



## PORTFOLIO MANAGER

Ben Cheng, CFA, is President of Aston Hill Financial and lead Portfolio Manager to the Ark Aston Hill Monthly Income Class. Mr. Cheng has extensive portfolio management experience in both equity and fixed income markets. Prior to joining Aston Hill, Mr. Cheng was Managing Director of Fortress Investment Group, a New York-based asset management firm specializing in hedge fund strategies and private equity investment. He joined Fortress after building an impressive track record as a portfolio manager at CI Mutual Funds. While at CI Mr. Cheng managed the CI Signature High Income Fund and the CI Signature Dividend Fund; both funds received Canadian Investment Awards for their respective categories during his tenure as manager. Mr. Cheng is a CFA Charterholder and holds a Bachelor of Commerce degree from the University of Toronto.

## Manager Commentary

The European crisis continues to shake investor confidence, as PIIGS countries have almost half a trillion dollars in bonds maturing in the next 12 months and risk is being transferred to core nations, like Germany and France. Austerity packages are being introduced, which Ben believes may point to a multi-year recession for Europe. On the North-American front, unemployment remains a critical issue however US job creation has moved into positive territory.

The loonie has proven to be quite resilient in the face of rising global volatility and positive job creation in Canada points to a healthier economy than in other parts of the world. Ben believes that the possible European recession, which may spread to other parts of the world, puts pressure on oil prices however the increasing global oil demand will maintain crude prices in the \$75-\$80 range.

In this volatile environment Ben continues to favour high quality debt and income trusts. Leading into the Greek crisis, credit spreads in the US high yield market tightened at an unprecedented pace, but increased volatility caused spreads to widen by 100 bps in the first week of May. As such, bank loans offer clients increased safety while maintaining a generous yield spread over treasury bonds. Names Ben likes and owns include: Yellow Pages, InterPipeline, Brookfield Office Properties.

## INVESTMENT APPROACH

The Ark Aston Hill Monthly Income Class pays a fixed monthly distribution of 5 cents. The primary goal of the fund is to provide this consistent monthly income to unitholders while also generating long-term capital growth. The Portfolio Manager utilizes a bottom-up, investment process to identify predominantly Canadian cash generative businesses across the capitalization spectrum that are trading at a discount to the managers estimation of long-term value. The fund will invest in income trusts, common equities, preferred shares, fixed income instruments and cash that the Portfolio Manager believes will meet the investment objectives of the Fund.

## FUND PERFORMANCE

Comparative Analytics	Fund Series A	*Benchmark
Year to Date	-0.58%	-0.86%
1 Month	-0.43%	-1.57%
3 Months	-4.98%	-3.07%
6 Months	-1.69%	-0.86%
1 Year	12.68%	7.83%
2 Year	-2.31%	-7.82%

\*Benchmark is a blend which consists of 60% S&P/TSX Composite and 40% DEX Universe Bond

## POSITIONS & HOLDINGS

### Top 10 Positions

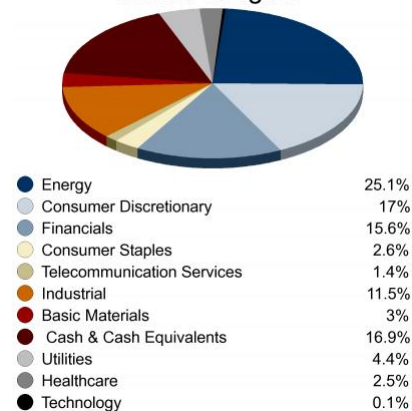
As of June 30th, 2010

Crescent Point  
 Basic Energy Services, 11.625%, 2014  
 Forbes Energy 11%, 2/15/2015  
 Bank of America 8 perp  
 MGM Mirage 8.37511  
 Dollarama Inc.  
 Midwest Gaming 11.625/16  
 Dollar General  
 Homburg REIT  
 Norweigan Cruise Line 11.75/16

**Total Positions: 131**

Positions in descending order by portfolio weighting

### Sector Weights



<i>Inception Date</i>	January 16, 2008	<i>Portfolio Manager</i>	Aston Hill
<i>Series A Code</i>	SCI 606	<i>Pricing</i>	Daily
<i>Series F Code</i>	SCI 607	<i>Minimum Investment</i>	\$5,000
<i>Mgt. Fee Series A</i>	2.25%	<i>Auditor</i>	Deloitte
<i>Mgt. Fee Series F</i>	1.25%	<i>Fund Administrator</i>	KeiData Backoffice Solutions

## How Much Does It Cost?

The following tables show the fees and expenses you could pay to buy, own and sell Series A and Series F units of the Fund.

### Sales Charges

<i>Sales Charge Option</i>	<i>What You Pay</i>	<i>How It Works</i>
Initial Sales Charge	Up to 4% of the amount purchased	This rate is decided between the investor and the advisor. This sales charge is deducted from the amount purchased as a commission for the investment firm.

### Trailing Commissions

The Fund pays a trailing commission for as long as the fund is owned for the services and advice provided by the investment firm. Investment firms may pay part of the trailing commission to their advisors. This commission of up to 1% of the value of each investment each year is paid out of the management fee

### Ongoing Fund Expenses

These expenses are not paid directly, they are subtracted from the return received on an investment.

	<i>Management Fee</i>
Series A	2.25%
Series F	1.25%

Performance fee is 0% of return greater than the benchmark.

### Other Fees

Investors may have to pay other fees when units of the Fund are sold or switched

<i>Short-Term Trading Fee</i>	Up to 3% of the value of the units sold or switched within 180 days of purchase This fee goes to the Fund
<i>Switch Fee</i>	An investment firm may charge up to 4% of the value of the units switched to another Ark Fund

## Risk

When you invest in a fund, the value of your investment can go down as well as up. The Fund Manager has rated this Fund's risk as medium.

*This Fund is for investors who:*

The Fund is suitable for investors seeking current income and long-term capital growth with a moderate tolerance for risk and volatility.

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## DISCLAIMER

Investments, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing which summarizes the Funds' objectives, fees, expenses, and associated risks. The average annual compound returns include changes in unit value and reinvestment of all distributions to the end of the month listed on this document and do not take into account sales, redemption or optional charges or income tax payable by any investor that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.