Mulvihill

Mulvihill Structured Products

Hybrid Income Funds

Annual Report 2009

Top 10 Split Trust

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Message to Unitholders

We are pleased to present the annual financial results of Top 10 Split Trust.

The following is intended to provide you with the financial highlights of the Fund and we hope you will read the more detailed information contained within the report.

The Fund was reorganized in November of 2005 with the objectives to:

(1) provide Preferred Security holders with fixed quarterly cash interest payments equal to 6.25 percent per annum;

(2) repay the principal amount of $12.50 per Preferred Security on termination of the Fund on March 31, 2011; and

(3) provide Capital Unit holders with a stable stream of quarterly cash distributions in an amount targeted to be 7.5 percent per annum of the Net Asset Value ("NAV") of the Fund.

To accomplish these objectives the Fund will invest exclusively in shares of the six largest Canadian banks and four largest Canadian life insurance companies generally investing not less than 5 percent and not more than 15 percent of the Fund's assets in each company. Accordingly, the distributions paid out by the Fund are funded from the dividend income earned on the portfolio, realized capital gains from the sale of securities and option premiums from the sale of covered call options. During the fiscal year ended 2009 the Fund earned an annual total return of 21.27 percent. Distributions amounting to $0.99650 per unit were paid during the year. The net asset value increased from $14.81 per unit as at December 31, 2008 to $16.89 per unit as at December 31, 2009.

The longer-term financial highlights of the Fund for the years ended December 31 are as follows:

	2009	2008	2007	2006	2005
Annual Total Fund Return	21.27%	(27.25)%	(3.35)%	6.97%	(2.27)%
Preferred Security Interest Paid (target of 6.25 percent per annum on the $12.50 principal amount of the Preferred Security)	$ 0.78124	$ 0.78124	$ 0.78124	$ 0.77743	$ 0.06042
Capital Unit Distribution Paid (target of 7.5 percent per annum on the Net Asset Value per Capital Unit)	$ 0.21526	$ 0.48188	$ 0.82650	$ 0.84287	$ 1.89856
Ending Net Asset Value per Unit (initial issue price was $25.00 per Unit)	$ 16.89	$ 14.81	$ 21.83	$ 24.19	$ 24.21

We thank all unitholders for their continued support and encourage unitholders to review the more detailed information contained within the annual report.

John P. Mulvihill
Chairman & President,
Mulvihill Capital Management Inc.

Top 10 Split Trust [TXT.UN/TXT.PR.A]

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Management Report on Fund Performance

This report, prepared in accordance with National Instrument 81-106 (Investment Fund Continuous Disclosure), contains the financial highlights for the year ended December 31, 2009 of Top 10 Split Trust (formerly First Premium U.S. Income Trust) (the "Fund"). The annual financial statements of the Fund are attached.

Copies of the Fund's proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure may be obtained by calling 1-800-725-7172 toll-free, or by writing to the Fund at Investor Relations, 121 King Street West, Suite 2600, Toronto, Ontario, M5H 3T9, or by visiting our website at www.mulvihill.com.

Investment Objectives and Strategies

Until November 30, 2005, the Fund invested in a diversified portfolio consisting primarily of common shares issued by corporations that rank in the top 50 of the Standard and Poor's 100 Index on the basis of market capitalization. After November 30, 2005, the Fund universe was changed to invest in (i) the six largest Canadian banks and (ii) the four largest Canadian life insurance companies (Financial Portfolio) by market capitalization.

The Fund's investment objectives for Capital Units are to: (i) provide holders of Capital Units, upon redemption, with the benefit of any capital appreciation in the market price of the securities in the Financial Portfolio; and (ii) pay quarterly distributions to holders of Capital Units in an amount targeted to be 7.5 percent per annum of the net asset value (the "NAV") of the Fund and for Preferred Securities are to: (i) pay holders of Preferred Securities fixed quarterly cash interest payments equal to 6.25 percent per annum on the $12.50 principal amount of a Preferred Security; and (ii) repay the principal amount of $12.50 per Preferred Security on the termination date of the Fund on March 31, 2011.

To generate additional returns, the Fund may, from time to time, write covered call options in respect of all or part of the securities in the portfolio. In addition, the Fund may write cash covered put options in respect of securities in which the Fund is permitted to invest. Additionally, the Fund may purchase call options with the effect of closing out existing call options written by the Fund and may also purchase put options to preserve the value of the portfolio where appropriate. The Fund may enter into trades to close out positions in such permitted derivatives.

From time to time, the Fund may hold a portion of its assets in cash equivalents.

Risk

Investors should be aware that the primary risks associated with the Fund relate to the non-diversified nature of the investment universe, and the level of option volatility realized in undertaking the writing of covered call options. The Fund invests exclusively in securities of (i) the six largest Canadian Banks and (ii) the four largest Canadian life insurance companies. In addition, the process of writing covered call options on the securities held in the portfolio will tend to lower the volatility of the net asset value of the portfolio.

Any capital appreciation in the value of the portfolio will be for the benefit of the holders of Capital Units. However, any decrease in the value of the portfolio or the dividends paid on the common shares of the corporations held in the portfolio will effectively first be for the account of the holders of Capital Units. The Capital Units will have no value on March 31, 2011 if the net asset value per unit on that date is less than or equal to $12.50.

In order to generate income, the Fund may write covered call options in respect of all or part of the securities held in the portfolio. During the course of 2009, volatility levels changed dramatically. Volatility remained at an elevated level at the early part of the year as investor fears mounted that financial markets were collapsing and markets globally were making new lows in the early part of March. However, since then, volatility has declined considerably as equity markets have rallied and liquidity has increased significantly as the cumulative efforts of government and central banks around the world to stabilize the financial system have taken hold.

Due to this decline in volatility, the Fund increased its investment position materially in order to provide upside for the net asset value while reducing the amount of covered call writing. Realized gains earned from options amounted to approximately $0.9 M. As a result of adding to our invested position, the overall level of risk of an investment in the Fund has increased.

Summary of Investment Portfolio

The composition of the portfolio may change due to ongoing portfolio transactions of the Fund. A quarterly update will be available on our website at www.mulvihill.com.

Asset Mix

December 31, 2009

	% OF NET ASSET VALUE*
Financial Institutions	99 %
Cash and Short-Term Investments	9 %
Other Assets (Liabilities)	(8)%
	100 %

*The Net Asset Value excludes the Preferred Security liability.

Portfolio Holdings

December 31, 2009

	% OF NET ASSET VALUE*
Canadian Imperial Bank of Commerce	12 %
Bank of Montreal	12 %
Great-West Lifeco Inc.	12 %
Industrial Alliance Insurance and Financial Services Inc.	11 %
The Bank of Nova Scotia	10 %
Cash and Short-Term Investments	9 %
Royal Bank of Canada	9 %
The Toronto-Dominion Bank	9 %
Sun Life Financial Inc.	8 %
Manulife Financial Corporation	8 %
National Bank of Canada	8 %
	108 %

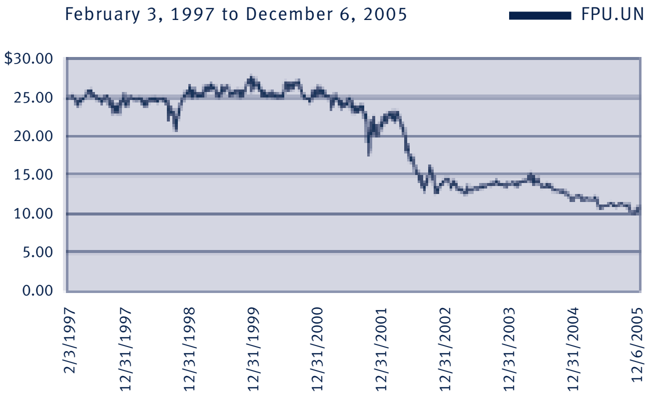
*The Net Asset Value excludes the Preferred Security liability.

