statement of Net Assets

As at December 31

	2011	2010
Assets		
Investments, at market value	185,776	199,196
Receivables from investments	-	-
Distributions receivable	-	-
Cash	-	-
	<u>185,776</u>	<u>199,196</u>
Liabilities		
Payable for investments	-	-
Other liabilities	19	20
	<u>19</u>	<u>20</u>
Net assets at market value	<u>185,757</u>	<u>199,176</u>

Statement of Operations

For the period ended December 31

	2011	2010
Income		
Distributions from underlying fund	569	438
	<u>569</u>	<u>438</u>
Expenses		
Management fees	6,362	4,454
Other administrative expenses	945	605
	<u>7,307</u>	<u>5,059</u>
Net investment income (loss)	<u>(6,738)</u>	<u>(4,621)</u>
Realized and unrealized gain (loss) on investments		
Proceeds from sales	26,926	42,782
Cost of investments sold	27,013	42,674
Realized gain (loss) on sale of investments	(87)	108
Unrealized appreciation (depreciation) on investments	(11,538)	19,696
Net gain (loss) on investments	<u>(11,625)</u>	<u>19,804</u>
Increase (decrease) in net assets resulting from operations	<u>(18,363)</u>	<u>15,183</u>

Statement of Changes in Net Assets

For the period ended December 31

	2011	2010
Net assets, beginning of period	199,176	159,638
Investment activities		
Increase (decrease) in net assets resulting from operations	(18,363)	15,183
	<u>180,813</u>	<u>174,821</u>
Transactions with contractholders		
Premiums from contractholders	26,054	61,778
Withdrawals from contractholders	(21,110)	(37,423)
	<u>4,944</u>	<u>24,355</u>
Net assets, end of period	<u>185,757</u>	<u>199,176</u>

Top 25 Holdings of the Underlying Fund ¹

As at December 31, 2011

	Quantity	Investment	Cost	Market Value
1.	8,100	Apple Inc.	1,702,244	3,341,857
2.	192,600	Aeon Co., Ltd	2,352,226	2,694,547
3.	44,500	Novartis AG, Registered Shares	2,479,301	2,591,530
4.	31,100	Sanofi-Aventis SA	2,323,761	2,327,261
5.	78,900	Well Fargo & Co.	2,014,507	2,215,154
6.	20,400	Union Pacific Corp.	1,259,318	2,201,597
7.	715,900	BT Group PLC	1,955,003	2,162,186
8.	24,100	Humana Inc.	1,560,615	2,150,891
9.	72,200	Sumitomo Mitsui Financial Group Inc.	2,271,970	2,048,880
10.	48,300	CVS Caremark Corp.	1,665,167	2,006,514
11.	20,400	Noble Energy Inc.	1,615,602	1,961,570
12.	98,100	Cisco Systems Inc.	1,877,784	1,806,821
13.	47,300	CenturyLink Inc.	1,896,842	1,792,470
14.	80,300	EMC Corp.	1,700,155	1,762,013
15.	46,100	Royal Dutch Shell PLC, Class A	1,582,354	1,711,190
16.	32,900	UnitedHealth Group, Inc.	1,267,565	1,698,558
17.	122,700	Koninklijke Ahold NV	1,597,730	1,683,471
18.	7,300	Zurich Financial Services AG	1,666,527	1,682,301
19.	42,600	Canadian Natural Resources Ltd	1,595,069	1,621,737
20.	38,200	BE Aerospace Inc.	1,342,211	1,506,379
21.	15,600	Occidental Petroleum Corp.	1,453,130	1,489,059
22.	14,600	EOG Resources Inc.	1,451,734	1,465,146
23.	23,600	American Tower Corp, Class A	1,212,967	1,442,724
24.	29,800	American Express Co.	1,469,288	1,431,957
25.	23,100	Watson Pharmaceuticals Inc.	1,266,822	1,419,924

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

	2011	2010	2009	2008	2007
Series A (No load contracts established prior to 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	10.87	11.95	11.14	10.43	14.77
Ratios and Supplemental Data					
Net assets at December 31 (000's)	55	62	65	67	2
Number of units outstanding at December 31	5,018	5,220	5,837	6,449	112
Management expense ratio (%) ²	2.99	2.89	2.78	2.78	2.81
Series B (No load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	10.38	11.54	10.87	10.29	-
Ratios and Supplemental Data					
Net assets at December 31 (000's)	103	102	41	39	-
Number of units outstanding at December 31	9,880	8,840	3,749	3,750	-
Management expense ratio (%) ²	4.12	3.98	3.83	3.83	-
Series C (Back-end load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	10.43	11.58	10.90	10.30	14.72
Ratios and Supplemental Data					
Net assets at December 31 (000's)	29	35	54	60	1
Number of units outstanding at December 31	2,751	3,008	4,943	5,814	56
Management expense ratio (%) ²	4.01	3.87	3.73	3.73	3.76
Portfolio turnover rate for the period ended March 31 (%) ³	196.19	210.61	122.07	84.48	106.78

¹ Assumption/CI Synergy Global Corporate Class Fund holds 15,214 units (original cost \$180,524) and invests 100% in the CI Synergy Global Corporate Class Fund, the underlying fund managed by CI Investments Inc.

² The management expense ratio is calculated by dividing the total of management fees and administrative expenses by the average net assets and also includes the management expense ratio of the underlying funds, when applicable.

³ The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Assumption/CI Global Small Companies Fund

Statement of Net Assets

As at December 31

	2011	2010
Assets		
Investments, at market value	94,365	88,081
Receivables from investments	-	-
Distributions receivable	-	-
Cash	-	-
	<u>94,365</u>	<u>88,081</u>
Liabilities		
Payable for investments	-	-
Other liabilities	10	9
	<u>10</u>	<u>9</u>
Net assets at market value	<u>94,355</u>	<u>88,072</u>

Statement of Operations

For the period ended December 31

	2011	2010
Income		
Distributions from underlying fund	1,694	845
	<u>1,694</u>	<u>845</u>
Expenses		
Management fees	3,274	2,330
Other administrative expenses	453	311
	<u>3,727</u>	<u>2,641</u>
Net investment income (loss)	<u>(2,033)</u>	<u>(1,796)</u>
Realized and unrealized gain (loss) on investments		
Proceeds from sales	9,165	7,877
Cost of investments sold	9,161	7,767
Realized gain (loss) on sale of investments	4	110
Unrealized appreciation (depreciation) on investments	(9,492)	14,409
Net gain (loss) on investments	<u>(9,488)</u>	<u>14,519</u>
Increase (decrease) in net assets resulting from operations	<u>(11,521)</u>	<u>12,723</u>

