

Fund Details

Date of Inception	1-Jan-04
Fund Symbol	Series I - CIG 916 Series II - CIG 917
Investment Advisor	Covington Capital Corporation

Portfolio Activity

In early March of 2010, Covington announced the completion of a \$2.5 million investment in Waterloo-based **Aimetis Corp.** as part of a total financing round of \$5 million.

Established in 2003, Aimetis is a software company offering integrated intelligent video management solutions for security surveillance and business intelligence applications. The company is a global leader in intelligent video technology and is propelling the adoption of video analytics as an integral component of video management solutions. Aimetis products are based on innovative, open technologies that provide customers with a single platform for migrating from analog to video to intelligent IP video solutions. The company's technology is extremely valuable for both small and large scale enterprises requiring flexible, efficient, and reliable surveillance systems.

Portfolio Breakdown

NAVPS	
Series I	\$13.09
Series II	\$13.29
Total Net Asset Value (in millions)	\$17.4
Venture Investments at Cost (in millions)	\$15.1
Total Number of Venture Investments	8
Public Holdings	1
Private Holdings	7
Investments with Board Status	5
Management Fee	3%
Tax Credits	20%

Fund Performance

SERIES I

6 MONTHS	1 YEAR	3 YEARS	5 YEARS	INCEPTION
-8.72%	-23.29%	0.53%	2.67%	1.37%

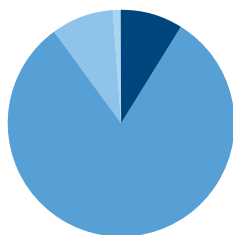
SERIES II

6 MONTHS	1 YEAR	3 YEARS	5 YEARS	INCEPTION
-8.61%	-23.10%	0.92%	2.93%	1.61%

Source: Globefund.com as at May 31, 2010

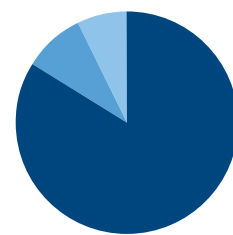
Asset Mix (At Market)

■ Cash & Marketable Securities	9%
■ Private Companies	82%
■ Public	9%
■ Other	1%



Sector Diversification (At Cost)

■ Corporate Infrastructure	84%
■ Communications	9%
■ Other	7%



Key Holdings

INVESTMENT	PUBLIC/PRIVATE	BOARD STATUS	SECTOR
BPS-Resolver Inc.	Private	Y	Financial Services
Embotics Corporation	Private	Y	Corporate Infrastructure
Masstech Group	Private	Y	Communications
Protus IP Solutions Inc.	Private	Y	Communications
WireE Holdings International	Private	Y	Clean Technology

Advantages of Investment

- Positive yearly performance since inception
- Strategic Alliance Program mitigates potential risk
- Access to high growth potential of private Canadian enterprises
- Technology investments diversified across key industry sectors
- Multiple fund and partner investments strengthen underlying investment
- 20% tax credits

Discipline

Pure venture capital with a highly focused and measured investment strategy.

Investment Philosophy – Diversified, Conservative Venture Capital

Capitalizing on the strength of valuable strategic partnerships with industry leaders as well as opportunities within Canada's high-growth technology sector; Covington Strategic Capital Fund provides investors with an investment model that is unique within the retail venture capital industry. The cornerstone of the Fund's investment philosophy is the Covington Strategic Alliance Program. Investees within the program possess valuable strategic partnerships with industry leaders such as Microsoft, HP, Dell, IBM, Sun, Deloitte, and Accenture, among others. This established network of key influencers provides investees with enhanced distribution channels and growth opportunities while mitigating risk and increasing return potential to the Fund. Focusing on investments in technology and related industries, the Fund places a strong emphasis on investments within the enterprise software sector - a growth industry that has become an essential element in the daily operations of multi-national corporations throughout the world. Finally, complimenting the Strategic Alliance Program is Covington's significant involvement in the operations of each of its investees. Representation at the Board level on the majority of their holdings ensures that Covington is able to play a significant role in defining the long-term strategy and overall success of the Fund's investments.

Management Objective & Strategy

Management's objective is to create long-term capital appreciation driven by investments in select small to medium-sized enterprises primarily operating in Canada's technology and enterprise software industries. Investments are made only in businesses that are considered high-growth investment opportunities largely inaccessible through the public market.

INVESTMENT TEAM

Scott Clark	Managing Partner
Phil Reddon	Managing Partner
Will Jin	SVP Investments
Lily Lam	VP Investments
Matthew Hall	VP Investments

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Important information about Covington Funds are contained in their prospectus. Please obtain a prospectus from your financial advisor and read it carefully before investing. This investment may not be suitable for all investors. Some conditions apply. Commissions, trailing commissions, management fees and expenses all may be associated with this investment. Covington's Funds are not guaranteed, their value changes frequently and past performance may not be repeated. The indicated rates of return are the historical annual compounded total returns, including changes in value and do not take into account sales, redemption or optional charges or income taxes payable by any shareholder that would have reduced returns. Tax credits subject to certain conditions and units must be held for eight years in order to keep the tax credits.