



WEBB ASSET MANAGEMENT

**AMENDMENT NO. 2 DATED DECEMBER 15, 2009
TO THE SIMPLIFIED PROSPECTUS DATED JULY 29, 2009
AS AMENDED BY AMENDMENT NO. 1 DATED SEPTEMBER 29, 2009**

In respect of Class A, F and I Units of

**WEBB ENHANCED GROWTH FUND
WEBB ENHANCED INCOME FUND**

The simplified prospectus dated July 29, 2009, as amended by Amendment No. 1 dated September 29, 2009 (the “**Simplified Prospectus**”) relating to the Webb Enhanced Growth Fund (the “**Growth Fund**”) and the Webb Enhanced Income Fund (the “**Income Fund**”, together with the Growth Fund, collectively, the “**Funds**”) is hereby further amended as noted below. All capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Simplified Prospectus.

1. INTRODUCTION

The Simplified Prospectus is hereby amended to provide notice of a proposed transaction (the “**Proposed Transaction**”), pursuant to which the Growth Fund will acquire all or substantially all of the securities and non-cash portfolio assets contained in the investment portfolio of the Webb Asset Management Canadian Performance Fund (the “**Performance Fund**”) in exchange for newly issued Series A, Series F and Series I Units (“**Units**”) of the Growth Fund.

The Performance Fund is a privately offered, open-end investment fund, established in Ontario pursuant to a trust agreement dated as of May 9, 2006, between HSBC Trust Company (Canada), as trustee and Webb Asset Management Canada, Inc., as manager and investment advisor.

The procedure for the Proposed Transaction will be as follows:

- The Growth Fund will issue Units in such number and Series as will be necessary to acquire all or substantially all of the securities and non-cash portfolio assets contained in the investment portfolio of the Performance Fund (the “**Acquired Assets**”). The total number of Units to be issued will be based upon the value of the Acquired Assets and the net asset value of the Growth Fund on the Closing Date (as hereinafter defined) of the Proposed Transaction. The number of Units of each Series to be issued will depend on the number of units of each class of the Performance Fund held by unitholders of the Performance Fund.
- The Growth Fund will then acquire the Acquired Assets from the Performance Fund in exchange for the issued Units.

The manager of the Funds, Webb Asset Management Canada Inc. (the “**Manager**”) will seek approval from the holders of Units (“**Unitholders**”) of the Growth Fund at a special meeting (the “**Meeting**”) of Unitholders to be held on December 30, 2009. Unitholders of record at the close of business on December 7, 2009, will be entitled to receive notice of and vote at the Meeting. No person acquiring Units after such date shall be entitled to receive notice of or vote at the Meeting or any adjournment thereof. If the requisite approval is obtained, the Proposed Transaction is expected to be implemented on or about December 30, 2009 (the “**Closing Date**”).

If the Proposed Transaction is implemented, the net asset value of the Growth Fund would increase from approximately \$5,042,000 to approximately \$15,042,900 based on net asset values as of the close of business on November 30, 2009, excluding any redemptions that may occur in the normal course prior to the Closing Date. As a result of the Proposed Transaction, Unitholders of the Growth Fund may realize greater economies of scale, which could potentially lower the per-unit cost of administration of the Growth Fund. The Proposed Transaction would be executed at the current net asset value per Unit, so the impact for the existing Unitholders is expected to be the same as, or less than, that of any large regular subscription for Units. The Growth Fund will receive assets that are consistent with its current portfolio rather than cash, so the Growth Fund would not incur additional costs, such as brokerage commissions, that would otherwise be necessary to acquire such assets.

The independent review committee of the Growth Fund has concluded that the calling of the Meetings, the presentation to the Unitholders of the Proposed Transaction for their consideration, and, if approved, the implementation of the Proposed Transaction, would achieve a fair and reasonable result for the Unitholders of the Growth Fund.

The investment objective, the investment strategies and the risk factors of the Growth Fund will not be changed as a result of the Proposed Transaction. Units of the Growth Fund will continue to be available for sale and Unitholders will continue to have the right to redeem their Units in the usual manner described in the Simplified Prospectus before, during and after implementation of the Proposed Transaction.

2. AMENDMENTS TO THE SIMPLIFIED PROSPECTUS

Upon the completion of the Proposed Transaction, the Simplified Prospectus is hereby amended as follows:

Under the heading “Additional Information”, the following new sub-heading and text will be added at the end of page 38:

Acquisition of the Assets of the Webb Asset Management Canadian Performance Fund

On December 30, 2009, the Webb Enhance Growth Fund acquired all or substantially all of the securities and non-cash portfolio assets contained in the investment portfolio of the Webb Asset Management Canadian Performance Fund in exchange for newly issued Series A, Series F and Series I Units of the Fund, which led to a substantial increase in the net asset value of the Fund. The investment objective, the investment strategies and the risk factors of the Fund did not change as a result of this transaction.

4. PURCHASERS’ STATUTORY RIGHTS

Securities legislation in some provinces gives you the right to withdraw from an agreement to buy mutual funds within two business days of receiving a fund’s simplified prospectus, or to cancel your purchase within 48 hours of receiving confirmation of your order.

Securities legislation in some provinces and territories also allows you to cancel an agreement to buy mutual fund units and get your money back, or to make a claim for damages, if the simplified prospectus, annual information form, or financial statements misrepresent any facts about the fund. These rights usually must be exercised within certain time limits. For more information, refer to the securities legislation of your province or territory, or consult your lawyer.