

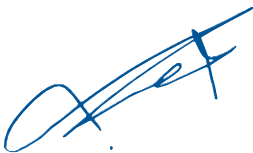
MANAGEMENT’S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited financial statements of Global Educational Trust Plan (the “Plan”) has been prepared by management and approved by the Board of Directors of Global Educational Trust Foundation (the “Foundation”) and Global Growth Assets Inc (“GGAI”). Management is responsible for the information and representations contained in these financial statements.

The Board of Directors is responsible for reviewing and approving the financial statements and overseeing management’s performance of its financial reporting responsibilities. Global Educational Trust Plan, through Global Educational Marketing Corporation, which administers the Plan, maintains appropriate processes to ensure that relevant and reliable financial information is produced.

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and include certain amounts that are based on estimates and judgments. The significant accounting policies, which management believes are appropriate for the Plan, are described in Note 2 to the Financial Statements.

On behalf of the Board of Directors,

A handwritten signature in blue ink, appearing to read 'S. Bouji', with a large, sweeping flourish at the end.

Sam Bouji
Chief Executive Officer

A handwritten signature in blue ink, appearing to read 'Frank Gataveckas', written in a cursive style.

Frank Gataveckas
Director

NOTICE TO UNITHOLDERS

The Auditors of the Fund has not reviewed these financial statements

Global Growth Assets Inc., the Manager of the Fund, appoints an independent auditor to audit the Fund's annual financial statements. Applicable securities laws require that if an auditor has not reviewed the Fund's interim financial statements, this must be disclosed in an accompanying notice.

Global Educational Trust Plan Statements of Net Assets

As at June 30, 2011 and December 31, 2010

Assets	2011 Unaudited \$	2010 Audited \$
Cash and Short Term Investments	21,647,017	18,711,087
Investments at fair value (cost \$362,468,262; (December 31, 2010 - \$332,754,153)	366,783,032	342,507,376
Grant receivable	1,382,474	2,020,159
Accrued Interest	1,840,111	2,020,454
	<u>391,652,634</u>	<u>365,259,076</u>
Liabilities		
Accounts Payable	1,023,634	802,802
Payable- Investment purchase	-	5,004,782
Subscriber's Saving Account	246,382,773	225,651,083
	<u>247,406,407</u>	<u>231,458,667</u>
Net Assets	<u>144,246,227</u>	<u>133,800,409</u>
Represented by		
Accumulated government grants deposits	93,417,209	84,565,538
Accumulated and undistributed investment income and realized gains on investments	46,514,247	39,476,068
Unrealized appreciation of investments	4,314,771	9,758,803
	<u>144,246,227</u>	<u>133,800,409</u>

Approved by the Board of Directors of
Global Educational Trust Foundation



Sam Bouji
Director

Frank Gataveckas
Director

Global Educational Trust Plan
Statements of Changes in Net Assets (unaudited)
For the six months ended June 30, 2011 and 2010

	2011	2010
	\$	\$
Increase in net assets from operations for the period	2,509,276	8,061,674
Government grants received		
Canada Education Savings Grants (CESG)	6,485,644	6,054,326
Canada Learning Bond (CLB)	916,522	1,050,300
Alberta Centennial Education Savings Plan (ACES)	1,965,580	1,575,248
Quebec Education Savings Incentive	270,681	284,735
Payments to nominees		
Education Assistance Payments	(716,073)	(525,586)
Government grants	(786,757)	(518,367)
Government grants income	(199,055)	(129,826)
Increase in net assets during the period	<u>10,445,818</u>	<u>15,852,504</u>
Net assets - Beginning of period	<u>133,800,409</u>	<u>101,165,355</u>
Net assets - End of period	<u>144,246,227</u>	<u>117,017,859</u>

Global Educational Trust Plan
Statements of Operations (unaudited)
For the six months ended June 30, 2011 and 2010

