



Quick facts

Date fund created:	January 1, 1996	Portfolio manager:	Capital Asset Management Ltd.
Total value on September 30, 2008:	\$1 billion	Distributions:	Annually, on December 15
Management expense ratio (MER):	2.25%	Minimum investment:	\$500 initial, \$50 additional

What does the fund invest in?

The fund invests in Canadian companies. They can be of any size and from any industry. The charts below give you a snapshot of the fund’s investments on September 30, 2008. The fund’s investments will change.

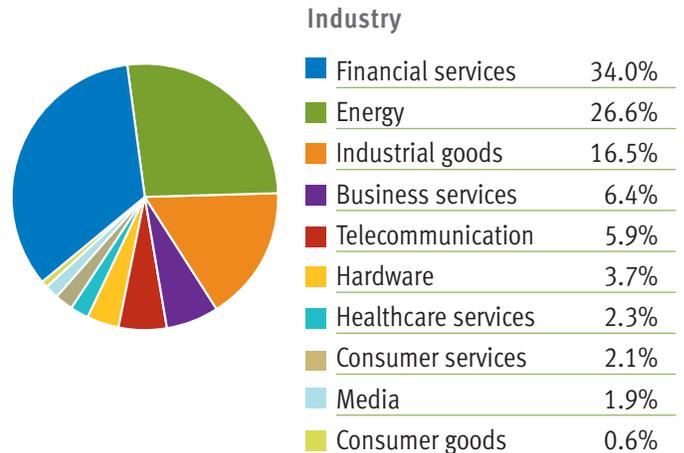
Top 10 investments (September 30, 2008)

1. Royal Bank of Canada
2. Encana Corp.
3. Petro-Canada
4. Alcan Inc.
5. Canadian National Railway Company
6. Goldcorp Inc.
7. Extencicare Inc.
8. Husky Energy
9. Open Text
10. Thomson Corp.

Total investments 126

The top 10 investments make up 32% of the fund.

Investment mix (September 30, 2008)



How has the fund performed?

This section tells you how the fund has performed over the past 10 years. Returns are after the MER has been deducted. These expenses reduce the returns you get on your investment.

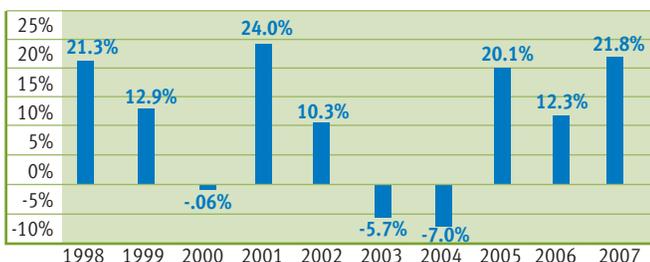
It’s important to note that this doesn’t tell you how the fund will perform in the future. Also, your actual return will depend on your personal tax situation.

Average return

A person who invested \$1,000 in the fund 10 years ago now has \$2,705. This works out to an average of 10.5% a year.

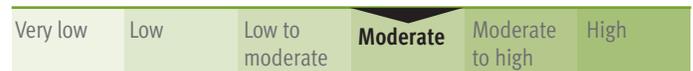
Year-by-year returns

This chart shows how the fund has performed in each of the past 10 years. There were three years when people who owned this fund lost some of the money they had at the start of the year.



How risky is it?

When you invest in a fund, the value of your investment can go down as well as up. XYZ Mutual Funds has rated this fund’s risk as moderate.



Are there any guarantees?

Like most mutual funds, this fund doesn’t have any guarantees. You may not get back the amount of money you invest.

Who is this fund for?

Investors who:

- are looking for a long-term investment
- want to invest in a broad range of Canadian companies
- can handle the ups and downs of the stock market.

! Don’t buy this fund if you need a steady source of income from your investment.

How much does it cost?

The following tables show the fees and expenses you could pay to buy, own and sell Series A units of the fund. The fees and expenses are different for each series. Ask about other series that may be suitable for you.

