

Investment Review Committee
PIE Portfolio Index Evolution Corporation
R.N. Croft Financial Group Inc.
Meeting of July 26, 2011

Present: Gordon Pape (chairman)
Tom Slee (member)
David Paterson (member)
Richard Croft (president and portfolio manager, R.N. Croft Financial Group)
Mark Taucar (vice-president and portfolio manager, R.N. Croft Financial Group)
Christopher Croft (compliance officer, R.N. Croft Financial Group)

The meeting was called to order at 11.05 a.m.

1. It was determined that a quorum was present and the meeting was duly constituted.
2. Richard Croft informed the committee that he has assumed portfolio management responsibility for the Alternative Strategies Fund.
3. Mr. Taucar gave the committee an overview of the performance of the funds, net positions, and portfolio mixes as of June 30, 2011. Documentation was provided for review. Total assets were reported as \$53 million.
4. Mr. Taucar advised the IRC that there have been no changes in the portfolio allocations or in the benchmarks used.
5. Mr. Taucar reported no conflicts of interest that required IRC attention.
6. In accordance with the minutes of the meeting of April 26, 2011, Mr. Taucar informed the committee that no cross trades were conducted during the period.
7. As part of an overall corporate compliance review, it was agreed that the charter of the IRC would be examined at the next meeting to ensure it meets all required standards.
8. The next meeting is scheduled for October 26, 2011 at 11 a.m. at the offices of Croft Financial Group.
9. The meeting adjourned at 11.40 a.m.

Gordon Pape
Chairman

Investment Review Committee
PIE Portfolio Index Evolution Corporation
R.N. Croft Financial Group Inc.
Meeting of April 26, 2011

Present: Gordon Pape (chairman)
Tom Slee (member)
David Paterson (member)
Mark Taucar (vice-president and portfolio manager, R.N. Croft Financial Group)
Christopher Croft (director of compliance, R.N. Croft Financial Group)

The meeting was held by conference call and commenced at 11.00 a.m.

1. It was determined that a quorum was present and the meeting was duly constituted.
2. Mr. Taucar gave the committee an overview of the performance of the funds, net positions, and portfolio mixes as of March 31, 2011. On-line documentation was provided for review. Total assets were reported as \$53.8 million.
3. Mr. Taucar advised the IRC that there have been no changes in the portfolio allocations or in the benchmarks used.
4. Mr. Taucar reported no conflicts of interest that required IRC attention.
5. The IRC was asked to approve a cross trades policy for the PIE Funds as required by National Instrument 81-107. Mr. Croft and Mr. Taucar advised the IRC that a policy had been developed at the request of the Ontario Securities Commission (OSC) and duly submitted as part of the audit process. The IRC was advised that cross trades would only be done between PIE Funds in cases where it would be advantageous to investors. No cross trades would be done with third parties. Mr. Taucar said that no cross trades have been executed to date and that the use of such trades would be extremely limited. After discussion and several questions from committee members, the IRC approved the policy as presented by Croft Financial Group to the OSC. This approval is limited to trades between PIE Funds and the IRC asked that it be provided with full reports on any cross trades that are executed.
6. The next meeting is scheduled for July 26, 2011 at 11 a.m. at the offices of Croft Financial Group.

7. The meeting adjourned at 11.40 a.m.

Gordon Pape
Chairman

2010 Independent Review Committee Report to Security Holders
PIE Portfolio Index Evolution Corporation
Croft Financial Group
Jan. 23, 2011

Dear Investor,

This is the second annual report of the Independent Review Committee (IRC) of the PIE Portfolio Index Evolution Corporation ("the PIE Share Classes"). The Committee was created in compliance with National Instrument 81-107, *Independent Review Committee for Investment Funds* ("NI 81-107") issued by the Canadian Securities Administrators.

The mandate of the IRC is to review conflict of interest matters identified and referred to the Committee by the Croft Financial Group ("the Manager") in respect of the PIE Share Classes. A conflict of interest would be deemed to arise if the interests of the Manager and those of the security holders were not necessarily the same.