	2011	2010
	\$	\$
Investment income		
Interest	7,013,820	6,361,208
Expenses		
Administration fees	2,083,206	1,568,097
Audit Cost	41,868	36,780
Independent review committee	4,500	4,500
Other charges	110,301	177,828
	<u>2,239,875</u>	<u>1,787,205</u>
Net investment income	<u>4,773,945</u>	<u>4,574,003</u>
Realized and unrealized gains on investments		
Net realized (loss) gain on sale of investments	3,179,364	446,704
Increase (decrease) in unrealized appreciation of investments	(5,444,033)	3,040,967
Net realized and unrealized gains on investments	<u>(2,264,669)</u>	<u>3,487,671</u>
Increase in net assets from operations for the period	<u>2,509,276</u>	<u>8,061,674</u>

NOTES TO THE FINANCIAL STATEMENTS (unaudited)

June 30, 2011

1. Organization and general

The Global Educational Trust Plan (the “Plan”) was established on October 14, 1998. It was administered by the Global Educational Trust Foundation (the “Foundation”), up to September 28, 2010. The Foundation is a not-for-profit organization, incorporated without share capital, under the laws of Canada.

Due to the Ontario Securities Commission (OSC) implementation of National Instrument (NI31-103) effective Sept 28, 2010, the Foundation elected to retain Global Growth Assets Inc. (GGAI) as administrator and investment fund manager of the Plan. None of the roles and duties of the Trustee, Custodian, Distributor, Portfolio Advisers or Independent Review Committee has changed.

The Plan provides post-secondary education financial assistance to nominees named in the Educational Financial Assistance Agreements (“EFA Agreements”). Global Educational Marketing Corporation (“GEMC”), a company incorporated under the Canada Business Corporations Act, is the registered distributor of the Plan.

The Foundation has had a specimen copy of the EFA Agreement approved by the Canada Revenue Agency (“CRA”) such that EFA Agreements may be submitted to CRA for registration as Registered Education Savings Plans (“RESP”). The Plan is an education savings plan and not an RESP. An EFA Agreement is not an RESP until the applicable conditions of the Income Tax Act (Canada) (the “ITA”) are met.

Subscribers to the Plan enter into EFA Agreements with the Foundation. Under an EFA Agreement, the subscriber purchases units in the Plan. The subscriber authorizes the Foundation to deduct fees, as outlined in the prospectus, for the purpose of providing services to the Plan. At maturity, payments are made to the nominee after meeting the conditions as set out in the EFA Agreement.

2. Summary of significant accounting policies

Basis of accounting

These financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles (“GAAP”) as defined by the Canadian Institute of Chartered Accountants’ Handbook (the “CICA Handbook”).

Use of Estimates

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts. The most significant estimates and assumptions relate to valuation of Principal Protected Notes (PPNs) and illiquid bonds. Actual results could differ from those estimates and the differences could be significant.

The following is a summary of significant accounting policies followed by the Plan:

Government grants

Government grants received are recorded in the Statement of Changes in Net Assets as a direct increase in net assets of the Plan. Government grants for which the Plan has applied on behalf of an individual Planholder are recorded on accrual basis. This amount received is dependent on each individual Planholder’s taxation status.

Subscribers’ savings account

The Subscribers’ savings account balance reflects only amounts received from subscribers net of deductions and does not include amounts receivable on outstanding agreements. The subscribers’ savings account meets the definition of a liability and has been recognized as such in the Statement of Net Assets.

Deductions from subscribers’ deposits

The Foundation deducts from deposits made by subscribers’ special services fees, depository fees, enrollment fees and, if applicable, the insurance premiums, prior to depositing the balance of the deposits in the Subscribers’ Savings Account.

Enrollment fees

Enrollment fees are required as part of the initial contribution under each educational savings plan agreement. Sponsored Plans have a fee structure that is management fee based.

Enrollment fees collected during the reporting period are paid to GEMC on behalf of the Foundation. The Foundation retains 3% of net enrollment fees collected and 25% of net administration fees. The return of enrollment fees is the sole responsibility of the Foundation; neither the Plan nor GEMC have any obligation to return enrollment fees.