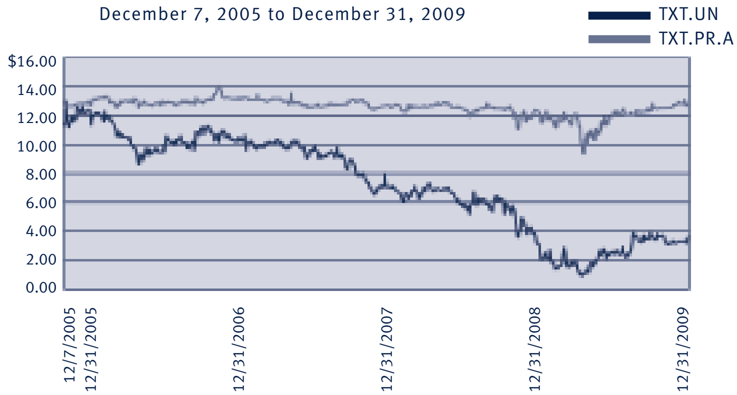
Distribution History

INCEPTION DATE: FEBRUARY 1997	CAPITAL UNIT REGULAR DISTRIBUTION	CAPITAL UNIT SPECIAL DISTRIBUTION	CAPITAL UNIT TOTAL DISTRIBUTION	PREFERRED SECURITY INTEREST
Total for 1997	$ 1.83000	$ 0.75000	**$ 2.58000**	**$ n/a**
Total for 1998	2.00000	1.25000	**3.25000**	**n/a**
Total for 1999	2.00000	2.50000	**4.50000**	**n/a**
Total for 2000	2.00000	0.75000	**2.75000**	**n/a**
Total for 2001	2.00000	0.00000	**2.00000**	**n/a**
Total for 2002	1.60000	0.00000	**1.60000**	**n/a**
Total for 2003	1.40000	0.00000	**1.40000**	**n/a**
Total for 2004	1.60000	0.00000	**1.60000**	**n/a**
Total for 2005	1.89856	0.00000	**1.89856**	**0.06042**
Total for 2006	0.84287	0.00000	**0.84287**	**0.77743**
Total for 2007	0.82650	0.00000	**0.82650**	**0.78124**
Total for 2008	0.48188	0.00000	**0.48188**	**0.78124**
Total for 2009	0.21526	0.00000	**0.21526**	**0.78124**
Total Distributions to Date	**$ 18.69507**	**$ 5.25000**	**$ 23.94507**	**$ 3.18157**

For complete distribution history and income tax information, please see our website at www.mulvihill.com.

Trading History





Results of Operations

For the fiscal year ended December 31, 2009, the net asset value of the Fund for pricing purposes based on closing prices was $16.89 per unit (see Note 4 to the financial statements) after payment of distributions to unitholders compared to $14.81 per unit on December 31, 2008. Distributions amounting to $0.78 per security were made to the Preferred Securityholders during the year while Capital Unitholders received $0.22 per Capital Unit. The Fund's Preferred Securities, listed on the Toronto Stock Exchange as TXT.PR.A, closed on December 31, 2009, at $12.65 per Preferred Security and the Fund's Capital Units, listed on the Toronto Stock Exchange as TXT.UN, closed on December 31, 2009, at $3.70 per Capital Unit. Each Unit consists of one Preferred Security and one Capital Unit.

Top 10 Split Fund invests in a universe of ten blue-chip financial stocks, with holding weights generally between 5 percent and 15 percent. The Fund significantly increased its invested position during the year reducing its cash position down to 9 percent of the portfolio at December 31, 2009 compared to 44 percent of the portfolio at the end of 2008.

The S&P/TSX Financials Index total return during the year was up 45.6 percent, which outperformed the broader S&P/TSX Composite Index that increased 35.1 percent. The Canadian Banks strongly outperformed the insurers during the year up 62.8 percent and 12 percent respectively. Nine of the ten financial services equities that make up the portfolio experienced positive returns during the period with the National Bank of Canada posting the strongest total return of 101.7 percent. Manulife Financial Corporation lagged the group for the second year in a row, generating a negative total return of 2.8 percent due to its greater exposure to equity market volatility which caused it to cut its dividend in half in August of 2009 and to issue $2.5 billion of equity in November of 2009. These returns are reflective of the improving economic conditions being fueled by low levels of interest rates and massive government stimulus.

The compound return of the Fund during the year, including reinvestment of distributions, was 21.3 percent. Our relative underperformance during the year was primarily due to higher than normal cash holdings. We became more constructive about the market recovery after second quarter earnings results were released. At this time, we started to redeploy cash back into the banks and life insurance companies as the market continued to rebound off its lows. The covered call writing activity is down significantly since last year with only two percent of the Fund overwritten at December 31, 2009.

For more detailed information on investment returns, please see the Annual Total Return bar graph and the Annual Compound Returns table on page 7 of this report.

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years. This information is derived from the Fund's audited annual financial statements.

For December 31, 2009, December 31, 2008 and December 31, 2007, the Net Assets included in the Net Assets per Unit table is from the Fund's financial statements and calculated using bid prices while the Net Asset Value included in the Ratios/Supplemental Data table is for Fund pricing purposes and calculated using closing prices (see Notes 3 and 4 to the Financial Statements). All other calculations for the purposes of this MRFP are made using Net Asset Value.

Years ended December 31

	2009	2008	2007	2006	2005(4)
THE FUND'S NET ASSETS PER UNIT					
Net Assets, beginning of year (based on bid prices)(1)	**$ 14.78**	$ 21.79	$ 24.21(5)	$ 24.21(4)	$ 12.34
INCREASE (DECREASE) FROM OPERATIONS					
Total revenue	**0.61**	0.70	0.74	0.75	0.21
Total expenses	**(0.29)**	(0.32)	(0.41)	(0.38)	(0.75)
Realized gains (losses) for the period	**(2.50)**	(1.31)	1.09	0.17	(3.72)
Unrealized gains (losses) for the period	**5.26**	(4.81)	(2.19)	1.12	3.68
Total Increase (Decrease) from Operations(2)	**3.08**	**(5.74)**	**(0.77)**	**1.66**	**(0.58)**
DISTRIBUTIONS					
From net investment income - Preferred Security	**(0.78)**	(0.78)	(0.78)	(0.78)	(0.06)
Non-taxable distributions - Capital Unit	**(0.22)**	(0.48)	(0.83)	(0.84)	(1.90)
Total Annual Distributions(3)	**(1.00)**	**(1.26)**	**(1.61)**	**(1.62)**	**(1.96)**
Net Assets, as at December 31 (based on bid prices)(1)	**$ 16.86**	**$ 14.78**	**$ 21.79**	**$ 24.19**	**$ 24.21(4)**

(1) Net Assets per unit is the difference between the aggregate value of the assets of the Fund and the aggregate value of the liabilities excluding the liability for Preferred Securities of the Fund on that date and including the valuation of securities at bid prices divided by the number of units then outstanding. For years prior to 2007, securities were valued at closing prices. The change to the use of bid prices is due to accounting standards set out by the Canadian Institute of Chartered Accountants adopted January 1, 2007 relating to Financial Instruments.
(2) Total increase (decrease) from operations consists of interest and dividend revenue, net of withholding taxes and foreign exchange gains (losses), realized and unrealized gains (losses), less expenses and is calculated based on the weighted average number of units outstanding during the year. The schedule is not intended to total to the ending net assets as calculations are based on the weighted average number of units outstanding during the year.
(3) Distributions to unitholders are based on the number of units outstanding on the record date for each distribution and were paid in cash.
(4) As at December 2, 2005, the Fund amended its investment strategy, changed its name to Top 10 Split Trust, consolidated units on a 2.3 to 1 basis and issued Capital Units and Preferred Securities. The net assets at December 31, 2005 represents the combined value of a Capital Unit and Preferred Security on this date.
(5) Net Assets per unit has been adjusted for the Transition Adjustment.