Statement of Changes in Net Assets

For the period ended December 31

	2011	2010
Net assets, beginning of period	88,072	61,399
Investment activities		
Increase (decrease) in net assets resulting from operations	(11,521)	12,723
	<u>76,551</u>	<u>74,122</u>
Transactions with contractholders		
Premiums from contractholders	23,237	19,187
Withdrawals from contractholders	(5,433)	(5,237)
	<u>17,804</u>	<u>13,950</u>
Net assets, end of period	<u>94,355</u>	<u>88,072</u>

Top 25 Holdings of the Underlying Fund ¹

As at December 31, 2011

	Quantity	Investment	Cost	Market Value
1.	147,864	Subsea 7 SA	2,672,037	2,795,780
2.	109,950	JGC Corp.	2,253,448	2,689,377
3.	63,400	Woodward Inc.	1,781,391	2,643,497
4.	73,450	Arthur J Gallagher & Co.	1,828,397	2,502,107
5.	46,350	Corn Products International Inc.	1,552,281	2,483,137
6.	71,150	NeuStar Inc., Class A	1,666,886	2,476,667
7.	690,400	Ashtead Group PLC	1,171,894	2,468,562
8.	67,950	Endo Pharmaceuticals Holdings Inc.	1,615,243	2,390,197
9.	71,400	Sysmex Corp.	1,786,625	2,370,174
10.	30,100	Oil States International Inc.	2,242,559	2,341,731
11.	131,588	Alkermes PLC	1,439,266	2,327,093
12.	94,200	Hexcel Corp.	871,249	2,323,237
13.	63,050	Curtiss-Wright Corp.	2,040,134	2,269,219
14.	18,350	Core Laboratories NV	1,030,430	2,130,091
15.	90,350	Great Plains Energy Inc.	1,808,775	2,004,628
16.	51,050	Mueller Industries Inc.	1,346,363	1,998,025
17.	43,750	Bank of Hawaii Corp.	1,997,155	1,982,842
18.	18,500	Sawai Pharmaceutical Co., Ltd	1,618,101	1,956,469
19.	163,700	Shuffle Master Inc.	1,486,014	1,954,448
20.	66,000	Westar Energy Inc.	1,565,424	1,935,007
21.	161,600	Babcock International Group PLC	1,635,850	1,880,437
22.	60,150	Diebold Inc.	2,005,958	1,842,539
23.	31,100	Esterline Technologies Corp.	1,978,541	1,773,223
24.	214,100	Multimedia Games Holding Co., Inc.	1,350,847	1,731,749
25.	85,250	Express Inc.	1,482,875	1,731,679

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

	2011	2010	2009	2008	2007
Series A (No load contracts established prior to 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	17.02	19.05	16.11	14.19	-
Ratios and Supplemental Data					
Net assets at December 31 (000's)	27	27	20	14	-
Number of units outstanding at December 31	1,593	1,428	1,221	967	-
Management expense ratio (%) ²	3.26	3.15	3.05	3.05	-

Series B (No load contracts established since 2002)

The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	16.40	18.50	15.77	14.02	-
Ratios and Supplemental Data					
Net assets at December 31 (000's)	47	49	36	32	-
Number of units outstanding at December 31	2,889	2,637	2,302	2,252	-
Management expense ratio (%) ²	4.03	3.99	3.95	3.95	-

Series C (Back-end load contracts established since 2002)

The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	16.42	18.54	15.81	14.04	-
Ratios and Supplemental Data					
Net assets at December 31 (000's)	20	12	5	5	-
Number of units outstanding at December 31	1,209	652	344	335	-
Management expense ratio (%) ²	4.14	3.99	3.84	3.84	-

Portfolio turnover rate for the period ended March 31 (%) ³

2011	2010	2009	2008	2007
54.81	112.34	104.92	92.19	-

¹ Assumption/CI Global Small Companies Fund holds 5,039 units (original cost \$91,841) and invests 100% in the CI Global Small Companies Fund, the underlying fund managed by CI Investments Inc.

² The management expense ratio is calculated by dividing the total of management fees and administrative expenses by the average net assets and also includes the management expense ratio of the underlying funds, when applicable.

³ The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Assumption/AGF International Stock Class Fund

Statement of Net Assets

As at December 31

	2011	2010
Assets		
Investments, at market value	534,593	745,013
Receivables from investments	-	-
Distributions receivable	-	-
Cash	381	-
	<u>534,974</u>	<u>745,013</u>
Liabilities		
Payable for investments	381	-
Other liabilities	52	71
	<u>433</u>	<u>71</u>
Net assets at market value	<u>534,541</u>	<u>744,942</u>

Statement of Operations

For the period ended December 31

	2011	2010
Income		
Distributions from underlying fund	-	-
	<u>-</u>	<u>-</u>
Expenses		
Management fees	20,979	8,963
Other administrative expenses	1,671	928
	<u>22,650</u>	<u>9,891</u>
Net investment income (loss)	<u>(22,650)</u>	<u>(9,891)</u>
Realized and unrealized gain (loss) on investments		
Proceeds from sales	234,210	82,907
Cost of investments sold	233,523	84,587
Realized gain (loss) on sale of investments	687	(1,680)
Unrealized appreciation (depreciation) on investments	(91,193)	(19,147)
	<u>(90,506)</u>	<u>(20,827)</u>
Net gain (loss) on investments	<u>(90,506)</u>	<u>(20,827)</u>
Increase (decrease) in net assets resulting from operations	<u>(113,156)</u>	<u>(30,718)</u>

Statement of Changes in Net Assets

For the period ended December 31

	2011	2010
Net assets, beginning of period	744,942	261,461
Investment activities		
Increase (decrease) in net assets resulting from operations	(113,156)	(30,718)
	<u>631,786</u>	<u>230,743</u>
Transactions with contractholders		
Premiums from contractholders	115,024	587,046
Withdrawals from contractholders	(212,269)	(72,847)
	<u>(97,245)</u>	<u>514,199</u>
Net assets, end of period	<u>534,541</u>	<u>744,942</u>