Investments

Investments in bonds are stated at fair values, determined using the bid price at year-end. PPNs are hybrid financial debt instruments issued by governments, Canadian chartered banks and licensed trust and loan companies that have embedded components that change the risk/return profile of the security. Included in this class are structured notes that are debt instruments whose returns are based on indices or underlying assets rather than typical interest payments. PPNs are carried at fair value using pricing methodologies established by management and discussed further in Note 6.

Investment transactions are accounted for on a trade date basis. Interest income is recognized using the effective interest method. Realized and unrealized gains (losses) on investments are determined using the average cost method.

Short-term investments

Short-term investments consist of investments in money market funds and Government of Canada treasury bills maturing within ninety days from the date of the statements of net assets. These investments are carried at fair value.

Income taxes

The Plan is exempt from income taxes under Section 146.1 of the ITA. The income on the subscribers' savings account is currently exempt from income

taxes under the ITA. Education assistance payments, and all accumulated investment income, made to qualified nominees will be included in their income for the purposes of the ITA.

The amounts deposited by subscribers are not deductible by the subscribers for income tax purposes and are not taxable when returned to subscribers or their designated nominees.

Income paid to the subscribers is considered Accumulated Income Payments ("AIPs") and is subject to income taxes.

Periodically the Foundation on behalf of the Plan and in accordance with government guidelines and the Prospectus of the Plan, disposes income accrued on grants and deposits of terminated Plans, by way of donation to an educational institution. Interest income forfeited from these terminated Plans from inception to end of 2010 was paid to Educational Institutions as designated by the Foundation and has been recorded in other charges in the Statement of Operations.

IFRS

Canadian publicly accountable enterprises, which include investment funds, are required to prepare financial statements in accordance with IFRS, as issued by the International Accounting Standards Board, for years beginning on or after January 1, 2011. On September 7, 2010, the Canadian Accounting Standards Board ("AcSB") approved an optional one-year deferral of IFRS adoption for investment companies applying Accounting Guideline AcG 18, Investment Companies until fiscal years beginning on or after January 1, 2012. On January 12, 2011, the AcSB approved an additional one year extension to the optional one year deferral until fiscal years beginning on or after January 1, 2013. Accordingly, the Plan will adopt IFRS for its fiscal year beginning January 1, 2013, and will issue its initial financial statements in accordance with IFRS, including comparative information, for the interim period ending June 30, 2013.