RATIOS/SUPPLEMENTAL DATA	2009	2008	2007	2006	2005
Net Asset Value, excluding Preferred Security liability(1)	**$ 45.65**	$ 43.89	$ 69.49	$ 86.07	$ 40.19
Net Asset Value ($millions)(1)(5)	**$ 11.86**	$ 6.86	$ 29.69	$ 41.59	$ 19.44
Number of units outstanding(1)(5)	**2,702,752**	2,962,925	3,184,078	3,558,584	1,659,931
Management expense ratio(2)	**1.71%**	1.64%	1.65%	1.67%	2.68%
Portfolio turnover rate(3)	**66.25%**	21.20%	75.88%	111.73%	121.82%
Trading expense ratio(4)	**0.14%**	0.06%	0.07%	0.36%	0.33%
Net Asset Value per Unit(6)	**$ 16.89**	$ 14.81	$ 21.83	$ 24.19	$ 24.21(5)
Closing market price - Capital Unit(5)	**$ 3.70**	$ 2.00	$ 8.00	$ 10.71	$ 11.75
Closing market price - Preferred Security(5)	**$ 12.65**	$ 11.50	$ 12.99	$ 13.75	$ 12.70

(1) This information is provided as at December 31.
(2) Management expense ratio is the ratio of all fees and expenses, including goods and service taxes but excluding transaction fees charged to the Fund to the average net asset value. Management expense ratio for 2005 includes the special resolution expense. The management expense ratio for 2005 excluding the special resolution expense is 2.09%. The management expense ratio including the Preferred Security interest for 2005 is 2.79%, for 2006 is 5.10%, for 2007 is 4.98%, for 2008 is 5.79% and for 2009 is 6.74%.
(3) Portfolio turnover rate is calculated based on the lesser of purchases or sales of investments, excluding short-term investments, divided by the average value of the portfolio securities. The Fund employs an option overlay strategy which can result in higher portfolio turnover by virtue of option exercises, when compared to a conventional equity mutual fund.
(4) Trading expense ratio represents total commissions expressed as a percentage of the daily average net asset value during the period.
(5) As at December 2, 2005, the Fund amended its investment strategy, changed its name to Top 10 Split Trust, consolidated units on a 2.3 to 1 basis and issued Capital Units and Preferred Securities.
(6) Net Asset Value per unit is the difference between the aggregate value of the assets of the Fund and the aggregate value of the liabilities and including the valuation of securities at closing prices divided by the number of units then outstanding.

Management Fees

Mulvihill Capital Management Inc. ("MCM") is entitled to fees under the Investment Management Agreement calculated monthly as 1/12 of 1.00 percent of the total assets of the Fund at each month end. Services received under the Investment Management Agreement include the making of all investment decisions and writing of covered call options in accordance with the investment objectives, strategy and criteria of the Fund. MCM also makes all decisions as to the purchase and sale of securities in the Fund's portfolio and as to the execution of all portfolio and other transactions.

Mulvihill Fund Services Inc. is entitled to fees under the Trust Agreement calculated monthly as 1/12 of 0.10 percent of the total assets of the Fund at each month end. Services received under the Trust Agreement include providing or arranging for required administrative services to the Fund.

Recent Developments

The Canadian banks ended 2009 on a strong note with better than expected fourth quarter earnings and record capital ratios. In terms of balance sheet strength and capital adequacy, earlier this year, the World Economic Forum ranked Canada's banking sector #1 globally in the "Soundness of Banks" category and for the second year in a row, Moody's Investor Service has awarded the top spot to Canada in its annual ranking of banks around the world.

The Canadian life insurance companies demonstrated diverging fundamentals and profitability in 2009 as the impact of higher global equity markets was offset by credit-related costs and higher reserves. Although most of the life insurance companies have been able to maintain their dividends and capital ratios in 2009, Manulife Financial Corporation did reduce its dividend in August of 2009 and also issued shares in November of 2009 for the second time in less than a year in order to build up its capital. The Canadian life insurance companies posted weak third quarter operating earnings on the back of larger than expected credit write-downs and reserve increases.

Due to the uncertain environment currently surrounding the economy and financial markets as well as new regulatory requirements for financial institutions to be introduced in 2010, the Canadian banks and life insurance companies are likely to maintain their strong capital ratios to deal with unforeseen events rather than make large acquisitions or return capital to shareholders in the form of increased dividends and share repurchases.

Future Accounting Policy Changes

The Manager has developed a changeover plan to meet the timetable published by the Canadian Institute of Chartered Accountants ("CICA") for changeover to International Financial Reporting Standards ("IFRS").

The changeover plan was prepared to address the requirements and includes disclosures of the qualitative impact of the changeover to IFRS in the 2009 annual financial statements, the disclosure of the quantitative impact, if any, in the 2010 financial statements and the preparation of the 2011 financial statements in accordance with IFRS with comparatives.

The key elements of the changeover plan deal with the requirements for financial reporting, net asset value per unit calculations, systems and processes, and training. The plan also sets out the timeline for implementation of the changes and the required technical training or support required for a smooth transition.

As at December 31, 2009, some anticipated changes to financial reporting include:

- Compliance with the full body of IFRS without industry specific exemptions. Unlike Canadian Generally Accepted Accounting Principles where investment fund accounting was based upon guidance in Accounting Guideline 18 – Investment Companies ("AcG 18");
- Presentation of comparative information; and,
- Additional financial statement note disclosures on the recognition and classification of financial instruments.

Due to anticipated changes in IFRS prior to the transition to IFRS, the Manager cannot conclusively determine the impact of the Fund's financial results at this time. Based on the Manager's current understanding and analysis of IFRS to the current accounting policies under Canadian GAAP, the Manager does not anticipate the transition to IFRS will have a material impact on the Fund's net assets per unit, systems and processes, and it is expected that it will mainly result in additional note disclosure in the financial statements.

Implementation of the changeover plan is progressing as scheduled. The Manager will continue to monitor ongoing changes to IFRS and adjust their changeover plan accordingly.

Past Performance

The past performance of the Fund is set out below and illustrates year-by-year returns, overall past performance and annual compound returns.

With respect to the charts displayed below, please note the following:

(1) the performance information shown assumes that all distributions and interest payments made by the Fund during these periods shown were reinvested in the Fund,

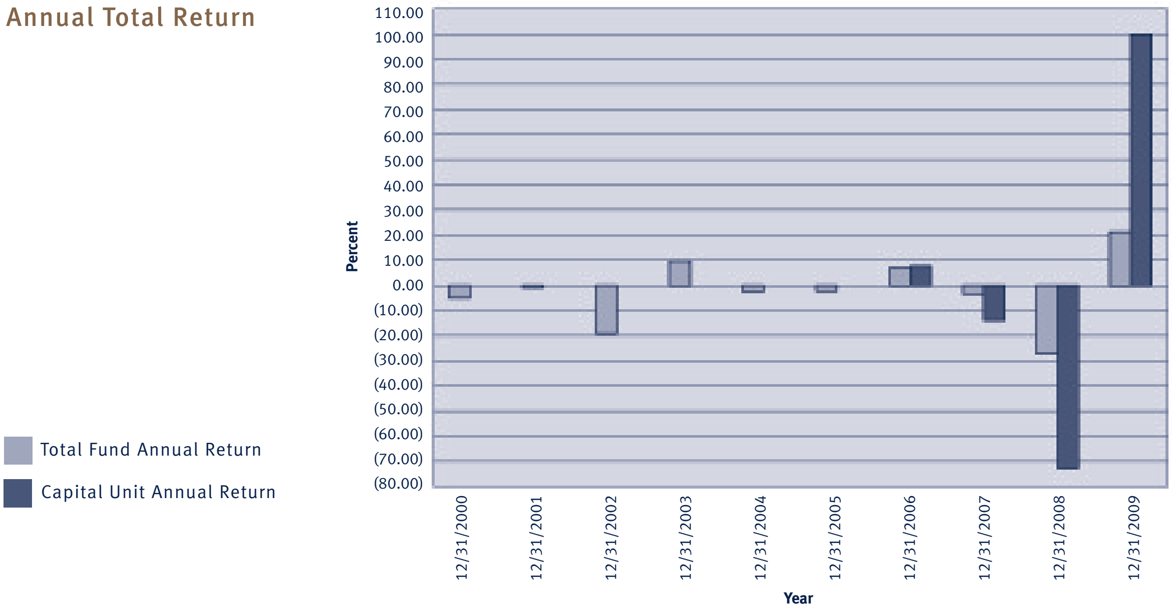
(2) the information does not take into account sales, redemptions, distributions or other optional charges that would have reduced returns, and

(3) the past performance of the Fund does not necessarily indicate how it will perform in the future.

