



United Financial's real estate investment mandate amended, giving manager full discretion for regional allocations

United Financial Investment Consulting June 2009

To take full advantage of evolving opportunities in the international real estate investment market, and better serve our clients, United Financial has amended the mandate of the United Real Estate Investment Pool and United Real Estate Investment Corporate Class from a regional allocation of 60% U.S. and 40% international to a fully discretionary mandate in which the manager will have more flexibility in the geographic allocations of the portfolio. The change, effective June 12, 2009, is consistent with the investment objectives and investment strategies as outlined in the existing prospectus.

As the international real estate industry has continued to develop over the past few years, we gradually reduced the target allocation to the U.S. from 100% to 70%, and then to 60%. We believe this is an ideal time for a skilled manager to have the flexibility to capitalize on increasing opportunities abroad while reducing risk through greater diversification. While the U.S. real estate market continues to provide ample investment opportunities, leverage ratios on average are currently lower outside of the U.S. Reducing exposure to the U.S. and increasing exposure to a diversified basket of countries such as Hong Kong, the United Kingdom, France, Italy, Germany, Japan and Australia can reduce the portfolio's average leverage ratio and, as a result, reduce overall risk.

Cohen & Steers' globally integrated investment team

The United Real Estate Investment mandate is managed by Cohen & Steers Capital Management, Inc. The firm's investment team has been strengthened in recent years by adding personnel and becoming more globally integrated. Given their solid track record, proven process and a stronger global investment team, we have gained more confidence in Cohen & Steers' ability to add value in a fully discretionary mandate.

Scott Crowe, Senior Vice-President and Portfolio Manager, is the lead portfolio manager of the United Real Estate Investment mandate. His role is to work with the firm's investment committee, which includes Martin Cohen, Robert Steers and Joseph Harvey, to generate investment ideas, develop macroeconomic assumptions and determine the country allocations. Prior to joining the firm in 2007, Mr. Crowe was an executive director at UBS and served as global head of real estate. He has 12 years of investment experience and is based in New York.

Security selection is a major factor in Cohen & Steers' process of adding value. The firm's global investment team includes regional specialists who determine the sector and security allocations within their respective regions:

Jon Cheigh, Senior Vice-President and Portfolio Manager, is based in New York and heads the U.S. real estate team. He joined the firm in 2005 and has 15 years of experience. Prior to joining Cohen & Steers, Mr. Cheigh was a vice-president and senior REIT analyst at Security Capital Research & Management. Before that, he was a vice-president of real estate acquisitions at InterPark and an acquisitions associate at Urban Growth Property Trust, two privately held REITs.



Gerios Rovers is Chief Investment Officer and Managing Director of the European real estate business and has more than 20 years of experience. He joined the firm in 2004 when his Belgium-based real estate asset management firm, which he co-founded with Joseph Houlihan, was acquired by Cohen & Steers. He is based in Brussels.

Luke Sullivan, Senior Vice-President and Portfolio Manager, heads the Asia-Pacific team from Hong Kong. He joined the firm in 2006 and has nine years of experience. Prior to that, he was a vice-president and research analyst at Citigroup Investment Research, where he covered Australian real estate companies.

New benchmark

The new benchmark is the FTSE EPRA/NAREIT Developed Real Estate Index (C\$). The previous benchmark was a blend of 60% NAREIT Equity REIT Index (C\$) and 40% S&P/Citigroup BMI World (ex-US) Property Index (C\$). The new benchmark had an approximate allocation of 38% North America and 62% international as of May 31, 2009.

New regional allocation

Regional allocation	Prior to change %	New model % (fully discretionary)	FTSE EPRA/NAREIT Developed Real Estate Index (C) %
North America	58.8	35.9	38.0
Asia-Pacific	30.5	45.1	45.4
Europe	8.8	16.4	16.6
Other	1.9	2.6	0.0

Source: Cohen & Steers, May 31, 2009

Conclusion

We are pleased to announce this change, which gives Cohen & Steers more flexibility to add value to the United Real Estate Investment mandate. We have confidence in their managers’ ability to continue to deliver strong results and capitalize on increased international opportunities with a fully discretionary mandate.

The United Financial Investment Consulting team will continue to monitor the performance and characteristics of the portfolio to ensure it meets our high standards for performance and compliance.

This document is intended solely for information purposes. It is not a sales prospectus, nor should it be construed as an offer or an invitation to take part in an offer. Neither United Financial Corporation nor its affiliates or their respective officers, directors, employees or advisors are responsible in any way for damages or losses of any kind whatsoever in respect of the use of this report. Commissions, trailing commissions, management fees and expenses all may be associated with investing in investment pools and corporate classes. Please read the United Funds prospectus and consult your advisor before investing. Investment pools and corporate classes are not guaranteed, their values change frequently and past performance may not be repeated. United Financial and/or United Financial and design is a trademark of United Financial Corporation.