3. Investments (As at June 30, 2011)

	Par value \$	Cost \$	Fair value \$
Subscribers' contribution invested - (70.0%)			
Government Securities - 21.4%			
Canada Housing Trust 3.35% December 15, 2020	9,970,000	9,812,118	9,919,921
Canada Housing Trust 3.8% June 15, 2021	14,155,000	14,294,044	14,538,268
Canada Housing Trust 4.1% December 15, 2018	16,185,000	16,941,644	17,265,783
Canada Housing Trust FRN September 15, 2015	37,715,000	37,887,103	37,899,426
Canada (Govt) 2.00% September 1, 2012	780,000	776,724	786,084
Canada Housing Trust No. 1 2.70% December 15, 2013	960,000	963,274	979,843
Canada Housing Trust 2.75% September 15, 2014	960,000	953,696	980,218
Canada Housing Trust 1.41% March 15, 2016	600,000	600,780	602,196
Total Government Securities		82,229,383	82,971,739
Provincial Securities - 18.2%			
BC Municipal Fin Auth 4.6% April 23, 2018	3,230,000	3,217,468	3,487,495
BC Province 3.7% December 18, 2020	5,030,000	4,959,982	5,023,743
BC Province 5.7% June 18, 2029	5,495,000	6,007,365	6,548,301
City of Toronto 4.95% June 27, 2018	2,935,000	2,926,078	3,193,980
Hydro-Quebec 11% August 15, 2020	4,615,000	7,182,885	7,165,006
Ontario Province 4% June 2, 2021	10,190,000	10,413,098	10,322,401
Ontario Province 4.2% March 8, 2018	3,340,000	3,468,091	3,541,483
Ontario Province 4.4% June 2, 2019	1,385,000	1,444,140	1,469,591
Ontario Province 5.375% December 2, 2012	2,300,000	2,373,404	2,422,869
Ontario Province 6.5% March 8, 2029	13,605,000	17,161,977	17,445,622
Quebec Province 4.25% December 1, 2021	4,980,000	5,171,332	5,115,144
Ontario (Prov) Gen.Int.Pymt December 2, 2013	640,000	565,984	608,550
Quebec (Generic Int Pymt) June 1, 2012	800,000	754,408	789,447
Quebec (Generic Int Pymt) June 1, 2014	800,000	687,712	748,448
Ontario (Province of) 3.25% September 8, 2014	850,000	863,817	878,084
Financement Quebec 1.22% December 1, 2014	1,000,000	989,600	993,130
British Columbia (Prov of) 4.10% December 18, 2019	250,000	251,965	259,910
Manitoba (Pvovince of) 4.15% June 3, 2020	250,000	251,625	258,955
Prov of New Brunswick 4.65% September 26, 2035	225,000	222,525	232,079
Total Provincial Securities		68,913,456	70,504,238
Financial Institution Securities - 28.2%			
Bank of Montreal 5.04% September 4, 2012	4,500,000	4,830,705	4,677,204
Bank of Montreal 6.02% May 2, 2018	3,000,000	3,303,090	3,438,411
Bank of Nova Scotia 4.1% June 8, 2017	4,000,000	4,158,520	4,143,638
Bank of Nova Scotia 4.94% April 15, 2014-19	2,700,000	2,857,275	2,862,698
CIBC 5% September 10, 2012	4,500,000	4,598,190	4,675,834
CIBC Cap. Trust 9.976% June 30, 2019-2108	2,000,000	2,670,060	2,620,432
Great West Lifeco 6.67% March 21, 2033	3,000,000	3,297,000	3,496,631
Manulife Financial 4.896% June 2, 2014-19	3,000,000	3,146,820	3,152,862
National Bank 4.926% December 22, 2014	3,000,000	3,165,360	3,202,950
Royal Bank of Cda 3.77% March 30, 2018	3,250,000	3,249,610	3,300,497

3. Investments (continued)

	Par value \$	Cost \$	Fair value \$
Royal Bank of Cda 4.93% July 16, 2025	3,000,000	3,109,590	3,107,687
Royal Bank of Cda 5% June 6, 2013-18	1,500,000	1,595,625	1,578,111
Scotiabank Tier I Trust 7.802% June 30, 2019-2108	1,800,000	1,972,224	2,151,078
Sun Life Financial 4.95% June 1, 2016-36	3,000,000	3,065,700	3,129,912
TD Bank 4.779% December 14, 2016-2105	4,500,000	4,119,969	4,730,380
TD Bank 5.828% July 9, 2018-23	2,500,000	2,809,700	2,801,141
Bank of Nova Scotia 3.03% June 4, 2012	1,600,000	1,632,720	1,621,216
TD Canadian Equity Coupon Notes December 3, 2012	7,100,000	7,100,000	7,000,600
Canadian Imperial Bank 3.05% June 3, 2013	1,600,000	1,612,720	1,629,520
American Express Canada 4.85% October 3, 2014	800,000	806,400	842,472
RBC Enhanced YLD Note November 27, 2014 Linked To Cdn Sh Bkt	7,100,000	7,100,000	7,470,620
Bank of America Corp 4.36% September 21, 2015	340,000	330,133	339,929
GE Capital Canada Funding Co 4.55% January 17, 2017	615,000	628,069	637,066
Royal Bank of Canada 3.66% January 25, 2017	500,000	495,750	507,670
Nova Scotia (Prov of) 4.15% November 25, 2019	250,000	252,250	259,610
Capital Desjardins Inc 5.19% May 5, 2020	500,000	509,875	530,225
Royal Bank of Canada 4.93% July 16, 2025	520,000	547,040	535,902
BNP Paribas Millenium Comm. USD Excess November 10, 2014	3,550,000	3,550,000	3,473,320
Pacific & Western Bank of Cda 11% April 30, 19	10,000,000	10,000,000	10,000,000
Pacific Western Bank 11% February 27, 2019	10,000,000	10,000,000	10,000,000
Pacific Western Bank 11% June 30, 2019	1,500,000	1,500,000	1,500,000
Pacific Western Bank 8% March 11, 2021	10,000,000	10,000,000	10,000,000
Total Financial Institution Securities		108,014,395	109,417,615
Principle Protected Notes - 2.3%			
Bank of Nova Scotia, Global Alpha Strategy Depsit Notes, Series q, due August 29, 2014	10,000,000	10,000,000	9,089,000
Total Subscribers' contribution invested		269,157,233	271,982,592

