

National Bank Securities Optimizes its Strategic Portfolios

National Bank Securities launched its *Strategic Portfolios* in 2001, and over the ensuing nine years, this innovative service has conclusively proven its worth. Notwithstanding this fact, financial markets have evolved considerably over these years in a way that has influenced the relationship between risk and return, and to account for this shift, National Bank Securities will soon be making changes to its *Strategic Portfolios*.

We have reviewed the weightings of the National Bank Securities mutual funds used to make up the *Strategic Portfolios*, and between September 3 and September 24, 2010 we will be making small, but important adjustments to these weightings. This will be in lieu of the semi-annual rebalancing, customarily scheduled to take place at this time of the year.

These adjustments have been carefully designed to take into account all of the characteristics of the underlying investor profiles. The changes to the fund weightings should enable each corresponding *Strategic Portfolio* to offer the potential for higher returns, while strictly respecting the risk tolerance of the profile.

Moreover, a new National Bank Securities mutual fund will be added to the component elements of our *Strategic Portfolios*: the Altamira Corporate Bond Fund. Its addition to the *Strategic Portfolios* will further enhance their diversification, especially for the fixed-income portions.

From your perspective, this optimizing of your *Strategic Portfolio* will provide the following benefits:

- The portfolios will be better positioned for the financial market environment we expect to see in the coming years;
- For each investor profile, the adjustments made to the asset mix will improve the trade-off between risk and return;
- All told, the result of this exercise should be to increase the potential return of the portfolios.

We invite you to read the attached notice, which will provide you with more information regarding the changes being made to your *Strategic Portfolio*. The details of the transactions in your portfolio, and if you have a taxable account, any resulting tax implications, will appear on your September end-of-quarter statement. They will also be shown on your next annual statement produced at the end of December.

For all questions related to the above, please contact your advisor or the National Bank Securities Advisory Service at 514-871-2082 or 1-888-270-3941.

Thank you for your trust in National Bank Securities.

Charles Guay,
President and Chief Executive Officer
National Bank Securities Inc.