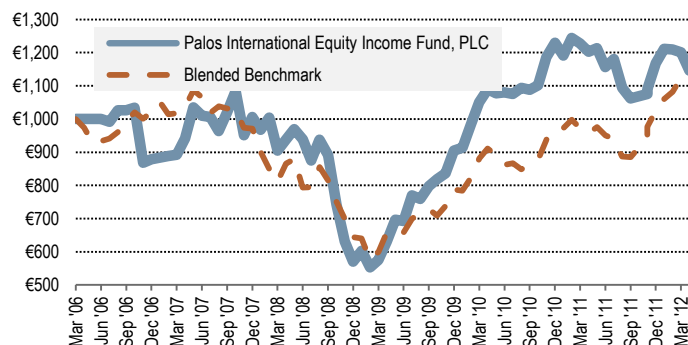


Fund: Palos International Equity Income Fund (EUR) Unit price: € 6.89

Fund Performance - Cumulative Growth of 1,000



Fund Palos International Equity Income Fund, PLC
Benchmark Blended Benchmark

Return Analysis Since Inception

	Fund	Benchmark
Compounded annual return	2.37%	1.92%
Geo-mean monthly return	0.20%	0.16%
Largest monthly return	11.15%	9.79%
Largest monthly loss	-16.61%	-9.84%
Percentage of positive months	57.14%	57.14%
Percentage of negative months	41.43%	45.71%
Geo-mean positive return	4.43%	3.35%
Geo-mean negative return	-5.28%	-3.79%
Cumulative ROR	14.67%	12.24%
Growth of €1,000	€ 1,147	€ 1,122

Risk Analysis Since Inception

	Fund	Benchmark
Sharpe Ratio	0.02	0.00
Sortino Ratio (1)	0.03	0.00
Standard Deviation	20.94%	14.90%
Downside Deviation (2)	12.23%	11.78%

Note: Risk Free Rate = 1.9%

- Sortino Ratio is calculated using a Risk Free Rate as the Minimum Acceptable Rate of Return.
- Downside Deviation is calculated using the Risk Free Rate.

Top Holdings Within The Underlying Fund

Enbridge Inc	Bank of Nova Scotia
Northland Power Inc	Keyera Corp
TELUS	Baytex Energy Corp
Gibson Energy Inc	Toronto-Dominion Bank
MI Developments Inc	ARC Resources Ltd

Monthly Performance - Returns Are Net of All Fees

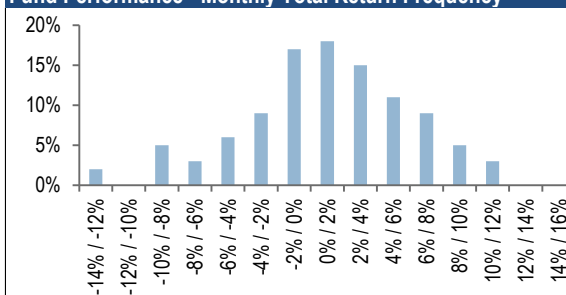
	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	YTD
2012	3.79%	-0.15%	-0.72%	-4.60%									-1.84%
2011	-3.17%	4.44%	-1.32%	-2.07%	0.83%	-4.65%	2.10%	-7.36%	-2.88%	1.32%	1.42%	7.07%	-5.04%
2010	1.03%	7.50%	6.87%	3.68%	-1.11%	0.23%	-0.38%	1.70%	-0.54%	1.25%	7.62%	3.72%	35.84%
2009	5.84%	-8.29%	4.06%	9.61%	10.70%	-0.57%	11.15%	-1.43%	5.19%	2.58%	2.08%	8.20%	59.12%
2008	-3.78%	3.74%	-9.88%	3.61%	3.38%	-3.15%	-6.85%	7.22%	-5.05%	-16.61%	-15.05%	-9.65%	-43.36%
2007	0.60%	0.62%	0.37%	5.57%	9.85%	-2.45%	-0.44%	-4.13%	5.82%	6.26%	-12.30%	5.76%	14.41%
2006							-0.84%	3.47%	0.00%	0.78%	-16.07%	1.21%	-12.17%

Investment Objectives

The Fund's primary objectives are to preserve capital, provide an attractive and steady stream of income, deliver trading-enhancing returns.

Typical margin/equity ratio	10%
Max. margin/equity ratio	25%
Inception Date	July 2006

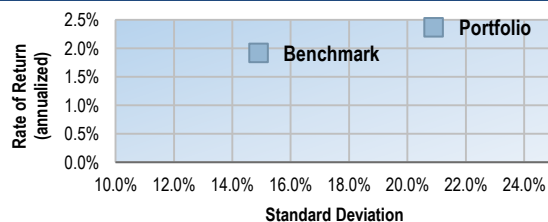
Fund Performance - Monthly Total Return Frequency



Portfolio Analysis - Top Sector Mix - Apr. '12

Consumer Discretionary	3.0%
Consumer Staples	1.1%
REITs	3.4%
Energy	28.8%
Financials	29.6%
Health Care	0.0%
Industrials	7.7%
Information Technology	0.0%
Materials	8.7%
Telecommunication Services	4.6%
Utilities	18.0%
Cash	-4.9%

Plot of Risk versus Return



Notes

Full implementation of strategy effective as of July 2006. Blended benchmark is 10% SP500 and 90% TSX from inception until Jan 2010 where US assets were no longer part of the mix. Blended benchmark is 100% TSX.

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Note to the Reader regarding Benchmarks: This performance sheet uses a blended benchmark as a comparison to the fund. From inception to January 2010, the blended benchmark consists of 90% S&P/TSX Composite Total Return Index and 10% S&P 500, and from January 2010 onward the blended benchmark consists of 100% S&P/TSX Total Return Index. The change in the benchmark reflects a change in the fund; the fund used to invest approximately 10% in US securities, but since January 2010 only invests in Canadian securities. Generally, there are two primarily Canadian indices that are widely known and followed: the S&P/TSX Composite Total Return Index and the S&P/TSX Venture Composite Index. Of the two, Palos has selected the S&P/TSX Composite Total Return Index as a benchmark because Palos believes that it is more comparable to the fund's investment strategy. However, there are certain differences between the index and the fund's investment strategy that investors and potential investors should understand in order for the comparison to be meaningful.

The primary investment strategy employed by the Fund is to apply qualitative, quantitative and comparative research in order to build and manage a portfolio of select high-grade and undervalued dividend-paying equity securities and income-paying debt securities. As a result, there are certain sectors that the fund is typically less exposed to than the benchmark, such as the highly volatile materials sector, because companies in this sector generally do not pay income at a level that is sufficient for the fund's strategy, and being less exposed lowers the fund's volatility. In addition, the fund typically chooses not to be exposed to certain sectors at all. Furthermore, the benchmark is composed purely of common stocks, while the fund includes preferred shares (approximately 5% of its total composition) and bonds (approximately 15%), although these allocations fluctuate. The fund also uses a limited amount of short-term tactical trading strategies in addition to its primary investment strategy. The fund may also employ a limited amount of leverage and short selling, while the benchmark index is unleveraged and long only. As a result the sector weighting, diversified asset allocation, short term trading and short selling strategies, the fund usually has different returns than the benchmark.

Finally, it is important to note that the fund is fundamentally different from the index. An index, in general, is a passive basket of securities, while the fund is actively managed. The fund and the manager incur expenses which are deducted from the assets of the fund (however, the returns presented on this performance sheet are net of expenses).