



Caldwell Investment Management Ltd.
Caldwell Mutual Funds

This document contains key information you should know about Caldwell Balanced Fund. You can find more detailed information in the fund's simplified prospectus. Ask your adviser for a copy, contact Caldwell Investment Management Ltd. at 1-800-256-2441 or info@caldwellmutualfunds.com, or visit www.caldwellmutualfunds.com.

Quick facts

Date fund created:	March 1, 1990	Portfolio manager:	Caldwell Investment Management Ltd.
Total value on May 31, 2011	\$33,334,000	Distributions:	Annually on December 15
Management expense ratio (MER):	2.81%	Minimum Investment:	\$50 initially, \$100 subsequent / \$50 if on monthly investment plan

What does the fund invest in?

The fund invests in those sectors most likely to drive the economics of Canada and the U.S., mostly in common shares and fixed income instruments. The charts below give you a snapshot of the fund's investments on May 31, 2011. The fund's investments will change.

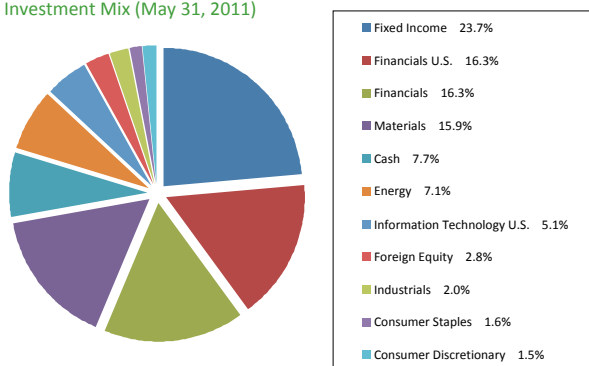
Top 10 investments (May 31, 2011)

1. Canada Housing Trust 2.45% 15Dec2015
2. Government of Canada 2.00% 01Dec2014
3. Cash
4. CBOE Holdings, Inc.
5. TMX Group Inc.
6. Suncor Energy Inc.
7. NYSE Euronext
8. Agrium Inc.
9. CIT Group, Inc.
10. Canadian National Railway Co.

Total Investments 53

The top 10 investments make up 57% of the fund.

Investment Mix (May 31, 2011)



How has the fund performed?

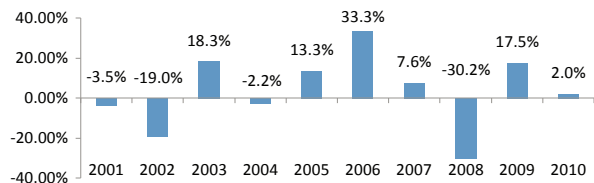
This section tells you how the fund has performed over the past 10 years. Returns are after expenses have been deducted. These expenses reduce the fund's returns. It's important to note that this doesn't tell you how the fund will perform in the future. Also, your actual after-tax return will depend on your personal tax situation.

Average return

A person who invested \$1,000 in the fund 10 years ago now has \$1,227.46. This works out to an annual compound return of 2.07%.

Year-by-year returns

This chart shows how the fund has performed in each of the past 10 years. The fund dropped in value in 4 of the 10 years.



How risky is it?

When you invest in a fund, the value of your investment can go down as well as up. Caldwell Investment Management Ltd. has rated this fund's risk as medium.

For a description of the specific risks of this fund, see the fund's simplified prospectus.



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:

- * have a long term investment time horizon
- * want the stability and income of Canadian government bonds combined with the growth potential of senior Canadian and American corporations



! Don't buy this fund if you have a short term investment time horizon.

Before you invest in any fund, you should consider how it would work with your other investments and your tolerance for risk.

A word about tax

In general, you'll have to pay income tax on any money you make on a fund. How much income tax you pay depends on the tax laws where you live and whether or not you hold the fund in a registered plan, such as a Registered Retirement Savings Plan or a Tax-Free Savings Account.

Keep in mind that if you hold your fund in a non-registered account, fund distributions are included in your taxable income, whether you get the distributions in cash or have them reinvested.

How much does it cost?

The following tables show the fees and expenses you could pay to buy, own and sell units of the fund.

The fees and expenses are different for each fund. Ask about other funds 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
	in per cent (%)	in dollars (\$)	
Initial sales charge	0.0% to 5.0% of the amount you buy	\$0 to \$50 on every \$1,000 you buy	*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: 1 year of buying 4.5% 2 years of buying 4.0% 3 years of buying 3.5% 4 years of buying 3.0% 5 years of buying 2.5% 6 years of buying 2.0% After 6 years nothing	\$0 to \$45 on every \$1000 you sell	*The deferred sales charge is a set rate. It is deducted from the amount you sell. *When you buy the fund, Caldwell Investment Management Ltd. pays your investment firm a commission of up to 5%. Any deferred sales charge you pay goes to Caldwell Investment Management Ltd.. *You can sell up to 10% of your units each year without paying a deferred sales charge. *You can switch to units of other Caldwell Mutual Funds at anytime without paying a deferred sales charge. The deferred sales charge schedule will be based on the date you bought the first fund.



2. Fund expenses

You don't pay these expenses directly. They affect you because they reduce the fund's returns.

As of March 31, 2011 the fund's expenses were 3.37% of its value. This equals \$34 for every \$1,000 invested.

Annual rate (as a %
of the fund's value)

Management expense ratio (MER)

This is the total of the fund's management fee and operating expenses. 2.81%

Trading expense ratio (TER)

These are the fund's trading costs. 0.56%

Fund expenses 3.37%

Trailing commission

Caldwell Investment Management Ltd. 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 representatives.

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 1.000% of the value of your investment each year. This equals up to \$10.00 each year for every \$1,000 invested.
- Deferred sales charge - up to 0.500% of the value of your investment each year. This equals up to \$5.00 each year for \$1,000 invested.

3. Other fees

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

Fee	What you pay
Short-term trading fee	2% of the value of units you sell or switch 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 switch to another fund of Caldwell Mutual Funds.

What if I change my mind?

Under securities law in some provinces and territories, you have the right to:

- withdraw from an agreement to buy mutual fund units within two business days after you receive a simplified prospectus, or
- cancel your purchase within 48 hours after you receive confirmation of the purchase.

In some provinces and territories, you also have the right to cancel a purchase, or in some jurisdictions, claim damages, if the simplified prospectus, annual information form or financial statements contain a misrepresentation. You must act within the time limit set by the securities law in your province or territory.

For more information, see the securities law of your province or territory or ask a lawyer.

For more information

Contact Caldwell Investment Management Ltd. or your adviser for a copy of the fund's simplified prospectus and other disclosure documents. These documents and the fund facts make up the fund's legal documents.

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