Year-By-Year Returns

The bar chart below illustrates how the Fund's total annual return in each of the past ten years has varied from year to year. The chart also shows, in percentage terms, how much an investment made on January 1 in each year would have increased or decreased by the end of that fiscal year.

Annual Total Return



* Until November 30, 2005, the Fund invested in a diversified portfolio consisting primarily of common shares issued by corporations that rank in the top 50 of the S&P 100 Index on the basis of market capitalization. After November 30, 2005, the Fund universe was changed to invest in (i) the six largest Canadian banks and (ii) the four largest Canadian life insurance companies by market capitalization. The Fund was invested in cash and cash equivalents pending completion of an offering of additional securities that closed February 15, 2006.

Annual Compound Returns

The following table shows the Fund's historical annual compound total return for the periods ended December 31, 2009 as compared to the performance of the S&P 100 Index and S&P/TSX Financials Index.

(In Canadian Dollars)	One Year	Three Years	Five Years	Ten Years
Top 10 Split Trust	**21.27 %**	(5.17)%	(2.27)%	(3.15)%
Top 10 Split Trust - Capital Unit	**99.83 %**	(22.37)%	(10.88)%	(7.51)%
Top 10 Split Trust - Preferred Security	**6.40 %**	6.40 %	5.16 %	n/a
In order to meet regulatory requirements, the performance of two broader based market indices have been included below.				
S&P 100 Index*	**n/a**	n/a	(2.61)%	(5.42)%
S&P/TSX Financials Index**	**45.62 %**	(3.08)%	6.10 %	12.03 %

* The S&P 100 Index is a capitalization-weighted index based on 100 highly capitalized stocks for which options are listed.
** The S&P/TSX Financials Index is a subset of the constituents of the S&P/TSX Composite Index that have been classified according to the Global Industry Classification Standard.

The performance of the Fund in the above table from the period of inception to November 21, 2005 was based on the investment objectives and strategy of the Fund as Mulvihill Premium U.S. Fund investing in a diversified portfolio consisting primarily of common shares issued by corporations that rank in the top 50 of the Standard & Poor's 100 Index on the basis of market capitalization. On November 21, 2005 unitholders approved a proposal resulting in a change in the investment objectives and strategy of the Fund. After November 21, 2005 the Fund invests exclusively in the six largest Canadian banks and the four largest Canadian life insurance companies by market capitalization.

The equity performance benchmarks shown here provides an approximate indication of how the Fund's returns compare to a public market index for similar securities. It is important to note that the Fund is not managed in order to match or exceed these indices; rather, its objectives are to pay out quarterly dividends and return the original invested amount at the termination date. As a result, the Fund has, from time to time, maintained cash balances in an effort to provide greater net asset value stability and employs a covered option writing strategy to generate the distributions.

These investment strategies result in a rate of return for the Fund that differs from that of a conventional, fully-invested portfolio. During periods of strongly rising markets, the Fund's approach will tend to underperform a comparable fully-invested portfolio of the same stocks as the Fund is not fully invested and writing covered call options generally limits portfolio performance to the option premium received. In periods of declining markets, however, the Fund's defensive cash and cash equivalent balances help to protect net asset value, and covered option writing income generally provides returns exceeding those of a conventional and cash equivalent portfolio.

Related Party Transactions

Mulvihill Capital Management Inc. ("MCM") manages the Fund's investment portfolio in a manner consistent with the investment objectives, strategy and criteria of the Fund pursuant to an Investment Management Agreement between MCM and Mulvihill Fund Services Inc. ("Mulvihill") dated February 22, 1997 amended as of November 30, 2005.

Mulvihill is the Manager of the Fund pursuant to a Trust Agreement made between Mulvihill and RBC Dexia Investor Services Trust (the "Trustee") as successor to The Royal Trust Company dated February 22, 1997 amended as of November 30, 2005 and as such, is responsible for providing or arranging for required administrative services to the Fund. Mulvihill is a wholly-owned subsidiary of MCM. These parties are paid the fees described under the Management Fees section of this report.

Independent Review Committee

On September 19, 2006, the Canadian Securities Administrators approved the final version of National Instrument 81-107 - Independent Review Committee for Investment Funds ("NI 81-107"). NI 81-107 requires all publicly offered investment funds to establish an independent review committee ("IRC") to whom the Manager must refer conflict of interest matters for review or approval. NI 81-107 also imposes obligations upon the Manager to establish written policies and procedures for dealing with conflict of interest matters, maintaining records in respect of these matters and providing assistance to the IRC in carrying out its functions.

In accordance with NI 81-107, the IRC became operational on November 1, 2007. Members of the IRC are Robert W. Korthals, Michael M. Koerner and Robert G. Bertram.

Management's Responsibility for Financial Reporting

The accompanying financial statements of Top 10 Split Trust (the "Fund") and all the information in this annual report are the responsibility of the management of Mulvihill Fund Services Inc., (the "Manager"), and have been approved by the Board of Advisors (the "Board").

The financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles and include certain amounts that are based on estimates and judgments. Management has ensured that the other financial information presented in this annual report is consistent with the financial statements. The significant accounting policies which management believes are appropriate for the Fund are described in Note 3 of the annual financial statements.

The Manager is also responsible for maintaining a system of internal controls designed to provide reasonable assurance that assets are safeguarded and that accounting systems provide timely, accurate and reliable financial information. The Board meets periodically with management and external auditors to discuss internal controls, the financial reporting process, various auditing and financial reporting issues, and to review the annual report, the financial statements and the external auditors' report. Deloitte & Touche LLP has full and unrestricted access to the Board.

John P. Mulvihill	Sheila S. Szela
Director	Director
Mulvihill Fund Services Inc.	Mulvihill Fund Services Inc.
February 12, 2010	

To the Unitholders of Top 10 Split Trust

We have audited the statement of investments of Top 10 Split Trust (the "Fund") as at December 31, 2009, the statements of net assets as at December 31, 2009 and 2008, and the statements of financial operations, of changes in net assets and of cash flows for the years then ended. These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Fund's management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2009 and 2008, and the results of its operations, the changes in its net assets and its cash flows for the years then ended, in accordance with Canadian generally accepted accounting principles.

