



Creststreet Alternative Energy Fund

December 2008

Net Asset Value Per Share

December 31, 2008: \$34.01

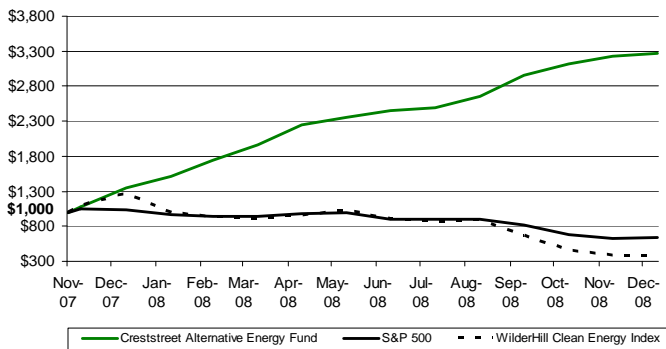
Fund Description

The Creststreet Alternative Energy Fund (the "Fund" or "CAEF") provides Canadian investors with exposure to a broad array of investments in sub-sectors of the energy market outside of conventional oil and natural gas. The investment objective is to provide stable long-term growth of capital while conservatively managing value at risk. The Fund invests primarily in securities of North American issuers whose businesses exploit opportunities to generate energy beyond what traditional dependence on carbon-emitting sources supply.

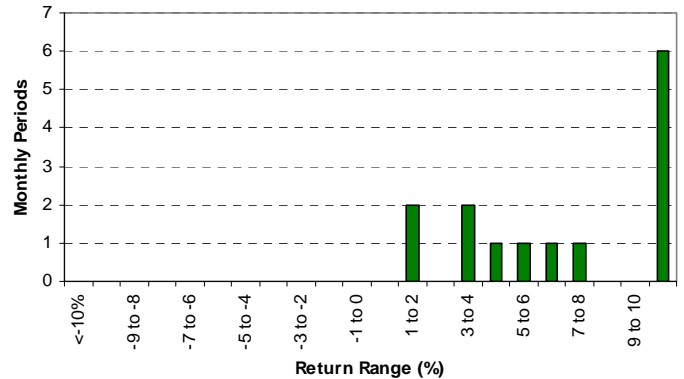
Historical Performance ⁽¹⁾

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2007											7.6%	25.3%	34.8%
2008	12.6%	14.5%	12.9%	14.9%	4.7%	3.8%	2.0%	6.4%	11.3%	5.7%	3.2%	1.5%	142.1%

Performance ⁽¹⁾⁽²⁾



Distribution of Returns ⁽¹⁾



⁽¹⁾ The indicated rates of return are historical annual compound total returns and do not take into account sales, redemption, distribution or operational charges or income taxes payable by any security holder that would have reduced returns. Performance is calculated net of fees.
⁽²⁾ See Use of Benchmarks on page 2.

Statistics ⁽¹⁾⁽²⁾

	CAEF	S&P 500 Index	WilderHill Clean Energy Index
Compounded Annual Return (since inception)	190.2%	-33.3%	-58.1%
1 Year Return	142.1%	-38.4%	-69.9%
Standard Deviation	6.6%	6.0%	14.0%
R-Squared		0.02	0.09
Correlation		0.16	0.30
Beta		0.17	0.14
Monthly Alpha		9.5%	9.8%
Largest Month Gain	25.3%	4.8%	16.1%
Largest Month Loss	n.a.	-16.9%	-32.1%

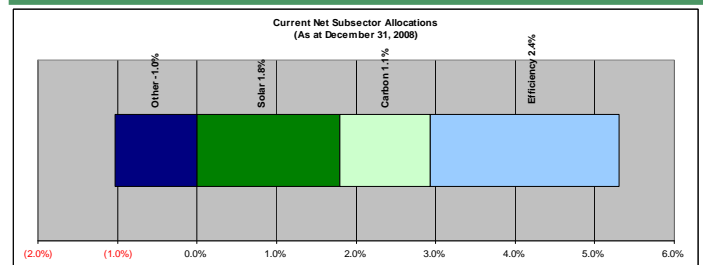
Top Holdings as at December 31, 2008 ^{long positions only}

- Comverge Inc.
- 5N Plus Inc.
- World Energy Solutions Inc.

Terms

Fund AUM	\$23.7 M	Minimum Initial Subscription	\$ 1,000
Performance Fee	20% with hurdle rate above S&P 500	Year End	December 31
Management Fee	2%	Redemptions and Contributions	Weekly
Administrator	RBC Dexia Investor Services	Pricing	Weekly
Type	North American Equity	Auditors	KPMG LLP
Fund Code	CAM 400	RRSP eligible	Yes

Sub-Sector Allocation as at December 31, 2008



Fund Commentary

The Creststreet Alternative Energy Fund was up 1.5 percent during the month of December compared to the S&P 500 Index, which was up 0.8 percent for the month, and the Wilderhill Clean Energy Index, which was down 0.9 percent.

Fund Performance and Strategy

During the month we continued to maintain low market exposure in the Fund in order to protect against market volatility. Our focus continues to be on preservation of capital until signs of a bottom in the market are evident. Although economic news appears bleak in the near-term, the market is currently experiencing oversold conditions. As such, we took a less active approach during the month, pairing back on short positions in the Fund in anticipation of near-term broader market volatility.

Outlook

As a consequence of continued weakness in the US housing sector, malfunctioning credit markets, and the destruction of private-sector demand for goods and services, prospects for global economic growth are weak for most of 2009. In the face of such economic weakness, governments across the globe will continue their attempts to stimulate their economies through monetary and fiscal policy, but such actions are unlikely to have their desired impact until late 2009 or early 2010.

This economic weakness is likely to continue to depress oil prices as the demand destruction that caused the rapid declines in the price of oil in the closing months of 2008 exceeds any supply response resulting from announced OPEC production cuts. As a result, aside from the increased potential for geopolitical uncertainty, there remains limited upside potential for the price of oil in the short-run. In the longer term, however, our view on oil remains that we are likely to see an upward trend in price as emerging economies continue to industrialize, leading to increased demand for the commodity.

Within the economic environment described above, the alternative energy sector stands out as one bright spot poised for continued growth as the desire for energy security and concern over the environment and global warming continues to shape government policy in this area. In particular, we expect the Obama administration to target alternative energy as a beneficiary of the infrastructure investment component of its fiscal stimulus plan, accelerating the sector's path towards cost-competitiveness with traditional energy. Additionally, once the economy has firmly stabilized in the mid to late stages of his first-term, we expect the administration to advance mandatory cap-and-trade carbon emission legislation.

At some point as we work our way through this recession, the effects of slowing economic growth will begin to wane and the market will find a bottom. As we approach this point, the Fund will begin rotating back into long exposure to some of the world leading alternative energy companies, particularly those we identify as beneficiaries of government fiscal stimulus. In the meantime we will continue to capitalize on short-term price movements in select alternative energy securities that become mispriced from time-to-time in the current market volatility.

Use of Benchmarks - Wilderhill Clean Energy Index (WCEI) is comprised of North American renewable energy companies and is used as a benchmark to show how the Fund is performing in relation to a basket of similar companies to those in which the Fund invests. The S&P 500 is comprised of 500 U.S. large cap companies and is used as a benchmark to show how the Fund is performing in relation to the broader North American market on a relative basis.

About Creststreet

Creststreet is a performance-driven investment management firm focused exclusively on the energy sector. Founded in 2000, our mission is to achieve **excellence in energy investing** through strong and consistent investment performance across all of our energy investment products for our Canadian and international institutional and high net worth investors.

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