



Discussion and Analysis

INVESTMENT PORTFOLIO SUMMARY

The Plan's investments are managed by CI Investments Inc. with Canadian equity and bonds invested in segregated asset holdings, and non-Canadian equity in pooled fund investments. KBSH Capital Management has been integrated into CI Investments Inc. CI Investments is Canada's third largest money manager and is a subsidiary of CI Financial Corp., a diversified wealth management firm listed on the Toronto Stock Exchange (symbol: CIX).

The portfolio underperformed the benchmark for the year ended December 31, 2009. The equity portfolios underperformed primarily due to the emphasis on higher quality and less cyclical companies. In Canada, portfolio underperformance can be primarily attributed to the low portfolio exposure to the materials sector and the selection within this sector.

The U.S. investments underperformed in the consumer discretionary sector; while our performance in major international equity markets, as indicated by the EAFE index, was positive in the financial sector. The fixed income portion of the portfolio outperformed the DEX Universe Bond Index for the year, as the overweight allocation of corporate bonds in the portfolio significantly added to the benchmark. It was our view throughout most of last year that credit offered the best risk adjusted returns. During the past year the re-pricing of credit has been the primary driver of global capital markets; however, that phase is now over.

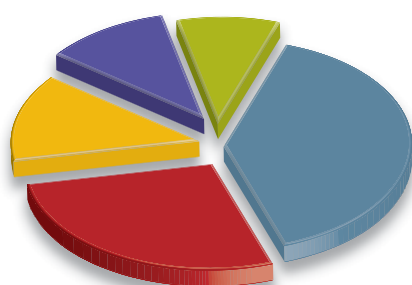
Over the next year, we expect the major drivers of capital markets to be global economic growth and its impact on corporate earnings. Although the economy has rebounded, we remain concerned about the transition from an extremely accommodative fiscal and monetary policy driven economy to a sustainable economy over the long term.

We believe that equity capital markets will trend higher this year albeit at a much slower pace than last year. We remain convinced that the portfolio is properly positioned to take advantage of an improving economy.

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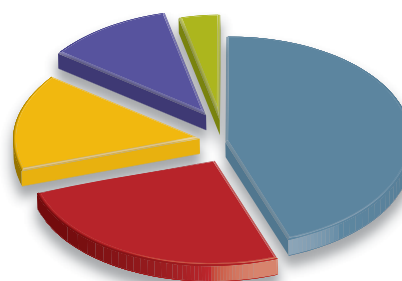
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The following pie charts show the asset mix of the portfolio as at December 31, 2009 and figures for December 31, 2008 are included for comparison:



2009

Cash & Equivalents	9.0%
Bonds	39.5%
Canadian Equities	27.5%
U.S. Equities	13.2%
International Equities	10.8%



2008

Cash & Equivalents	3.8%
Bonds	44.5%
Canadian Equities	25.6%
U.S. Equities	15.2%
International Equities	10.9%

Source: CI Investments

The rates of return for the total portfolio for one, two, three, four, five and ten years and rates of return for each of the asset classes and the corresponding benchmark are detailed below.

AS OF DECEMBER 31, 2009	1 YEAR(%)	2 YEAR(%)	3 YEAR(%)	4 YEAR(%)	5 YEAR(%)	10 YEAR(%)
NSPS LTD	14.1%	-2.2%	-0.9%	2.3%	4.4%	3.1%
NSPS LTD Benchmark*	15.5%	-0.6%	0.5%	3.3%	4.9%	N/A
CANADIAN EQUITIES	32.9%	-9.2%	-3.8%	0.8%	5.6%	3.9%
S&P/TSX	35.1%	-4.9%	-0.2%	3.9%	7.7%	5.6%
U.S. EQUITIES	8.4%	-4.9%	-7.1%	-1.5%	-0.4%	-2.7%
S&P 500 (Cdn.\$)	8.6%	-7.9%	-8.8%	-3.2%	-2.3%	-4.0%
INTERNATIONAL EQUITIES	15.3%	-12.9%	-8.3%	-0.5%	2.4%	-4.2%
MSCI EAFE (Cdn.\$)	13.7%	-10.4%	-8.8%	-0.9%	1.2%	-1.6%
FIXED INCOME	7.7%	5.9%	4.9%	5.0%	5.0%	6.6%
Scotia Capital Universe Bond	5.4%	5.9%	5.2%	4.9%	5.2%	6.7%

Source: CI Investments