Deloitte & Touche LLP

Chartered Accountants
Licensed Public Accountants
Toronto, Ontario
February 12, 2010

Statements of Net Assets

December 31, 2009 and 2008

	2009	2008
ASSETS		
Investments at fair value (cost - $48,046,894; 2008 - $45,045,675)	$ 44,987,687	$ 26,411,405
Short-term investments at fair value (cost - $4,215,595; 2008 - $20,526,386)	4,215,595	20,526,386
Cash	3,162	18,313
Interest receivable	3,547	65,066
Dividends receivable	153,777	131,117
Due from brokers - investments	693,252	–
TOTAL ASSETS	50,057,020	47,152,287
LIABILITIES		
Preferred securities (Note 5)	33,784,400	37,036,562
Redemptions payable	4,393,984	3,276,161
Accrued liabilities	91,159	81,964
TOTAL LIABILITIES	38,269,543	40,394,687
NET ASSETS, REPRESENTED BY UNITHOLDERS' EQUITY	$ 11,787,477	$ 6,757,600
Number of Units Outstanding (Note 5)	2,702,752	2,962,925
Net Assets per Capital Unit (Note 5)	$ 4.3613	$ 2.2807
Preferred Security Repayment Price (Note 5)	$ 12.5000	$ 12.5000
Combined Value (Note 4)	$ 16.8613	$ 14.7807

On Behalf of the Manager,
Mulvihill Fund Services Inc.

John P. Mulvihill, Director

Sheila S. Szela, Director

The notes are an integral part of the Financial Statements.

Statements of Financial Operations

Years ended December 31, 2009 and 2008

	2009	2008
REVENUE		
Dividends	$ **1,741,582**	$ 1,883,613
Interest	**77,351**	332,068
TOTAL REVENUE	**1,818,933**	**2,215,681**
EXPENSES (Note 6)		
Management fees	**514,068**	660,971
Administrative and other expenses	**77,120**	83,200
Transaction fees (Note 9)	**64,529**	35,400
Service fees	**40,638**	70,558
Custodian fees	**32,367**	38,360
Audit fees	**30,495**	31,087
Advisory board fees	**19,631**	17,317
Independent review committee fees	**6,514**	4,267
Legal fees	**5,362**	9,374
Unitholder reporting costs	**25,473**	25,563
Goods and services tax	**34,240**	42,145
TOTAL EXPENSES	**850,437**	**1,018,242**
Net Investment Income	**968,496**	**1,197,439**
Net loss on sale of investments	**(8,283,678)**	(6,112,553)
Net gain on sale of derivatives	**864,373**	1,928,374
Net change in unrealized appreciation/depreciation of investments	**15,575,063**	(15,299,838)
Net Gain (Loss) on Investments	**8,155,758**	**(19,484,017)**
Preferred Security Interest (Note 7)	**(2,314,756)**	**(2,487,529)**
NET INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	$ **6,809,498**	$ **(20,774,107)**
NET INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT (based on the weighted average number of units outstanding during the year 2,962,212; 2008 - 3,183,474)	$ **2.2988**	$ **(6.5256)**

The notes are an integral part of the Financial Statements.

Statements of Changes in Net Assets

Years ended December 31, 2009 and 2008

		2009		2008
NET ASSETS, BEGINNING OF YEAR	$	6,757,600	$	29,577,798
Net Increase (Decrease) in Net Assets from Financial Operations		6,809,498		(20,774,107)
Capital Unit Transactions (Note 5)				
Amount paid for capital units redeemed, excluding preferred securities		(1,141,822)		(511,747)
Distributions to Unitholders (Note 7)				
Non-taxable distributions		(637,799)		(1,534,344)
Changes in Net Assets during the Year		5,029,877		(22,820,198)
NET ASSETS, END OF YEAR	$	11,787,477	$	6,757,600

Statements of Cash Flows

Years ended December 31, 2009 and 2008

		2009		2008
CASH AND SHORT-TERM INVESTMENTS, BEGINNING OF YEAR	$	20,544,699	$	11,313,376
Cash Flows Provided by (Used In) Operating Activities				
Net Investment Income		968,496		1,197,439
Adjustments to Reconcile Net Cash Provided by (Used In) Operating Activities				
Purchase of investment securities		(33,820,763)		(10,047,043)
Proceeds from disposition of investment securities		23,400,239		30,226,034
(Increase)/decrease in dividends receivable, interest receivable and due from brokers - investments		(654,393)		110,068
Increase/(decrease) in accrued liabilities		9,195		(59,222)
Net change in unrealized appreciation of cash and short-term investments		–		(338)
		(11,065,722)		20,229,499
Cash Flows Provided by (Used In) Financing Activities				
Distributions to capital unitholders		(637,799)		(1,534,344)
Distributions to preferred securities - interest		(2,314,756)		(2,487,529)
Capital unitholder redemptions		(511,748)		(3,492,417)
Preferred security redemptions		(2,764,413)		(4,681,325)
		(6,228,716)		(12,195,615)
Net Increase/(Decrease) in Cash and Short-Term Investments During the Year		(16,325,942)		9,231,323
CASH AND SHORT-TERM INVESTMENTS, END OF YEAR	$	4,218,757	$	20,544,699
Cash and Short-Term Investments comprise of:				
Cash	$	3,162	$	18,313
Short-Term Investments		4,215,595		20,526,386
CASH AND SHORT-TERM INVESTMENTS, END OF YEAR	$	4,218,757	$	20,544,699

The notes are an integral part of the Financial Statements.

Statement of Investments

December 31, 2009

	Par Value/ Number of Shares/ Number of Contracts	Average Cost	Market Value	% of Portfolio
SHORT-TERM INVESTMENTS				
Bankers' Acceptances				
The Bank of Nova Scotia, 0.29% - January 25, 2010	300,000	$ 299,901	$ **299,901**	
Canadian Imperial Bank of Commerce, 0.35% - January 11, 2010	2,000,000	1,996,560	**1,996,560**	
Total Bankers' Acceptances		2,296,461	**2,296,461**	**54.4 %**
Treasury Bills				
Government of Canada, 0.19% - March 4, 2010	1,920,000	1,919,134	**1,919,134**	**45.5 %**
		4,215,595	**4,215,595**	**99.9 %**
Accrued Interest			**3,547**	**0.1 %**
TOTAL SHORT-TERM INVESTMENTS		$ 4,215,595	$ **4,219,142**	**100.0 %**
INVESTMENTS				
Canadian Common Shares				
Financials				
Bank of Montreal	97,500	$ 5,268,353	$ **5,439,525**	
Canadian Imperial Bank of Commerce	80,700	5,817,397	**5,483,565**	
Great-West Lifeco Inc.	195,300	6,025,274	**5,237,946**	
Industrial Alliance Insurance and Financial Services Inc.	156,700	5,091,492	**5,033,204**	
Manulife Financial Corporation	190,200	5,620,601	**3,670,860**	
National Bank of Canada	58,600	3,277,780	**3,525,376**	
Royal Bank of Canada	72,000	3,557,745	**4,057,920**	
Sun Life Financial Inc.	129,200	5,262,104	**3,897,964**	
The Bank of Nova Scotia	96,400	4,445,245	**4,741,916**	
The Toronto-Dominion Bank	60,000	3,737,356	**3,956,400**	
Total Financials		48,103,347	**45,044,676**	**100.1 %**
Total Canadian Common Shares		$ 48,103,347	$ **45,044,676**	**100.1 %**
OPTIONS				
Written Covered Call Options (100 shares per contract)				
Industrial Alliance Insurance and Financial Services Inc. - January 2010 @ $30	(319)	$ (22,649)	$ **(56,989)**	**(0.1)%**
TOTAL OPTIONS		$ (22,649)	$ **(56,989)**	**(0.1)%**
Adjustment for transaction costs		(33,804)		
TOTAL INVESTMENTS		$ 48,046,894	$ **44,987,687**	**100.0 %**

The notes are an integral part of the Financial Statements.

1. Establishment of the Fund

Top 10 Split Trust (formerly First Premium U.S. Income Trust) (the "Fund") was originally established as an investment trust under the laws of the Province of Ontario on January 22, 1997 under the name First Premium U.S. Income Trust. The Fund began operations on February 4, 1997.

The Manager of the Fund is Mulvihill Fund Services Inc. (the "Manager") and the Fund's investment manager is Mulvihill Capital Management Inc. (the "Investment Manager"). RBC Dexia Investor Services Trust (the "Trustee") is the trustee and acts as custodian of the assets of the Fund.