Top 25 Holdings of the Underlying Fund ¹

As at December 31, 2011

	Quantity	Investment	Cost	Market Value
1.	1,016,285	GlaxoSmithKline PLC	28,211,616	23,623,521
2.	313,800	Sanofi-Aventis SA	27,833,607	23,484,926
3.	1,370,900	France Telecom SA	38,592,143	21,938,956
4.	643,830	Repsol YPF SA	14,843,583	20,152,589
5.	4,903,600	Kingfisher PLC	25,061,110	19,419,508
6.	472,500	BNP Paribas SA	42,795,355	18,911,715
7.	1,004,314	Telefonica SA	23,141,887	17,727,941
8.	8,595,714	Intesa Sanpaolo SpA	50,577,882	14,668,531
9.	621,224	Société Générale SA	68,951,083	14,095,267
10.	1,058,000	AXA SA	23,064,464	14,015,416
11.	2,844,457	Aviva PLC	34,658,837	13,515,934
12.	1,906,900	JX Holdings Inc.	9,171,422	11,715,451
13.	585,120	KT Corporation	15,558,107	9,306,415
14.	8,032,085	Asia Cement Corporation	5,131,851	9,168,696
15.	199,180	Takeda Pharmaceutical Company Limited	8,866,537	8,894,890
16.	871,500	The Siam Cement Public Company Limited	5,587,519	8,789,707
17.	743,800	PTT Public Company Limited NVDR	5,359,927	7,621,597
18.	369,000	Mitsubishi Corporation	7,799,394	7,581,147
19.	820,700	UniCredit SpA	36,871,651	6,948,481
20.	4,169,450	PetroChina Company Limited	3,549,502	5,279,063
21.	146,000	Lafarge SA	5,317,033	5,229,414
22.	1,177,986	Enel SpA	5,312,957	4,884,196
23.	80,675	Compagnie Générale des Etablissements Michelin 'B'	4,808,667	4,859,459
24.	134,736	RWE AG	5,359,314	4,824,184
25.	122,000	Compagnie de Saint-Gobain SA	5,011,193	4,772,815

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

	2011	2010	2009	2008	2007
Series A (No load contracts established prior to 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	9.35	11.25	12.71	11.02	16.87
Ratios and Supplemental Data					
Net assets at December 31 (000's)	333	488	127	94	54
Number of units outstanding at December 31	35,642	43,359	9,958	8,542	3,200
Management expense ratio (%) ²	3.15	3.05	2.94	2.94	3.02

Series B (No load contracts established since 2002)

	2011	2010	2009	2008	2007
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	8.94	10.87	12.41	10.87	16.81
Ratios and Supplemental Data					
Net assets at December 31 (000's)	83	118	30	20	8
Number of units outstanding at December 31	9,251	10,875	2,407	1,810	505
Management expense ratio (%) ²	4.20	4.08	3.95	3.95	3.99

Series C (Back-end load contracts established since 2002)

	2011	2010	2009	2008	2007
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	8.98	10.91	12.44	10.88	16.82
Ratios and Supplemental Data					
Net assets at December 31 (000's)	119	139	105	53	37
Number of units outstanding at December 31	13,225	12,749	8,447	4,861	2,174
Management expense ratio (%) ²	4.12	3.98	3.84	3.84	3.88

Portfolio turnover rate for the period ended Sept. 30 (%) ³

	2011	2010	2009	2008	2007
	1.66	6.89	1.06	8.72	10.25

¹ Assumption/AGF International Stock Class Fund holds 50,196 units (original cost \$634,193) and invests 100% in the AGF International Stock Class Fund, the underlying fund managed by AGF Funds Inc.

² The management expense ratio is calculated by dividing the total of management fees and administrative expenses by the average net assets and also includes the management expense ratio of the underlying funds, when applicable.

³ The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Assumption/AGF Dividend Income Fund

Statement of Net Assets

As at December 31

	2011	2010
Assets		
Investments, at market value	2,554,849	2,209,664
Receivables from investments	-	6,441
Distributions receivable	-	-
Cash	6,319	4,840
	<u>2,561,168</u>	<u>2,220,945</u>
Liabilities		
Payable for investments	6,319	11,281
Other liabilities	251	202
	<u>6,570</u>	<u>11,483</u>
Net assets at market value	<u>2,554,598</u>	<u>2,209,462</u>

Statement of Operations

For the period ended December 31

	2011	2010
Income		
Distributions from underlying fund	160,864	67,450
	<u>160,864</u>	<u>67,450</u>
Expenses		
Management fees	76,044	33,029
Other administrative expenses	11,010	3,373
	<u>87,054</u>	<u>36,402</u>
Net investment income (loss)	<u>73,810</u>	<u>31,048</u>
Realized and unrealized gain (loss) on investments		
Proceeds from sales	645,707	220,925
Cost of investments sold	651,555	217,264
Realized gain (loss) on sale of investments	<u>(5,848)</u>	<u>3,661</u>
Unrealized appreciation (depreciation) on investments	(241,178)	139,527
Net gain (loss) on investments	<u>(247,026)</u>	<u>143,188</u>
Increase (decrease) in net assets resulting from operations	<u>(173,216)</u>	<u>174,236</u>

Statement of Changes in Net Assets

For the period ended December 31

	2011	2010
Net assets, beginning of period	2,209,462	831,499
Investment activities		
Increase (decrease) in net assets resulting from operations	(173,216)	174,236
	<u>2,036,246</u>	<u>1,005,735</u>
Transactions with contractholders		
Premiums from contractholders	1,087,252	1,387,953
Withdrawals from contractholders	(568,900)	(184,226)
	<u>518,352</u>	<u>1,203,727</u>
Net assets, end of period	<u>2,554,598</u>	<u>2,209,462</u>

