

GREYSTONE BASIS POINT®

US INCOME & GROWTH FUND – FOR THE QUARTER ENDED JUNE 30, 2010

MARKETS DISREGARD STOCK FUNDAMENTALS, MOVE LOWER

Q2-2010 saw the reemergence of concerns seen in the early days of 2010. All sectors turned negative, but cyclical sectors and those sectors affected by regulation and regulatory reform were hit hardest. Materials and Financials declined 15.7% and 13.6%, respectively. Given the return to risk aversion, defensive sectors Telecom and Utilities outperformed the broader market with still-negative returns of 5.7% and 4.8%, respectively.

The fund fell short of its benchmark. With stocks moving almost in lock-step, regardless of underlying fundamentals, our bottom-up stock selection was less effective. In addition, regulatory concerns affected specific holdings, such as Halliburton, Aflac and US Bancorp.

Positive performance in Q2 came from Consumer Discretionary and Staples (e.g. McDonald's, Time Warner Cable and General Mills).

GREYSTONE US INCOME & GROWTH FUND PERFORMANCE

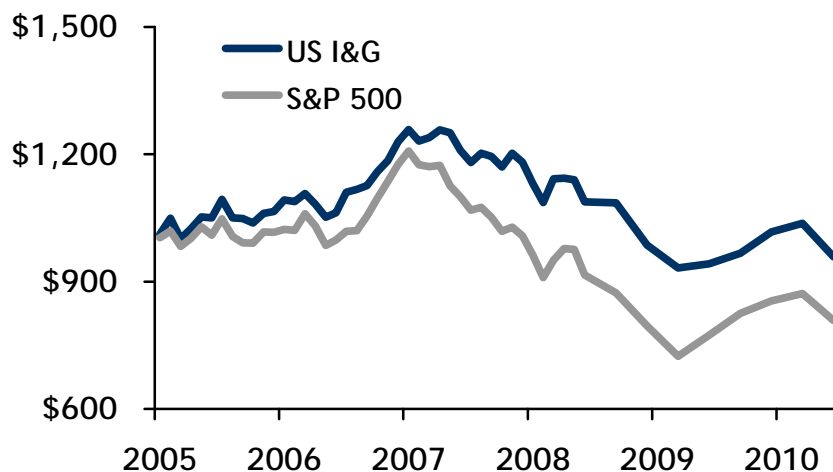
To June 30, 2010

Annualized (%)	1 yrs	2 yrs	3 yrs	4 yrs	5 yrs
US I&G	1.8	-6.1	-7.5	-2.5	-1.8
<i>S&P 500 Index</i>	4.7	-6.1	-9.8	-4.1	-3.6
Difference	-2.9	0.0	2.3	1.6	1.8

Annual (%)	2010	2009	2008	2007	2006
US I&G	1.8	-13.5	-10.0	13.8	1.1
<i>S&P 500 Index</i>	4.7	-15.7	-16.8	15.0	-1.2
Difference	-2.9	2.2	6.8	-1.2	2.3

This table shows performance of the Greystone US Income & Growth Pooled Fund in \$Cdn, including cash, net of custodial fees, audit fees, transfer agent fees and administrative expenses; gross of investment management fees. Unitholders may find their individual performance differs from the overall fund. This is often due to when deposits are received or payments made. Unitholders may find their individual performance differs from the overall fund. This is often due to when deposits are received or payments made.

GROWTH OF \$1,000 OVER THE FUND'S HISTORY



Source: Greystone US Income & Growth Fund, inception Jan. 31, 2005..

INVESTMENT STYLE

Greystone's US Equity Income & Growth fund seeks to provide investors with a current income stream higher than that generally available in the Canadian equity market, plus the potential for long-term capital appreciation.

We invest in a focused portfolio of about 25 equally weighted stocks that's actively managed to enhance returns and control risks.

Greystone uses a disciplined, team-based investment process, employing both quantitative and qualitative analysis to selecting a base of mature companies with predictable and growing profits. These US companies will show financial strength, balanced by above-average growth rates.