2. Investment Objectives of the Fund

Until November 30, 2005, the Fund invested in a diversified portfolio consisting primarily of common shares issued by corporations that rank in the top 50 of the Standard and Poor's 100 Index on the basis of market capitalization.

After November 30, 2005, the Fund universe was changed to invest in (i) the six largest Canadian banks and (ii) the four largest Canadian life insurance companies by market capitalization.

The Fund's investment objectives for the Capital Units are to: (i) provide holders of Capital Units, upon redemption, with the benefit of any capital appreciation in the market price of the securities in the Financial Portfolio and (ii) pay quarterly distributions to holders of Capital Units in an amount targeted to be 7.5 percent per annum of the NAV of the Fund. The Fund's investment objectives for the Preferred Securities are to: (i) pay holders of Preferred Securities fixed quarterly cash interest payments equal to 6.25 percent per annum on the $12.50 principal amount of a Preferred Security and (ii) repay the principal amount of $12.50 per Preferred Security on termination of the Fund on March 31, 2011.

To generate additional returns, the Fund may, from time to time, write covered call options in respect of all or part of the securities in the portfolio. In addition, the Fund may write cash covered put options in respect of securities in which the Fund is permitted to invest. Additionally, the Fund may purchase call options with the effect of closing out existing call options written by the Fund and may also purchase put options to preserve the value of the portfolio where appropriate. The Fund may enter into trades to close out positions in such permitted derivatives.

From time to time, the Fund may hold a portion of its assets in cash equivalents.

3. Summary of Significant Accounting Policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("Canadian GAAP"), which include estimates and assumptions by management that may affect the reported amounts of assets, liabilities, income and expenses during the reported periods. Primary estimates include valuation of investments. While management believes that the estimates used in preparing its financial statements are reasonable and prudent, actual results could differ from these estimates.

New Accounting Standards

The Fund has adopted, effective January 1, 2009, Canadian Institute of Chartered Accountants ("CICA") amendments to Handbook Section 3862, "Financial Instruments - Disclosures". The revised disclosure requirements are intended to improve disclosures about fair value and liquidity risk. See additional note disclosures in Note 11.

The Fund has adopted, effective January 1, 2009, EIC-173, "Credit Risk and the Fair Value of Financial Assets and Financial Liabilities" ("EIC-173"). EIC-173 clarifies how the Fund's own credit risk and counterparty credit risk should be taken into account in determining the fair value of financial assets and financial liabilities, including derivatives. Management has completed its analysis and determined that the new guidance did not have material impact on the valuation of the Fund's financial assets and financial liabilities, or its net assets.

The significant accounting policies of the Fund are as follows:

Valuation of Investments

Investments are recorded in the financial statements at their fair value determined as follows:

Securities are valued at fair value, which is determined by the closing bid price on the recognized stock exchange on which the securities are listed or principally traded. If no bid prices are available the securities are valued at the closing sale price.

Short-term investments are included in the statement of investments at their cost. This value, together with accrued interest, approximates fair value at bid price.

Listed options are valued at fair value as reported on recognized exchanges. Over the counter options are valued using the Black-Scholes valuation model.

Transaction Fees

Transaction fees have been expensed as incurred and included in the transaction fees line in the Statement of Financial Operations. Transaction fees are costs that are directly attributable to portfolio transactions which include fees and commissions paid to brokers and dealers.

Investment Transactions and Income

Investment transactions are accounted for on a trade date basis. Realized gains and losses on the sale of investments and change in unrealized appreciation/depreciation of investments are determined on an average cost basis. Realized gains and losses relating to written options may arise from:

(i) Expiration of written options whereby realized gains are equivalent to the premium received;

(ii) Exercise of written covered call options whereby realized gains or losses are equivalent to the premium received in addition to the realized gain or loss from disposition of the related investments at the exercise price of the option; and

(iii) Closing of written options whereby realized gains or losses are equivalent to the cost of purchasing options to close the positions, net of any premium received.

Realized gains and losses related to options are included in gain (loss) on sale of derivatives.

Realized gains and losses relating to purchased put options may arise from:

(i) Expiration of purchased put options whereby realized losses are equivalent to the premium paid;

(ii) Exercise of purchased put options whereby realized gains or losses are equivalent to the realized gain or loss from disposition of the related investments at the exercise price of the option less the premium paid; and

(iii) Sale of purchased put options whereby realized gains or losses are equivalent to the sale proceeds, net of any premium paid.

Option premiums received are reflected as deferred credits in investments so long as the options are outstanding. Any difference resulting from revaluation is included in the change in unrealized appreciation/depreciation of investments. Premiums received on written put options that are exercised are included in the cost of the security purchased.

Dividend income is recorded on the ex-dividend date. Interest income is recorded daily as it is earned.

4. Net Asset Value

The Net Asset Value of the Fund is calculated using the fair value of investments using the close or last trade price ("Net Asset Value"). The Net Assets per unit for financial reporting purposes and Net Asset Value per unit for pricing purposes will not be the same due to the use of different valuation techniques. The Net Asset Value per unit at December 31 is as follows:

	2009	2008
Net Asset Value (for pricing purposes)	**$16.89**	$14.81

5. Unitholders' Equity

On November 21, 2005, unitholders voted in favor of a proposal to restructure the Fund. The restructuring of the Fund resulted in the issuance of Capital Units and Preferred Securities.

The Fund is authorized to issue an unlimited number of transferable, redeemable units of one class representing an equal, undivided beneficial interest in the net assets of the Fund. All Capital Units have equal rights and privileges. Each whole Capital Unit is entitled to one vote at all meetings of holders and is entitled to participate equally with respect to any and all distributions made by the Fund, including distributions of net income and net realized capital gains, and any distributions upon the termination of the Fund after payment of debts and liabilities, including, without limitation, the aggregate Repayment Price of the Preferred Securities, and liquidation expenses of the Fund.

Unit transactions during the year are as follows:

	2009	2008
Units outstanding, beginning of year	**2,962,925**	3,184,078
Units redeemed	**(260,173)**	(221,153)
Units outstanding, end of year	**2,702,752**	**2,962,925**

Capital Units may be surrendered for retraction (either alone or together with a Preferred Security) at least five business days prior to the last business day in a month for payment on or before the fifth business day following such date commencing in January 2006. A holder retracting a Capital Unit alone for the last business day of the month (other than December) in a year will receive the amount by which 95 percent of the combined value exceeds the price paid by the Fund for one Preferred Security in the market and $0.50. A holder who surrenders a Capital Unit together with a Preferred Security for retraction will receive an amount equal to 95 percent of the combined value less $0.50. A holder retracting a Capital Unit alone for the last business day of December (commencing in December 2006) will receive an amount equal to the combined value minus the price paid by the Fund for one Preferred Security in the market. A holder who surrenders a Capital Unit together with a Preferred Security for retraction on the December retraction date will receive an amount equal to the combined value.

Combined value is NAV per Capital Unit plus the principal amount of a Preferred Security and all accrued and unpaid interest on a Preferred Security.

6. Management Fees and Expenses

The Fund is responsible for all ongoing trustee, manager, legal, accounting and audit fees as well as all other expenses incurred by the Trustee and Manager in the ordinary course of business relating to the Fund's operations. The Fund is also responsible for commissions and other costs of portfolio transactions and any extraordinary expenses of the Fund which may be incurred from time to time.

Fees are payable to the Manager under the terms of the trust agreement and to the Investment Manager under the terms of an investment management agreement. The fees were payable at annual rates of 0.10 percent and 1.00 percent respectively of the Fund's total assets, calculated and payable monthly, plus applicable taxes.

The Fund will pay a service fee which will be paid to each dealer whose clients hold Capital Units. The service fee will be calculated and paid at the end of each calendar quarter and will be equal to 0.40 percent annually of the net asset value of the Capital Units held by clients of the dealer.