Top 25 Holdings of the Underlying Fund ¹

As at December 31, 2011

Quantity	Investment	Cost	Market Value
1.	897,500 Cenovus Energy Inc	29,367,473	30,362,425
2.	712,800 Rogers Communications Inc., Class B	26,522,820	27,977,400
3.	613,540 BCE Inc.	23,757,658	26,057,044
4.	1,646,800 Yamana Gold Inc.	22,696,713	24,734,936
5.	626,600 Enbridge Inc.	19,532,463	23,867,194
6.	283,900 George Weston Limited	23,010,287	19,330,751
7.	228,400 The Toronto-Dominion Bank	17,744,226	17,424,636
8.	220,200 Canadian Imperial Bank of Commerce	16,319,460	16,248,558
9.	630,300 Power Corporation of Canada	16,447,800	15,013,746
10.	789,050 EnCana Corporation	16,529,296	14,905,155
11.	338,500 TMX Group Inc.	13,991,515	14,112,065
12.	312,600 TransCanada Corporation	13,715,131	13,920,078
13.	192,100 National Bank of Canada	13,429,903	13,858,094
14.	452,800 Suncor Energy Inc.	14,320,225	13,303,264
15.	3,269,633 Bombardier Inc., Class B	19,703,387	13,274,710
16.	241,000 Bank of Nova Scotia	11,988,368	12,250,030
17.	301,200 Franco-Nevada Corp.	12,361,196	11,680,536
18.	450,100 Enerplus Corporation	12,063,829	11,635,085
19.	559,600 Shaw Communications Inc., Class B	11,849,500	11,331,900
20.	192,600 Intact Financial Corporation	10,066,790	11,272,878
21.	193,100 TELUS Corporation, non-voting	9,989,895	10,550,984
22.	438,800 Canadian Oil Sands Trust	11,061,068	10,202,100
23.	623,600 Ensign Energy Services Inc.	9,910,833	10,133,500
24.	160,100 Canadian Utilities Limited, Class A	9,674,066	9,852,554
25.	468,400 TransAlta Corporation	10,020,145	9,845,768

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

	2011	2010	2009	2008	2007
Series A (No load contracts established prior to 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	12.56	13.24	11.68	9.69	14.38
Ratios and Supplemental Data					
Net assets at December 31 (000's)	855	895	558	373	137
Number of units outstanding at December 31	68,081	67,600	47,761	38,528	9,501
Management expense ratio (%) ²	2.75	2.66	2.58	2.58	2.60
Series B (No load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	12.01	12.79	11.40	9.55	14.33
Ratios and Supplemental Data					
Net assets at December 31 (000's)	1,355	1,093	122	103	116
Number of units outstanding at December 31	112,797	85,484	10,741	10,805	8,071
Management expense ratio (%) ²	3.79	3.71	3.62	3.62	3.66
Series C (Back-end load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	12.07	12.83	11.43	9.57	14.34
Ratios and Supplemental Data					
Net assets at December 31 (000's)	345	221	151	103	90
Number of units outstanding at December 31	28,572	17,252	13,223	10,739	6,310
Management expense ratio (%) ²	3.62	3.57	3.52	3.52	3.55
Portfolio turnover rate for the period ended Sept. 30 (%) ³	305.82	388.40	332.79	361.17	163.07

¹ Assumption/AGF Dividend Income Fund holds 211,682 units (original cost \$2,704,744) and invests 100% in the AGF Dividend Income Fund, the underlying fund managed by AGF Funds Inc.

² The management expense ratio is calculated by dividing the total of management fees and administrative expenses by the average net assets and also includes the management expense ratio of the underlying funds, when applicable.

³ The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Assumption/AGF Global High Yield Bond Fund

Statement of Net Assets

As at December 31

	2011	2010
Assets		
Investments, at market value	32,152	-
Receivables from investments	-	-
Distributions receivable	-	-
Cash	50	-
	<u>32,202</u>	<u>-</u>
Liabilities		
Payable for investments	50	-
Other liabilities	3	-
	<u>53</u>	<u>-</u>
Net assets at market value	<u>32,149</u>	<u>-</u>

Statement of Operations

For the period ended December 31

	2011	2010
Income		
Distributions from underlying fund	1,509	-
	<u>1,509</u>	<u>-</u>
Expenses		
Management fees	367	-
Other administrative expenses	114	-
	<u>481</u>	<u>-</u>
Net investment income (loss)	<u>1,028</u>	<u>-</u>
Realized and unrealized gain (loss) on investments		
Proceeds from sales	3,794	-
Cost of investments sold	3,796	-
Realized gain (loss) on sale of investments	(2)	-
Unrealized appreciation (depreciation) on investments	(1,005)	-
Net gain (loss) on investments	<u>(1,007)</u>	<u>-</u>
Increase (decrease) in net assets resulting from operations	<u>21</u>	<u>-</u>

Statement of Changes in Net Assets

For the period ended December 31

	2011	2010
Net assets, beginning of period	-	-
Investment activities		
Increase (decrease) in net assets resulting from operations	21	-
	<u>21</u>	<u>-</u>
Transactions with contractholders		
Premiums from contractholders	35,517	-
Withdrawals from contractholders	(3,389)	-
	<u>32,128</u>	<u>-</u>
Net assets, end of period	<u>32,149</u>	<u>-</u>

Top 25 Holdings of the Underlying Fund ¹

As at December 31, 2011

	Quantity	Investment	Cost	Market Value
1.	135,500,000	United Mexican States, 9.50%, 12/18/2014	12,831,122	11,040,993
2.	14,080,000	Federal Republic of Brazil, 12.50%, 01/15/2022	8,944,862	9,541,946
3.	6,790,000	Citigroup Funding Inc.- Indonesia Curr. Indexed Crdt Linked N	7,679,171	8,236,206
4.	7,930,000	Rite Aid Corporation, 8.625%, 03/01/2014	7,017,557	7,731,776
5.	7,100,000	The Bear Stearns Companies LLC, floating rate, 04/24/2014	6,627,674	7,149,509
6.	6,750,000	Intelsat (Bermuda) Limited, 11.25%, 02/04/2017	7,044,653	6,675,384
7.	5,700,000	Dish DBS Corporation, 7.125%, 02/01/2016	5,863,459	6,260,360
8.	6,100,000	Bertin LLC, 10.25%, 05/01/2016	6,894,093	6,218,113
9.	6,235,000	Berry Plastics Corporation, 10.254, 01/03/2016	6,103,258	6,213,885
10.	8,500,000	Clear Channel Communications Inc, 10.75%, 08/01/2012	5,833,077	5,791,545
11.	5,350,000	URBI Desarrollos Urbanos SAV de CV, 9.50%, 01/21/2020	5,850,733	5,494,831
12.	4,900,000	Advanced Micro Devices Inc., 8.125%, 12/15/2017	4,923,239	5,207,306
13.	5,000,000	ACCO Brands Corporation, 7.625%, 08/15/2015	4,929,742	5,199,170
14.	5,400,000	Global Geophysical Services Inc., 10.50%, 05/01/2017	5,631,578	5,175,780
15.	7,350,000	Caesars Entertain. Operating Co. Inc., 10.00%, 12/15/2018	6,609,711	5,157,475
16.	6,250,000	Commonwealth Bank of Australia, 6.25%, 11/10/2014	4,533,730	5,129,571
17.	4,700,000	BP Capital Markets PLC, 6.00%, 03/17/2015	4,366,123	5,030,577
18.	5,950,000	Agile Property Holdings Ltd, 8.875%, 04/28/2017	5,981,043	4,901,385
19.	4,700,000	Frontier Communications Corporation, 7.875%, 04/15/2015	4,905,015	4,839,423
20.	66,200,000	Petroleos Mexicanos, 7.65%, 11/24/2021	4,955,372	4,766,091
21.	4,765,000	AK Steel Holding Corporation, 7.625%, 05/15/2020	4,973,123	4,732,630
22.	5,000,000	Noble Group Limited, 4.875%, 08/05/2015	5,132,368	4,626,982
23.	194,000,000	Republic of the Philippines, 4.95%, 01/15/2021	4,556,025	4,567,172
24.	5,100,000	Vedanta Resources PLC, 4.95%, 07/18/2018	5,604,334	4,460,354
25.	4,500,000	MGM Resorts International, 6.625%, 07/15/2015	4,123,311	4,353,193