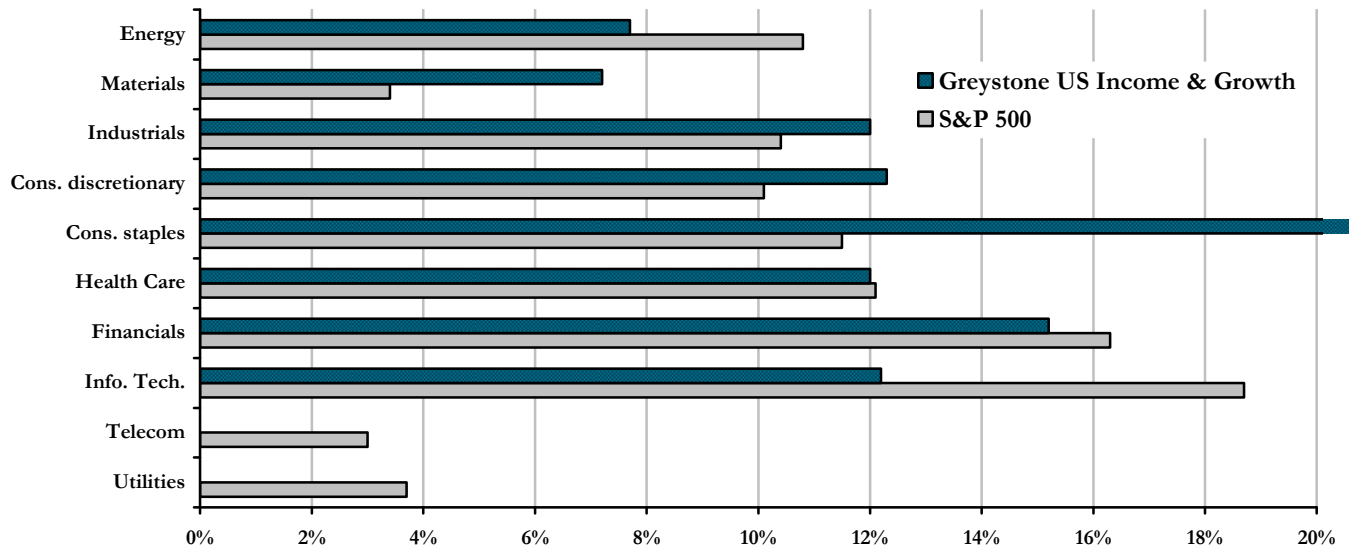
We apply a "buy/hold/sell" discipline for all portfolio stocks, based on their ability to maintain our preferred characteristics of yield, growth and predictability of future earnings per share. A stock will be sold if one or all characteristics deteriorate, or if a better opportunity arises.

In our team-based approach, the entire team considers a member's recommendation to add or remove a security from the portfolio.

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SECTOR WEIGHTINGS AT QUARTER-END (JUNE 30, 2010)



TOP 10 HOLDINGS

JUNE 30, 2010

	% of portfolio
Intl Business Machines	4.4%
HJ Heinz Company	4.4%
General Mills Inc	4.4%
Altria Group Inc	4.4%
PepsiCo Inc	4.4%
Genuine Parts Company	4.2%
Praxair Inc	4.2%
Intel Corporation	4.2%
New York CMY Bancorp	4.1%
3M Company	4.1%

KEY PORTFOLIO CHARACTERISTICS

	S&P 500	Greystone
Earnings growth	52.76	31.76
Estimate revisions (up/down)	35.71	24.52
Earnings surprise	2.05	2.31
P/E (12-mo trailing)	15.41	13.55
Debt/equity	0.75	0.85
Dividend yield	2.15	3.27
Return on equity (trailing)	19.39	28.34
EPS growth (5-yr trailing)	6.86	5.14
Turnover, last 12 months		38.6%
No. of securities		~25
Market capitalization		
Large (>\$1.5B)		96.4%
Mid (\$0.25B to 1.5B)		3.6%
Small (<\$0.25B)		0.0%
Wtd. Average Market Capitalization (\$B)		\$64

FOR MORE INFORMATION

Michael Gillis Senior Vice-President	michael.gillis@greystone.ca 416-309-2182
Sean Collins, CFA Vice-President (Toronto)	sean.collins@greystone.ca 416-309-2183
Loren Gee, CFA, MBA Vice-President (Regina)	loren.gee@greystone.ca 800-213-4286

www.greystone.ca

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