1. Sales charges

You have to choose a sales charge option when you buy the fund. Ask about the pros and cons of each option.

Sales charge option	What you pay	How it works														
Initial sales charge	Up to 4% of the amount you buy	<ul style="list-style-type: none"> You and your adviser decide on the rate. The initial sales charge is deducted from the amount you buy. It goes to your investment firm as a commission. 														
Deferred sales charge	If you sell within: <table border="1"> <tbody> <tr> <td>1 year of buying</td> <td>6.0%</td> </tr> <tr> <td>2 years of buying</td> <td>5.0%</td> </tr> <tr> <td>3 years of buying</td> <td>4.0%</td> </tr> <tr> <td>4 years of buying</td> <td>3.0%</td> </tr> <tr> <td>5 years of buying</td> <td>2.0%</td> </tr> <tr> <td>6 years of buying</td> <td>1.0%</td> </tr> <tr> <td>After 6 years</td> <td>nothing</td> </tr> </tbody> </table>	1 year of buying	6.0%	2 years of buying	5.0%	3 years of buying	4.0%	4 years of buying	3.0%	5 years of buying	2.0%	6 years of buying	1.0%	After 6 years	nothing	<ul style="list-style-type: none"> The deferred sales charge is a set rate. It is deducted from the amount you sell. When you buy the fund, XYZ Mutual Funds pays your investment firm a commission of 4.9%. Any deferred sales charge you pay goes to XYZ Mutual Funds. You can sell up to 10% of your units each year without paying a deferred sales charge. You can switch to Series A units of other XYZ Mutual Funds at any time without paying a deferred sales charge. The deferred sales charge schedule will be based on the date you bought the first fund.
1 year of buying	6.0%															
2 years of buying	5.0%															
3 years of buying	4.0%															
4 years of buying	3.0%															
5 years of buying	2.0%															
6 years of buying	1.0%															
After 6 years	nothing															

2. Ongoing fund expenses

You don't pay these expenses directly. They affect you because they reduce the return you get on your investment.

	Annual rate (as a % of the fund's value)
Management fee The fund pays a management fee to XYZ Mutual Funds.	2.00%
Operating expenses These are the day-to-day costs of running the fund.	0.25%
Management expense ratio (MER) This is the total of the management fee and operating expenses.	2.25%

Trailing commission

XYZ Mutual Funds pays your investment firm a trailing commission for as long as you own the fund. It is for the services and advice your investment firm provides to you. Investment firms may pay part of the trailing commission to their advisers.

The trailing commission is paid out of the management fee. The rate depends on the sales charge option you choose:

- **Initial sales charge** – up to 1.0% of the value of your investment each year
- **Deferred sales charge** – up to 0.50% of the value of your investment each year

3. Other fees

You may have to pay other fees when you sell or transfer units of the fund.

Fee	What you pay
Short-term trading fee	1% of the value of units you sell or transfer within 90 days of buying them. This fee goes to the fund.
Switch fee	Your investment firm may charge you up to 2% of the value of units you transfer to another XYZ Mutual Fund.
Change fee	Your investment firm may charge you up to 2% of the value of units you transfer to another series of the fund.

What if I change my mind?

- You can cancel your investment up to two days after you receive the trade confirmation.
- You have to tell your investment firm in writing that you want to cancel.
- You'll get back the amount you invested, or less if the value of the fund has gone down.
- If you paid cash, you'll get cash back. If you switched from another fund, you'll be switched back to that fund.
- You'll also get back any sales charges and fees you paid.

For more information

This summary may not contain all the information you need. You can ask for a copy of the fund's simplified prospectus, which has more detailed information.

XYZ Mutual Funds
123 Asset Allocation St.
Toronto, ON M1A 2B3

Phone: (416) 555-5555
Toll-free: 1-800-555-5556
Email: investing@xyzfunds.com
www.xyzfunds.com