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

	2011	2010	2009	2008	2007
Series A (No load contracts established prior to 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	-	-	-	-	-
Ratios and Supplemental Data					
Net assets at December 31 (000's)	-	-	-	-	-
Number of units outstanding at December 31	-	-	-	-	-
Management expense ratio (%) ²	-	-	-	-	-

Series B (No load contracts established since 2002)

The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	9.96	-	-	-	-
Ratios and Supplemental Data					
Net assets at December 31 (000's)	24	-	-	-	-
Number of units outstanding at December 31	2,443	-	-	-	-
Management expense ratio (%) ²	2.77	-	-	-	-

Series C (Back-end load contracts established since 2002)

The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	9.98	-	-	-	-
Ratios and Supplemental Data					
Net assets at December 31 (000's)	8	-	-	-	-
Number of units outstanding at December 31	784	-	-	-	-
Management expense ratio (%) ²	2.50	-	-	-	-

Portfolio turnover rate for the period ended Sept. 30 (%) ³

43.03	-	-	-	-
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¹ Assumption/AGF Global High Yield Bond Fund holds 10,048 units (original cost \$33,166) and invests 100% in the AGF Global High Yield Bond Fund, the underlying fund managed by AGF Funds Inc.

² The management expense ratio is calculated by dividing the total of management fees and administrative expenses by the average net assets and also includes the management expense ratio of the underlying funds, when applicable.

³ The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Assumption/AGF Emerging Markets Fund

Statement of Net Assets

As at December 31

	2011	2010
Assets		
Investments, at market value	296,230	-
Receivables from investments	-	-
Distributions receivable	-	-
Cash	76	-
	<u>296,306</u>	<u>-</u>
Liabilities		
Payable for investments	76	-
Other liabilities	58	-
	<u>134</u>	<u>-</u>
Net assets at market value	<u>296,172</u>	<u>-</u>

Statement of Operations

For the period ended December 31

	2011	2010
Income		
Distributions from underlying fund	7,204	-
	<u>7,204</u>	<u>-</u>
Expenses		
Management fees	7,303	-
Other administrative expenses	1,011	-
	<u>8,314</u>	<u>-</u>
Net investment income (loss)	<u>(1,110)</u>	<u>-</u>
Realized and unrealized gain (loss) on investments		
Proceeds from sales	19,976	-
Cost of investments sold	20,152	-
Realized gain (loss) on sale of investments	(176)	-
Unrealized appreciation (depreciation) on investments	(25,324)	-
Net gain (loss) on investments	<u>(25,500)</u>	<u>-</u>
Increase (decrease) in net assets resulting from operations	<u>(26,610)</u>	<u>-</u>

Statement of Changes in Net Assets

For the period ended December 31

	2011	2010
Net assets, beginning of period	-	-
Investment activities		
Increase (decrease) in net assets resulting from operations	(26,610)	-
	<u>(26,610)</u>	<u>-</u>
Transactions with contractholders		
Premiums from contractholders	335,374	-
Withdrawals from contractholders	(12,592)	-
	<u>322,782</u>	<u>-</u>
Net assets, end of period	<u>296,172</u>	<u>-</u>

Top 25 Holdings of the Underlying Fund ¹

As at December 31, 2011

	Quantity	Investment	Cost	Market Value
1.	1,333,417	Lojas Renner SA	24,036,030	35,230,492
2.	30,052,406	Daphne International Holdings Limited	23,530,758	34,036,663
3.	3,301,949	Vtech Holdings Limited	27,642,533	33,635,786
4.	35,207	Samsung Electronics Company Limited	26,674,877	32,694,674
5.	10,499,878	Tingyi (Cayman Islands) Holding Corporation	16,473,451	32,445,007
6.	12,694,301	Taiwan Semiconductor Manufacturing Co. Ltd	26,545,662	32,305,640
7.	2,780,000	ASM Pacific Technology Limited	18,370,134	31,722,237
8.	303,647	Randgold Resources Limited ADR	14,519,745	31,527,929
9.	2,646,640	Petroleo Brasileiro SA- Petrobras Preferred	40,333,810	31,041,945
10.	28,802,104	First Pacific Company Limited	18,603,448	30,471,034
11.	2,268,335	The Foschini Group Limited	18,978,896	29,979,669
12.	266,500	Credicorp Limited	23,318,722	29,668,326
13.	768,874	Tenaris SA ADR	28,085,068	29,071,355
14.	1,729,749	Banco Bradesco SA Preferred	23,407,932	29,029,921
15.	5,712,725	Woolworths Holdings Limited	21,730,540	28,046,561
16.	668,010	Hankook Tire Company Limited	12,027,103	26,531,627
17.	6,499,500	Kasikombank Public Company Limited	19,008,368	26,074,258
18.	5,184,749	Weichai Power Company Limited "H"	15,800,826	25,932,400
19.	6,692,414	ITC Limited	17,657,694	25,798,282
20.	33,650,892	PT Bank Mandiri (Persero) Tbk	14,583,094	25,372,760
21.	1,038,061	Fresnillo PLC	14,789,947	25,039,794
22.	685,362	SABMiller PLC	18,884,190	24,538,307
23.	592,032	CEZ AS	26,665,038	24,111,021
24.	6,127,849	Giant Manufacturing Company Limited	14,154,922	24,071,008
25.	13,367,802	CNOOC Limited	19,067,149	23,769,026