7. Distributions

The Fund will endeavour (i) to make quarterly distributions to holders of Capital Units in an amount targeted to be 7.5 percent per annum on the Fund's net asset value and (ii) to pay holders of Preferred Securities fixed quarterly cash interest payments of 6.25 percent per annum on the $12.50 principal amount of a Preferred Security.

If after such distributions there would otherwise remain in the Fund additional net investment income or net realized capital gains, the Fund intends to make a special distribution of such portion of the remaining net investment income and net realized capital gains as is necessary to ensure that the Fund will not be liable for income tax thereon under the Income Tax Act (Canada).

The non-taxable distributions received by unitholders reduce the adjusted cost base of the unit for tax purposes.

8. Income Taxes

The Fund is a "mutual fund trust" as defined in the Income Tax Act (Canada) (the "Act"). The Fund is subject to tax in each taxation year under Part I of the Act on the amount of its income for the year, including net realized taxable capital gains, less the portion thereof that it claims in respect of the amount paid or payable to unitholders in the year. Income tax paid by the Fund on any net realized capital gains not paid or payable to unitholders is recoverable by the Fund to the extent and in the circumstances provided in the Act.

Given the investment and distribution policies of the Fund and taking into account expenses, the Fund does not expect to bear any appreciable non-refundable income tax.

No amount is payable on account of income taxes in 2009 or 2008.

Accumulated non-capital losses of approximately $15.0M (2008 - $16.8M) and capital losses of approximately $67.9M (2008 - $62.6M) are available for utilization against net investment income and realized gains on sale of investments, respectively, in future years. The capital losses can be carried forward indefinitely. The non-capital losses expire as follows:

Expiration Date	Amount
2010	$ 2.8
2014	3.9
2015	1.2
2026	4.7
2028	1.0
2029	1.4
Total	**$ 15.0**

Issue costs of approximately $0.9M (2008 - $1.8M) remain undeducted for tax purposes at year-end.

9. Transaction Fees

Total transaction fees paid for the year ended December 31, 2009 in connection with portfolio transactions were $64,529 (2008 - $35,400). Of this amount $10,200 (2008 - $16,473) was directed for payment of trading related goods and services.

10. Capital Disclosures

CICA Handbook Section 1535, "Capital Disclosures" requires the disclosure of (i) an entity's objectives, policies and processes for managing capital; (ii) quantitative data and qualitative information about what the entity regards as capital; (iii) whether the entity has complied with any capital requirements; and (iv) if it has not complied, the consequences of such non-compliance. The Fund's objectives, policies and processes are described in Note 2, information on the Fund's unitholders' equity is described in Note 5 and Note 7 and the Fund does not have any externally imposed capital requirements.

11. Financial Instruments and Risk Management

The Fund's financial instruments consist of cash, investments, receivables, payables and certain derivative contracts. As a result of the amendments to CICA Handbook Section 3862, "Financial Instruments – Disclosures", the Fund uses a three-tier hierarchy as a framework for disclosing fair value based on inputs used to value the Fund's investments. The hierarchy of inputs is summarized below:

(1) Level 1 - for unadjusted quoted prices in active markets for identical assets or liabilities,

(2) Level 2 - for inputs, other than quoted prices included in Level 1, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices), and

(3) Level 3 - for inputs that are based on unobservable market data.

The following is a summary of the inputs used as of December 31, 2009 in valuing the Fund's investments and derivatives carried at fair values:

	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Short-Term Investments	$ –	$ 4,219,142	$ –	$ 4,219,142
Canadian Common Shares	45,044,676	–	–	$ 45,044,676
Options	–	(56,989)	–	$ (56,989)
Total Investments	**$ 45,044,676**	**$ 4,162,153**	**$ –**	**$ 49,206,829**

As a result, the Fund is exposed to various types of risks that are associated with its investment strategies, financial instruments and markets in which it invests. The most important risks include other price risk, liquidity risk, interest rate risk and credit risk.

These risks and related risk management practices employed by the Fund are discussed below:

Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or segment. The Fund's most significant exposure to other price risk arises from its investments in equity securities. Net Assets per unit varies as the value of the securities in the Fund varies. The Fund has no control over the factors that affect the value of the securities in the Fund including factors that affect all of the companies in the banks and life insurance industries. The Fund's market risk is managed by taking a long-term perspective and utilizing an option writing program.

Approximately 99 percent (2008 - 60 percent) of the Fund's net assets, excluding the Preferred security liability, held at December 31, 2009 were publicly traded equities. If equity prices on the exchange increased or decreased by 10 percent as at December 31, 2009, the net assets, excluding the Preferred Security liability, of the Fund would have increased or decreased by $4.5M (2008 - $2.7M) respectively or 9.9 percent (2008 - 6.0 percent) of the net assets, excluding the Preferred Security liability, all other factors remaining constant. In practice, actual trading results may differ and the difference could be material.

The Fund may from time to time write covered call options in respect of all or part of the common shares in the Fund. In addition, the Fund may write cash covered put options in respect of securities in which the Fund is permitted to invest. The Fund is subject to the full risk of its investment position in securities that are subject to outstanding call options and those securities underlying put options written by the Fund, should the market price of such securities decline. In addition, the Fund will not participate in any gain on the securities that are subject to outstanding call options above the strike price of such options. The Fund may also purchase put options. The Fund has full downside risk on invested positions which may be partially mitigated by the use of purchased put options. The risk to the Fund with respect to purchased put options is limited to the premiums paid to purchase the put options.

Liquidity Risk

Liquidity risk is the possibility that investments in the Fund cannot be readily converted into cash when required. To manage this risk, the Fund invests the majority of its assets in investments that are traded in an active market and can be easily disposed of. In addition, the Fund aims to retain sufficient cash and short-term investments to maintain liquidity and to meet its obligations when due. Liabilities are payable within one year, except the preferred securities liability which matures on March 31, 2011 (see Note 5).

Cash is required to fund redemptions. Unitholders must surrender units at least 5 business days prior to the last day of the month and receive payment on or before 5 business days following the month end valuation date. Therefore the Fund has a maximum of 10 business days to generate sufficient cash to fund redemptions mitigating liquidity issues.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of a financial instrument. The financial instruments which potentially expose the Fund to interest rate risk are the short term fixed income securities. The Fund has minimal sensitivity to change in rates since securities are usually held to maturity and are short-term in nature.

Credit Risk

The Fund is subject to the credit risk that its counterparty (whether a clearing corporation, in the case of exchange traded instruments, or other third party, in the case of over-the-counter instruments) may be unable to meet its obligations. The Fund manages these risks through the use of various risk limits and trading strategies.

The credit risk is mitigated by dealing with counterparties that have a credit rating that is not below the level of approved credit ratings as set out in National Instrument 81-102.

The following are the credit ratings for the counterparties to derivative financial instruments that the Fund dealt with during the year, based on Standard & Poor's credit ratings as of December 31, 2009:

Dealer	Long-Term Local Currency Rating	Short-Term Local Currency Rating
Canadian Dollar		
Bank of Montreal	A+	A-1
Canadian Imperial Bank of Commerce	A+	A-1
Citigroup Inc.	A	A-1
National Bank of Canada	A	A-1
Royal Bank of Canada	AA-	A-1+
The Toronto-Dominion Bank	AA-	A-1+

The following are credit ratings for the counterparties to derivative instruments that the Fund dealt with during the prior year, based on Standard & Poor's credit rating as of December 31, 2008:

Dealer	Long-Term Local Currency Rating	Short-Term Local Currency Rating
Canadian Dollar		
Bank of Montreal	A+	A-1
Canadian Imperial Bank of Commerce	A+	A-1
Citigroup Inc.	A	A-1
National Bank of Canada	A	A-1
Royal Bank of Canada	AA-	A-1+
The Toronto-Dominion Bank	AA-	A-1+

The following is the credit rating for short-term investments held by the Fund based on Standard & Poor's credit ratings as of December 31, 2009:

Type of Short-Term Investment	Rating	% of Short-Term Investments
Banker's Acceptances	A-1	54%
Government of Canada Treasury Bills	AAA	46%
Total		**100%**

The following are credit ratings for short-term investments held by the Fund based on Standard & Poor's credit ratings as of December 31, 2008:

Type of Short-Term Investment	Rating	% of Short-Term Investments
Government of Canada Treasury Bills	AAA	100%
Total		**100%**

The carrying amount of these investments represents their maximum credit risk exposure, as they will be settled in the short term.