3. Investments (continued)

	Par value \$	Cost \$	Fair value \$
Government Grants invested - (24.4%)			
Government Securities - 8.6%			
Canada Housing Trust 3.35% December 15, 2020	5,190,000	5,102,118	5,163,931
Canada Housing Trust 3.8% June 15, 2021	5,850,000	5,907,448	6,008,398
Canada Housing Trust 4.1% December 15, 2018	4,810,000	5,031,915	5,131,197
Canada Housing Trust FRN September 15, 2015	15,790,000	15,862,062	15,867,213
Canada (Govt) 2.00% September 1, 2012	310,000	308,698	312,418
Canada Housing Trust No. 1 2.70% December 15, 2013	390,000	391,330	398,061
Canada Housing Trust 2.75% September 15, 2014	390,000	387,569	398,213
Canada Housing Trust 1.41% March 15, 2016	240,000	240,312	240,878
Total Government Securities		33,231,452	33,520,310
Provincial Securities - 7.6%			
BC Municipal Fin Auth 4.6% April 23, 2018	1,290,000	1,284,995	1,392,838
BC Province 3.7% December 18, 2020	1,460,000	1,439,677	1,458,184
BC Province 5.7% June 18, 2029	2,130,000	2,331,200	2,538,286
City of Toronto 4.95% June 27, 2018	1,195,000	1,191,367	1,300,445
Hydro-Quebec 11% August 15, 2020	1,910,000	2,972,496	2,965,366
Ontario Province 4% June 2, 2021	4,185,000	4,276,633	4,239,377
Ontario Province 4.2% March 8, 2018	1,190,000	1,228,094	1,261,786
Ontario Province 4.4% June 2, 2019	1,640,000	1,713,516	1,740,165
Ontario Province 6.5% March 8, 2029	5,590,000	7,041,933	7,168,028
Quebec Province 4.25% December 1, 2021	2,000,000	2,076,840	2,054,275
Quebec Province 6% October 1, 2012	1,510,000	1,631,802	1,593,567
Quebec (Generic Int Pymt) June 1, 2012	325,000	306,478	320,713
Ontario (Prov) Gen.Int.Pymt December 2, 2013	260,000	229,931	247,224
Quebec (Generic Int Pymt) June 1, 2014	325,000	279,383	304,057
Ontario (Province of) 3.25% September 8, 2014	350,000	355,689	361,564
Financement Quebec 1.22% December 1, 2014	400,000	395,840	397,252
British Columbia (Prov of) 4.10% December 18, 2019	100,000	100,786	103,964
Manitoba (Pvovince of) 4.15% June 3, 2020	100,000	100,650	103,582
Prov of New Brunswick 4.65% September 26, 2035	90,000	89,010	92,831
Total Provincial Securities		29,046,321	29,643,504
Financial Institution Securities - 8.1%			
Bank of Montreal 5.04% September 4, 2012	1,600,000	1,717,584	1,663,006
Bank of Montreal 6.02% May 2, 2018	1,500,000	1,651,545	1,719,205
Bank of Nova Scotia 4.1% June 8, 2017	2,200,000	2,286,702	2,279,001
Bank of Nova Scotia 4.94% April 15, 2014-19	1,000,000	1,058,250	1,060,258
CIBC 5% September 10, 2012	1,100,000	1,121,454	1,142,982
CIBC Cap. Trust 9.976% June 30, 2019-2108	900,000	1,201,527	1,179,194
GE Capital Canada 5.68% September 10, 2019	650,000	682,507	705,059
Great West Lifeco 6.67% March 21, 2033	1,000,000	1,099,000	1,165,544
Manulife Financial 4.896% June 2, 2014-19	1,000,000	1,048,940	1,050,954
National Bank 4.926% December 22, 2014	1,000,000	1,055,120	1,067,650
Royal Bank of Cda 3.77% March 30, 2018	1,500,000	1,499,820	1,523,306