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

	2011	2010	2009	2008	2007
Series A (No load contracts established prior to 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	8.52	-	-	-	-
Ratios and Supplemental Data					
Net assets at December 31 (000's)	71	-	-	-	-
Number of units outstanding at December 31	8,387	-	-	-	-
Management expense ratio (%) ²	3.31	-	-	-	-
Series B (No load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	8.44	-	-	-	-
Ratios and Supplemental Data					
Net assets at December 31 (000's)	74	-	-	-	-
Number of units outstanding at December 31	8,742	-	-	-	-
Management expense ratio (%) ²	4.36	-	-	-	-
Series C (Back-end load contracts established since 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	8.46	-	-	-	-
Ratios and Supplemental Data					
Net assets at December 31 (000's)	151	-	-	-	-
Number of units outstanding at December 31	17,833	-	-	-	-
Management expense ratio (%) ²	4.02	-	-	-	-
Portfolio turnover rate for the period ended Sept. 30 (%) ³	12.50	-	-	-	-

¹ Assumption/AGF Emerging Markets Fund holds 26,707 units (original cost \$322,377) and invests 100% in the AGF Emerging Markets Fund, the underlying fund managed by AGF Funds Inc.

² The management expense ratio is calculated by dividing the total of management fees and administrative expenses by the average net assets and also includes the management expense ratio of the underlying funds, when applicable.

³ The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Assumption/AGF Global Resources Class Fund

Statement of Net Assets

As at December 31

	2011	2010
Assets		
Investments, at market value	68,694	-
Receivables from investments	-	-
Distributions receivable	-	-
Cash	110	-
	<u>68,804</u>	<u>-</u>
Liabilities		
Payable for investments	110	-
Other liabilities	8	-
	<u>118</u>	<u>-</u>
Net assets at market value	<u>68,686</u>	<u>-</u>

Statement of Operations

For the period ended December 31

	2011	2010
Income		
Distributions from underlying fund	-	-
	<u>-</u>	<u>-</u>
Expenses		
Management fees	1,928	-
Other administrative expenses	316	-
	<u>2,244</u>	<u>-</u>
Net investment income (loss)	<u>(2,244)</u>	<u>-</u>
Realized and unrealized gain (loss) on investments		
Proceeds from sales	20,712	-
Cost of investments sold	21,252	-
Realized gain (loss) on sale of investments	<u>(540)</u>	<u>-</u>
Unrealized appreciation (depreciation) on investments	(11,676)	-
Net gain (loss) on investments	<u>(12,216)</u>	<u>-</u>
Increase (decrease) in net assets resulting from operations	<u>(14,460)</u>	<u>-</u>

Statement of Changes in Net Assets

For the period ended December 31

	2011	2010
Net assets, beginning of period	-	-
Investment activities		
Increase (decrease) in net assets resulting from operations	(14,460)	-
	<u>(14,460)</u>	<u>-</u>
Transactions with contractholders		
Premiums from contractholders	101,859	-
Withdrawals from contractholders	(18,713)	-
	<u>83,146</u>	<u>-</u>
Net assets, end of period	<u>68,686</u>	<u>-</u>

Top 25 Holdings of the Underlying Fund ¹

As at December 31, 2011

	Quantity	Investment	Cost	Market Value
1.	385,200	Tourmaline Oil Corporation	3,913,844	10,257,876
2.	522,300	Xstrata PLC	9,077,743	8,069,149
3.	107,700	Cliffs Natural Resources Inc.	4,713,328	6,828,933
4.	98,700	Continental Resources Inc.	3,008,161	6,695,898
5.	170,900	Canadian Natural Resources Ltd	4,328,194	6,519,835
6.	172,164	Freeport-McMoRan Copper & Gold Inc.	7,209,013	6,441,290
7.	211,585	Calfrac Well Services Limited	4,736,933	6,030,173
8.	245,400	Fresnillo PLC	1,911,332	5,919,465
9.	161,985	Teck Resources Limited, Cat B	5,869,070	5,816,881
10.	495,751	Painted Pony Petroleum Limited, Class A	4,066,130	5,552,411
11.	495,089	Osisko Mining Corporation	4,859,829	4,871,676
12.	69,600	Devon Energy Corporation	5,469,286	4,388,354
13.	290,648	Weatherford International Limited	4,940,840	4,327,222
14.	399,900	Alacer Gold Corporation	606,440	4,194,951
15.	43,784	Occidental Petroleum Corporation	3,790,445	4,172,110
16.	175,670	Celtic Exploration Limited	3,566,101	4,017,573
17.	111,400	Cenovus Energy Inc	2,805,551	3,768,662
18.	278,500	Talisman Energy Inc.	5,348,877	3,614,930
19.	176,600	Patterson-UTI Energy Inc.	4,767,575	3,588,285
20.	133,100	Bonavista Energy Corporation	2,267,457	3,469,917
21.	239,462	Eldorado Gold Corp.	3,268,122	3,357,257
22.	78,847	Laricina Energy Limited	2,600,008	3,350,998
23.	637,000	NuVista Energy Limited	5,090,303	3,337,880
24.	112,300	BHP Billiton PLC	2,704,469	3,330,647
25.	107,524	Suncor Energy Inc.	3,934,303	3,159,055

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

	2011	2010	2009	2008	2007
Series A (No load contracts established prior to 2002)					
The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	8.01	-	-	-	-
Ratios and Supplemental Data					
Net assets at December 31 (000's)	8	-	-	-	-
Number of units outstanding at December 31	948	-	-	-	-
Management expense ratio (%) ²	3.28	-	-	-	-

Series B (No load contracts established since 2002)

The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	7.93	-	-	-	-
Ratios and Supplemental Data					
Net assets at December 31 (000's)	22	-	-	-	-
Number of units outstanding at December 31	2,821	-	-	-	-
Management expense ratio (%) ²	4.31	-	-	-	-

Series C (Back-end load contracts established since 2002)

The Fund's Net Asset Value per Unit					
Net asset value at December 31 (dollars per unit)	7.94	-	-	-	-
Ratios and Supplemental Data					
Net assets at December 31 (000's)	39	-	-	-	-
Number of units outstanding at December 31	4,880	-	-	-	-
Management expense ratio (%) ²	4.16	-	-	-	-

Portfolio turnover rate for the period ended Sept. 30 (%) ³

2011	34.62	2010	-	2009	-	2008	-	2007	-
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¹ Assumption/AGF Global Resources Class Fund holds 2,620 units (original cost \$80,338) and invests 100% in the AGF Global Resources Class Fund, the underlying fund managed by AGF Funds Inc.