12. Future Accounting Policy Changes

The Fund is required to adopt International Financial Reporting Standards ("IFRS") for the year beginning on January 1, 2011. The IFRS compliant financial statements will be on a comparative basis.

Mulvihill Capital Management Inc.

Mulvihill's Hybrid Income Funds are exchange-traded, equity-based funds that are enhanced by virtue of their broad distribution, special structure and performance characteristics. The Hybrid Income Funds are prime examples of our customized approach to asset management.

MULVIHILL HYBRID INCOME FUNDS	SYMBOL	HIGH	LOW
		For the period January 1, 2009 to December 31, 2009	
UNIT TRUSTS			
Core Canadian Dividend Trust	CDD.UN	$ 7.39	$ 4.80
First Premium Income Trust	FPI.UN	$ 12.22	$ 10.06
Gold Participation and Income Fund	GPF.UN/GPF.WT	$ 12.25/$ 0.50	$ 10.12/$ 0.21
Premier Canadian Income Fund	GIP.UN	$ 6.71	$ 4.06
Top 10 Canadian Financial Trust	TCT.UN	$ 10.87	$ 7.27
SPLIT SHARES			
MCM Split Share Corp.	MUH.A/MUH.PR.A	$ 1.79/$14.95	$ 0.07/$12.00
Premium Income Corporation	PIC.A/PIC.PR.A	$ 5.48/$15.20	$ 1.42/$10.87
S Split Corp.	SBN/SBN.PR.A	$ 8.85/$10.66	$ 3.03/$ 7.77
Top 10 Split Trust	TXT.UN/TXT.PR.A	$ 4.17/$13.10	$ 0.89/$ 8.61
World Financial Split Corp.	WFS/WFS.PR.A	$ 3.98/$ 9.95	$ 1.29/$ 6.58
PRINCIPAL PROTECTED FUNDS			
Government Strip Bond Trust	GSB.UN	$ 24.95	$ 22.90
Mulvihill Pro-AMS RSP Split Share Corp.	SPL.A/SPL.B	$ 9.60/$18.55	$ 7.60/$17.00
Pro-AMS U.S. Trust	PAM.UN	$ 24.62	$ 23.10

Board of Advisors

John P. Mulvihill
Chairman & President,
Mulvihill Capital Management Inc.

Sheila S. Szela
Vice President, Finance & CFO,
Mulvihill Capital Management Inc.

Michael M. Koerner[1]
Corporate Director

Robert W. Korthals[1]
Corporate Director

Robert G. Bertram[1]
Corporate Director

[1] *Independent Review Committee Member*

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Visit our website at www.mulvihill.com for additional information on all Mulvihill Hybrid Income Funds.

Hybrid Income Funds
Managed by Mulvihill Structured Products

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Core Canadian Dividend Trust
First Premium Income Trust
Gold Participation and Income Fund
Premier Canadian Income Fund
Top 10 Canadian Financial Trust

SPLIT SHARES

MCM Split Share Corp.
Premium Income Corporation
S Split Corp.
Top 10 Split Trust
World Financial Split Corp.

PRINCIPAL PROTECTED FUNDS

Government Strip Bond Trust
Mulvihill Pro-AMS RSP Split Share Corp.
Pro-AMS U.S. Trust

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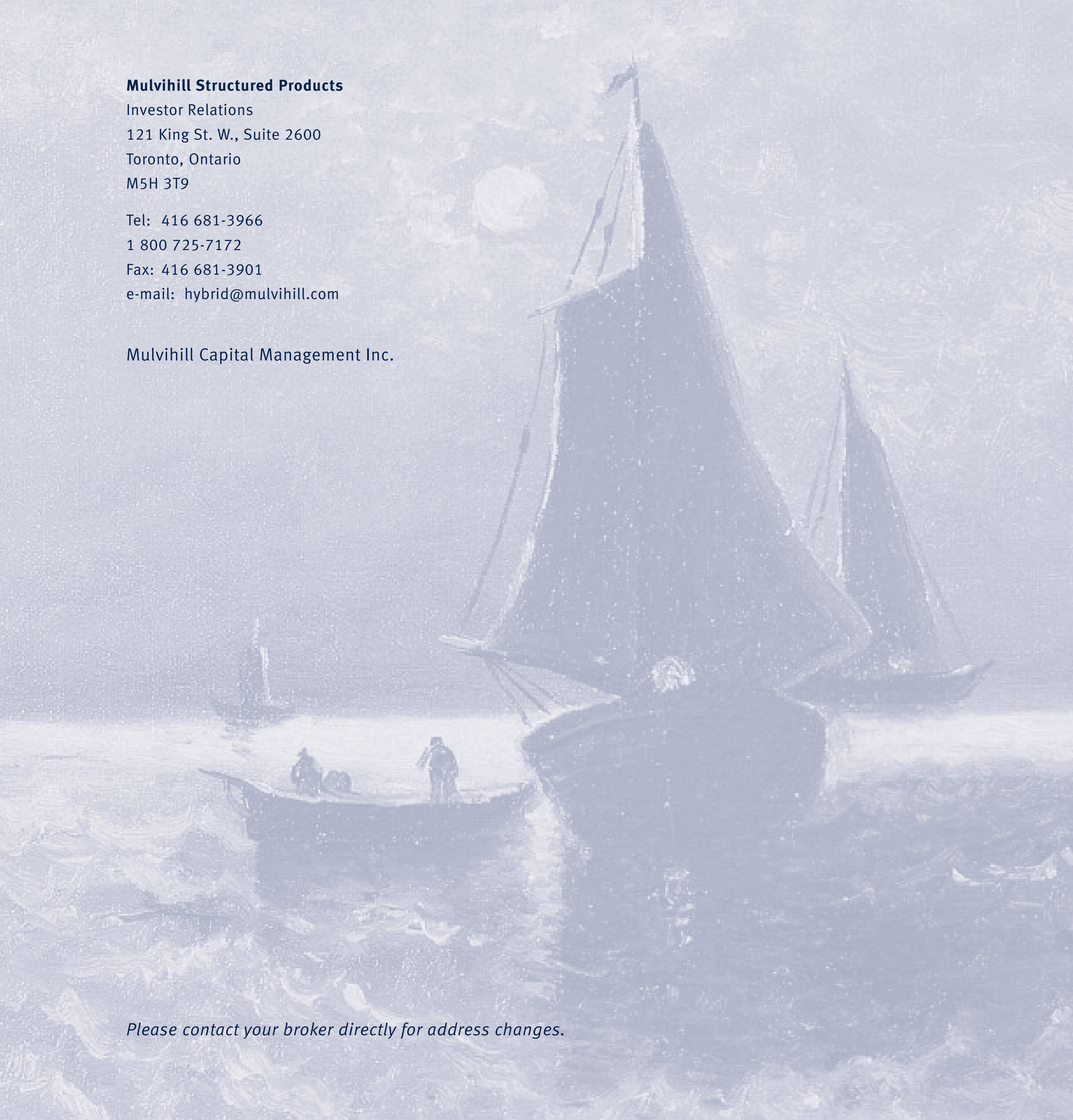

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