3. Investments (continued)

	Par value \$	Cost \$	Fair value \$
Royal Bank of Cda 4.93% July 16, 2025	1,200,000	1,243,836	1,243,075
Royal Bank of Cda 5% June 6, 2013-18	600,000	638,250	631,245
Scotiabank Tier I Trust 7.802% June 30, 2019-2108	600,000	657,408	717,026
Sun Life Financial 4.95% June 1, 2016-36	1,000,000	1,021,900	1,043,304
TD Bank 4.779% December 14, 2016-2105	2,000,000	1,818,356	2,102,391
TD Bank 5.828% July 9, 2018-23	1,100,000	1,236,268	1,232,502
Bank of Nova Scotia 3.03% June 4, 2012	650,000	663,293	658,619
TD Canadian Equity Coupon Notes December 3, 2012	2,900,000	2,900,000	2,859,400
Canadian Imperial Bank 3.05% June 3, 2013	650,000	655,168	661,993
American Express Canada 4.85% October 3, 2014	325,000	327,600	342,254
BNP Paribas Millenium Comm. USD Excess November 10, 2014	1,450,000	1,450,000	1,418,680
RBC Enhanced YLD Note November 27, 2014 Linked To Cdn Sh Bkt	2,900,000	2,900,000	3,051,380
Bank of America Corp 4.36% September 21, 2015	150,000	145,647	149,969
GE Capital Canada Funding Co 4.55% January 17, 2017	250,000	255,313	258,970
Capital Desjardins Inc 5.19% May 5, 2020	200,000	203,950	212,090
Royal Bank of Canada 3.66% January 25, 2017	200,000	198,300	203,068
Nova Scotia (Prov of) 4.15% November 25, 2019	100,000	100,900	103,844
Royal Bank of Canada 4.93% July 16, 2025	185,000	194,620	190,657
Total Financial Institution Securities		31,033,257	31,636,626
Total Government Grants Invested		93,311,029	94,800,440
Total Subscribers' contribution and Government Grants invested - (94.4%)		362,468,262	366,783,032
Cash - (0.9%)		3,575,630	3,575,630
Cash equivalent - (4.7%)		18,071,387	18,079,941
Total Investment Portfolio		384,115,279	388,438,603

4. Related party transactions

- a) The Foundation is the sponsor and was the administrator of the Plan up to Sept 28, 2010. In consideration for administrative services provided, the administrator is entitled to receive administration fees of 1% per annum of the assets of the Plan. Included in this 1% administration fee are the trustee and investment management and custodial fees. The administration and depository fees are remitted to GEMC on behalf of GGAI. GGAI retains 25% of the net administration fees and the Foundation retains 3% of the net enrollment fees paid to GEMC representing GEMC's contributions to the Foundation's Enhancement Fund. The Plan's accounts payable includes \$506,109 (2010 - \$313,602) payable to the Foundation.
- b) GEMC receives enrollment fees from subscribers that are deducted from deposits made by subscribers. In addition, 20% to 40% of insurance premiums collected from subscribers who optionally take insurance are remitted by the Foundation to GEMC.
- c) Special services fees principally relate to amounts charged to subscribers in respect of cheques returned and not honored and are remitted by GGAI to GEMC.