² The management expense ratio is calculated by dividing the total of management fees and administrative expenses by the average net assets and also includes the management expense ratio of the underlying funds, when applicable.

³ The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Notes to Financial Statements

For the period ended December 31, 2011

1 . Organization

Assumption Mutual Life Insurance Company

Assumption Mutual Life Insurance Company "Assumption Life" is the issuer of the variable deferred annuity policies in respect of which the Assumption Life Investment Funds, "the Funds", were created. Assumption Life is an insurance company incorporated as a mutual life insurance company on March 30, 1968, under a private law of the Province of New Brunswick's Legislative Assembly. Assumption Life is currently doing business in all Canadian provinces. Its head office is located at 770 Main Street, Moncton, New Brunswick, E1C 8L1.

2 . Funds

During the year, the following funds were established:

- Assumption Growth Portfolio
- Assumption Balanced Growth Portfolio
- Assumption Balanced Portfolio
- Assumption Conservative Portfolio
- Assumption/Fidelity Far East Fund
- Assumption/AGF Global High Yield Bond Fund
- Assumption/AGF Emerging Markets Fund
- Assumption/AGF Global Resources Class Fund

In 2011, the following segregated funds « the funds » underwent a name change:

- Assumption/Montrusco Bolton Canadian Small Capitalization Equity Fund is now named Assumption/Louisbourg Canadian Small Capitalization Equity Fund;
- Assumption/Montrusco Bolton TSX Momentum Fund is now named Assumption/Louisbourg Momentum Fund.

Each Fund is a segregated Fund established by Assumption Life. The Funds follow the guidelines on individual variable insurance contracts relating to segregated funds established by the Canadian Life and Health Insurance Association Inc. The Assumption Life Funds are managed by Assumption Life; the Louisbourg Funds are managed by Louisbourg Investments Inc.; the Fidelity Funds are managed by Fidelity Investments Canada Limited; the CI Funds are managed by CI Investments Inc. and the AGF Funds are managed by AGF Funds Inc.

The Assumption Life Funds invest in units of a number of underlying funds, while the Louisbourg Funds, Fidelity Funds, CI Funds and AGF Funds invest in units of only one underlying fund.

The following are the segregated funds established by Assumption Life:

Assumption Life Funds

- Assumption/Louisbourg Balanced Fund
- Assumption Growth Portfolio
- Assumption Balanced Growth Portfolio
- Assumption Balanced Portfolio
- Assumption Conservative Portfolio

Louisbourg Funds

- Assumption/Louisbourg U.S. Equity Fund
- Assumption/Louisbourg Canadian Dividend Fund
- Assumption/Louisbourg Canadian Equity Fund
- Assumption/Louisbourg Fixed Income Fund
- Assumption/Louisbourg Money Market Fund
- Assumption/Louisbourg Canadian Small Capitalization Equity Fund
- Assumption/Louisbourg Momentum Fund

Fidelity Funds

- Assumption/Fidelity True North[®] Fund
- Assumption/Fidelity Overseas Fund
- Assumption/Fidelity Global Health Care Fund
- Assumption/Fidelity Global Technology Fund
- Assumption/Fidelity Canadian Opportunities Fund
- Assumption/Fidelity Europe Fund
- Assumption/Fidelity Canadian Asset Allocation Fund

Fidelity Funds (continued)

- Assumption/Fidelity Monthly Income Fund
- Assumption/Fidelity American Disciplined Equity[®] Fund
- Assumption/Fidelity North Star[®] Fund
- Assumption/Fidelity Far East Fund

CI Funds

- Assumption/CI Global Managers[®] Corporate Class Fund
- Assumption/CI Synergy American Fund
- Assumption/CI Signature Canadian Bond Fund
- Assumption/CI Harbour Growth & Income Fund
- Assumption/CI Signature High Income Fund
- Assumption/CI American Value Fund
- Assumption/CI Synergy Global Corporate Class Fund
- Assumption/CI Global Small Companies Fund

AGF Funds

- Assumption/AGF International Stock Class Fund
- Assumption/AGF Dividend Income Fund
- Assumption/AGF Global High Yield Bond Fund
- Assumption/AGF Emerging Markets Fund
- Assumption/AGF Global Resources Class Fund

3 . Summary Of Significant Accounting Policies

The financial statements are established in accordance with Canadian Generally Accepted Accounting Principles (GAAP). The establishment of the financial statements in accordance with these principles requires estimates and assumptions made by management that affect the amounts of assets, liabilities, income and expenses presented in the financial statements and the supplementary notes.

The significant accounting standards followed by the Funds are as follows :

Valuation of investments

Investments are categorized as held for trading in accordance with Section 3855, "Financial Instruments – Recognition and Measurement" ("Section 3855") and are recorded at their fair value.

Investments in underlying funds are valued at the closing net asset value of the units owned as established by the manager of the underlying funds at the valuation date.

Section 3855 requires the fair value of financial instruments to be measured based on investments' bid/ask price depending on the type of investment and investment position (long/short). For the purpose of processing contractholder transactions, net asset value is calculated based on the closing market price (referred to as "Net Asset Value"), while for financial statement purposes net asset value is calculated based on bid/ask price (referred to as "Net Assets").

As each of the Funds invests solely in units of one or more underlying funds, Section 3855 does not impact the Funds' valuation of investments since the Funds' investments are priced based on the net asset value per unit of the underlying fund or funds. Accordingly, the Funds' net asset value per unit and the net assets per unit figures are the same.

Notes to Financial Statements

For the period ended December 31, 2011

3 . Summary Of Significant Accounting Policies (continued)

Investment transactions and income

Investment transactions are accounted for on the trade date, which is the date the order to buy or sell is executed.

Interest income is recorded on the accrual basis. Dividend income is recorded on the date of record. Distributions from underlying funds are recorded when declared by the underlying funds.

Realized gains (losses) on sale of portfolio investments are determined as the net of proceeds of sale and original cost if acquired in the current month, or the net of proceeds of sale and fair value at the previous month end, if acquired prior to the current month.