5. Subscribers' savings account

The changes in the subscribers' savings account for the reporting period (June 30, 2010) are as follows:

	2011	2010
	\$	\$
Subscribers' savings account- beginning of period	225,651,083	191,169,728
Subscribers' deposits	34,460,598	32,272,467
Enrolment fees (note 3)	(6,619,422)	(6,696,509)
Depository fees (note 3)	(336,816)	(316,530)
Insurance premiums (note 3)	(197,222)	(186,913)
Special services fees (note 3)	(190,442)	(204,499)
Principal withdrawals on terminations or return of deposit	(6,385,006)	(4,941,408)
Subscribers' savings account- end of period	246,382,773	211,096,336

6. Government grants

Canada Education Savings Grants ("CESGs")

The Federal government encourages saving for post-secondary education by providing CESGs on RESP contributions made subsequent to 1997 for children under 18 years of age. The maximum basic CESG per child is 20% of RESP contributions of up to \$2,500 (prior to 2007, it was based on \$2,000) made on behalf of each nominee in a year. Effective in 2004, additional CESG can be added based on up to the first \$500 of RESP yearly contributions at a rate of 10% or 20% when there is eligibility based on family net income.

The maximum lifetime CESG is \$7,200. Upon maturity of an EFA Agreement and fulfillment of certain criteria established by the Federal government, the CESG deposits and accumulated investment income thereon will be added to education assistance payments made to qualified students.

Canada Learning Bond ("CLB")

Effective January 1, 2004, CLB was introduced to provide a source of education savings for children in low-income families.

Each child born on or after January 1, 2004 will be eligible for a CLB in each year that child's family is entitled to the National Child Benefit (NCB) supplement, up to and including the year in which the child turns 15 years of age.

An initial CLB of \$500 will be provided for the first year of entitlement for the NCB supplement, which could be any year from the year of birth up to and including the year in which the child turns 15 years of age.

Any subsequent CLB will be in the amount of \$100, and will be provided in respect of a child for each year in which the family is entitled to the NCB supplement up to and including the year in which the child turns 15 years of age.

Maximum CLB payments per child total up to \$2,000.

The Alberta Centennial Education Savings (“ACES”) Plan

Effective January 1, 2005, under the ACES Plan, the Alberta government will contribute \$500 to the RESP of every baby born to an Alberta resident in 2005 and beyond.

Grants of \$100 will be available to children enrolled in school in Alberta at ages 8, 11 and 14 beginning in 2005 whose parents are residents of Alberta. A child will not have to receive previous grants in order to qualify for subsequent grants. The funds may be transferable to a sibling.

All children born in 2005 and beyond to Alberta residents, or born in 2005 and beyond and adopted by Alberta residents, are eligible for the first time \$500 grant.

Children born or adopted outside of Alberta, whose parent(s) or guardian(s) later become Alberta residents are eligible for the grant.

Quebec Education Savings Initiative (“QESI”)

The QESI is a tax measure for Quebec resident families giving government benefits for RESPs. Effective February 21, 2007, it is based on the established CESG criteria and consists of a refundable tax credit that is paid directly into an RESP. The QESI pays an additional 50% dollar amount to what the CESG allocations are to eligible nominees. QESI lifetime maximum per Nominee is \$3,600 and the program includes carry forward provisions and additional amounts for lower income families.

7. Risks associated with financial instruments and capital management

Capital Management

The Plan defines its capital as its net assets and subscribers’ deposits, which consists primarily of its financial instruments. GGAI’s investment objective is to protect principal and deliver a positive return for the Global Plan.

Risk Management

In the normal course of operations the Plan may be exposed to a variety of risks arising from financial instruments. The Plan’s exposures to such risks are concentrated in its investment holdings and are related to market risk (which includes interest rate risk and other price risk), credit risk and liquidity risk.

The Plan’s risk management process includes monitoring compliance with the Plan’s investment policy. The Plan manages the effects of these financial risks to the Plan portfolio performance by retaining and overseeing professional external investment managers. The investment managers regularly monitor the Plan’s positions, market events and manage the investment portfolio within the constraints of the investment policy.

(a) Market risk

(i) Interest rate risk

Interest rate risk is the risk of a decrease in the Plan’s yield on interest-bearing investments as a result of fluctuations in market interest rates. There is an inverse relationship between changes in interest rates and changes in the fair value of bonds. This risk is actively managed using duration, yield curve analysis, sector and credit selection. There is reduced risk to interest rate changes for cash and short term investments due to their short-term nature.

As at June 30, 2011 and December 31, 2010 the Plan’s holdings of long term debt instruments by maturity are as follows:

	2011	2010
Less than 1 year	6.2 %	4.7 %
1-3 years	8.8 %	9.7 %
3-5 years	22.8 %	31.4 %
Greater than 5 years	62.2 %	54.2 %
Total debt instruments	100.0 %	100.0 %

As at June 30, 2011, management estimates that if prevailing interest rates had increased or decreased by 1%

(December 31, 2010 - 1%), the total investment portfolio value would decrease by approximately \$19,299,000(December 31, 2010 - \$19,447,000) or increase by approximately \$21,085,000 - \$22,771,000), respectively. This 1% change assumes a parallel shift in the yield curve along with all other variables held constant. In practice the actual trading results may differ materially.

(ii) Other price risk

Other price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, other than those arising from interest rate risk. Factors specific to an individual investment, its issuer or all factors affecting other price risk. The asset class that is most impacted by other price risk are PPNs which represent 9.5% (2010 - 11.0%) of the portfolio. The return on PPNs are not determinable prior to maturity instead being linked to the performance of their underlying index and will depend on the extent to which the index return is positive or negative at maturity. A negative return will result in a return of only the principal amount which is protected by the issuer. The risk is managed by security selection and active management by external managers within approved investment policies and manager mandates.

As at June 30 2011, if underlying indices prices had increased or decreased by 1% with all other variables held constant, the portfolio amount would have increased or decreased by approximately \$978,000 (December 31,2010 - \$1,094,000). In practice, the actual trading results may differ materially.

(b) Credit risk

Credit risk refers to the ability of the issuer of debt securities to make interest payments and repay principal and sector risk relates to the exposure to changes in a particular industrial, commercial or service sector by virtue of concentration. The Plan's portfolio

comprises bonds issued or guaranteed by federal and provincial governments along with Canadian financial institution and corporate debt instruments which constitute its most significant exposure to credit risk. The Plan has a concentration of investments in government and government guaranteed bonds, which are considered to be high credit quality investments thereby moderating its credit risk. All of the Plan's assets are exposed to credit risk.

As at June 30, 2011 and December 31, 2010, the Plan's credit exposure to long term debt instruments is as follows:

	2011	2010
AAAH/AAA/AAH/AAL	68.9 %	57.1 %
AA/AH/AL/A	20.6 %	33.1 %
Unrated	10.5 %	9.8 %
Total debt instruments	100.0 %	100.0 %

The above ratings were provided by Dominion Bond Rating Service (DBRS). The PPNs are unrated.

(c) Liquidity risk

Liquidity risk is the risk that the Plan may not be able to meet its obligations on time. The Plan's exposure to liquidity risk is concentrated in principal repayment to subscribers and payments of Education Assistance payments. Further information on these future obligations is provided in Schedule 1. Other financial liabilities are all due within one month.

In mitigation of these risks, the Plan retains sufficient cash and short-term investments positions and primarily invests in securities that are traded in the active markets and can be readily disposed to meet expected cash requirements.