Unrealized gains (losses) on portfolio investments are determined as the excess (deficiency) of fair value over book value of portfolio investments held. Book value is determined as original cost plus (minus) prior year end cumulative unrealized gain (loss).

Unit valuation and valuation date

Net asset value per unit is determined each day at the close of trading of the Toronto Stock Exchange and remains in effect until the next close of trading, at which time the determination of the net asset value per unit is made. The unit valuation for each Fund is made by dividing the total value of the Fund's net assets by the total number of units outstanding in the Fund.

Future accounting changes

In March 2012, the Accounting Standards Board (AcSB) of the CICA approved a further one-year deferral of adoption of IFRS for investment companies, which include investment funds. Investment companies may continue to apply existing GAAP standards until fiscal years beginning on or after January 1, 2014.

4 . Financial Instrument Risks

Risk management

The Funds invest solely in units of underlying funds and are exposed to a variety of financial instrument risks: credit risk, liquidity risk and market risk (including interest rate risk, currency risk and other price risk). The level of risk to which each Fund is exposed depends on the investment objective and the type of investments held by the underlying fund.

The value of investments within an underlying fund portfolio can fluctuate daily as a result of changes in prevailing interest rates, economic conditions, market conditions and company specific news related to investments held by the underlying fund. The underlying fund manager manages the potential effects of these financial risks on the Fund's performance by employing and overseeing professional and experienced portfolio advisors that regularly monitor the fund's positions, market events and diversify investment portfolios within the constraints of the investment guidelines.

The Funds do not manage their underlying funds and therefore the quantitative and qualitative risk disclosures have not been disclosed. For further information on the financial instrument risks of the underlying funds and the sensitivity to price changes, please refer to the financial statements of the underlying funds. You will also find risk disclosures in the Funds' Information folder on the Company's Web site, www.assumption.ca.

Credit risk

Credit risk is the risk that a security issuer or counterparty to a financial instrument will fail to meet its financial obligations. The fair value of a debt instrument includes consideration of the credit worthiness of the debt issuer. The carrying amount of debt instruments represents the credit risk exposure of each underlying Fund.

Liquidity risk

Liquidity risk is defined as the risk that a fund may not be able to settle or meet its obligations on time or at a reasonable price. The underlying funds are exposed to liquidity risk through daily cash redemptions of units. The majority of the underlying funds' investments are traded on an active market and can therefore be readily realized.

Interest rate risk

Interest rate risk arises when an underlying fund invests in interest-bearing financial instruments such as bonds. The underlying fund is exposed to the risk that the value of such financial instruments will fluctuate because of changes in the prevailing levels of market interest rates. In general, as interest rates rise, the price of a fixed rate bond falls, and vice versa.

Currency risk

Currency risk is the risk that financial instruments that are denominated or exchanged in a currency other than the Canadian dollar, which is the Funds' and the underlying funds' reporting currency, will fluctuate due to changes in exchange rates. However, the underlying funds are exposed to currency risk to the extent that their investments are denominated or traded in a foreign currency.

Other price risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk). The value of each investment is influenced by the outlook of the issuer and by general economic and political conditions, as well as industry and market trends. All securities present a risk of loss of capital.

5 . Capital Management

The Funds consider their net assets to be their respective capital. The capital of the Fund is managed in accordance with the Fund's investment objectives. The relevant capital movements are disclosed in the Statement of Changes in Net Assets of each Fund. The Funds have no restrictions or specific capital requirements.

Notes to Financial Statements

For the period ended December 31, 2011

6 . Fair Value Of Financial Instruments

The Funds are required to classify financial instruments measured at fair value using a fair value hierarchy. CICA handbook Section 3862, "Financial Instruments – Disclosures" establish a fair value hierarchy that prioritizes the inputs to fair value measurement. The three levels of the fair value hierarchy are:

Level 1: Quoted prices are available in active markets for identical investments as of the reporting date. Quoted price for these investments are not adjusted even in situations where a large position and a sale could reasonably impact the quoted price.

Level 2: Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date.

Level 3: Pricing inputs are unobservable. The inputs into the determination of fair value require significant judgment or estimation.

The Funds invest only in other investment funds. For further information on the fair value hierarchy of the underlying funds, please refer to the financial statements of the underlying funds.

7 . Other Administrative Expenses

Included in "Other Administrative Expenses" are all fees (except for the management fees payable by the Funds), and all other expenses incurred during the ordinary course of business in relation to the establishment, management, and operation of the Funds. They include, among others, legal fees, audit fees, safekeeping fees, administrative fees, bank charges, registration fees with regulators, the production and distribution of financial data, taxes and any other expenses incurred for the operation of the Funds.

8 . Management Fees

Management fees means the fees charged to administer the Funds. Management fees also include management fees of the underlying funds, so there is no duplication of management fees. Insurance fees, for the cost of the guarantee at maturity and guarantee upon death, are included in the management fees. Management fees, expressed as a percentage, are deducted daily from the assets of each Fund before calculating its unit value.

The management of the Assumption Life Funds is carried out under the overall authority of the board of directors of Assumption Life, which subcontracts the management of the Funds to Louisbourg Investments Inc., whose shares are owned by Assumption Life (60%), Monrusco Bolton Investments Inc. (15%) and 647439 NB Inc. (25%). The company 647439 NB Inc. is 100% owned by some managers of Louisbourg Investments Inc. Louisbourg Investments Inc. is responsible for the investment analysis, recommendations, decisions, and the purchase and sale of the securities in respect to the Funds.

The Louisbourg Funds, the Fidelity Funds, the CI Funds and the AGF Funds are managed, on a day-to-day basis, by Louisbourg Investments Inc., Fidelity Investments Canada Limited, CI Investments Inc. and AGF Funds Inc. As managers, they are responsible for the investment analysis, recommendations, decisions, and the purchase and sale of securities for the Funds.

9 . Income Taxes

The Funds are deemed to be inter-vivos trusts under the provisions of the Income Tax Act (Canada) and are deemed to have allocated their income to the contractholders. Each Fund's net capital gains (losses) are deemed to be those of the contractholders. Accordingly, the Funds are not subject to income tax on their net income, including net realized capital gains for the year.

10 . Comparative Figures

To conform to the presentation adopted in the current year, certain amounts from prior years have been reclassified.

11 . Investments of Underlying Funds

The financial statements of the underlying funds are available upon request by contacting Assumption Life.

WHY CHOOSE **Assumption Life?**

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