Specifically, the PIE Share Classes are:

PIE Canadian Equity Fund
PIE US Equity Fund
PIE International Equity Fund
PIE Emerging Markets Equity Fund
PIE Alternative Strategies Fund
PIE Income Fund

The members of the IRC were appointed effective Sept. 16, 2008 for three-year terms. The Committee consists of:

Gordon K. Pape – Toronto ON (chair)
Tom Slee – Toronto ON
David Paterson – Toronto ON

All IRC members are experienced in financial and investment matters. No IRC members beneficially own, directly or indirectly, any securities of any person or company that provides services to the Manager.

Compensation for committee members is set by the Manager. During the reporting period, total compensation amounted to \$17,500. No indemnities were paid to IRC members during the period.

Subsequent to their appointment, the IRC members adopted a written charter that includes its mandate, responsibilities, policies and procedures.

The Manager held an orientation session for Committee members at which time an overview of the business and the requirements of NI 81-107 were discussed.

The PIE Share Classes were officially opened to investors on November 4, 2008. The IRC held three meetings during the period covered by this report, on Feb. 18, July 29, and Oct. 26, 2010. All members were present at each meeting.

During the period, no conflict of interest situations were referred to the IRC by the Manager. The IRC received in-depth briefings of the activities of the Manager and the PIE Share Classes as well as complete financial and performance reports. Where appropriate, IRC members offered comments and recommendations. The Committee is pleased to report that all questions were answered to the complete satisfaction of the members and that any recommendations were acted on.

The Committee looks forward to a continued positive relationship with the Manager.

Respectfully submitted this 23rd day of January, 2011.

Gordon Pape (chair)
Tom Slee
David Paterson

Investment Review Committee
PIE Portfolio Index Evolution Corporation
R.N. Croft Financial Group Inc.
Meeting of Oct. 26, 2010

Present: Gordon Pape (chairman)
Tom Slee (member)
David Paterson (member)
Mark Taucar (vice-president and portfolio manager, R.N. Croft Financial Group)

The meeting commenced at 2.00 p.m.

1. The chairman determined that a quorum was present and the meeting was duly constituted.
2. Mr. Taucar gave the committee an overview of the performance of the funds, net positions, and portfolio mixes.
3. Mr. Taucar advised that the committee's recommendation that the S&P/TSX Composite Index be used as the benchmark for the PIE Alternative Strategies Fund has been adopted and is in place.
4. Mr. Taucar reported no conflicts of interest that required attention.
5. Mr. Taucar recommended that future committee meetings be held via conference call. It was agreed to try this on a test basis for the next meeting.
6. Mr. Taucar proposed posting the minutes of IRC meetings on the PIE Funds website. This was unanimously agreed to.
7. The next meeting is scheduled for Jan. 31, 2011 at 11 a.m.
8. The meeting adjourned at 2.30 p.m.

Gordon Pape
Chairman

Investment Review Committee
PIE Portfolio Index Evolution Corporation
R.N. Croft Financial Group Inc.
Meeting of Feb. 18, 2010

Present: Gordon Pape (chairman)
Tom Slee (member)
David Paterson (member)
Richard Croft (president, R.N. Croft Financial Group)
Mark Taucar (vice-president and portfolio manager, R.N. Croft Financial Group)
Christopher Croft

The meeting commenced at 10.00 a.m.

1. The chairman determined that a quorum was present and the meeting was duly constituted.
2. Richard Croft advised the committee that he had no conflicts of interest that required attention.
3. Mr. Croft advised the committee that all financial reports and other documentation relating to the 2009 fiscal year can be viewed at the piefunds.com website.
4. Mr. Croft reported that the value of assets in the funds stood at \$41 million at year-end.
5. Mark Taucar reported that the funds are in compliance with new rules relating to the reporting of performance results
6. Mr. Taucar advised the committee that a decision had been reached to discontinue the use of the iShares S&P/TSX 60 ETF and to instead replicate the index through the use of stocks. It is estimated this will reduce costs by 10 bp and increase dividends.
7. The next IRC meeting is to be held in the second quarter. Date to be determined.
8. The meeting adjourned at 10.25 a.m.

Gordon Pape
Chairman

Investment Review Committee
PIE Portfolio Index Evolution Corporation
R.N. Croft Financial Group Inc.
Meeting of April 7, 2009

Present: Gordon Pape (chairman)
Tom Slee (member)
David Paterson (member)
Richard Croft (president, R.N. Croft Financial Group)
Mark Taucar (vice-president and portfolio manager, R.N. Croft Financial Group)
Kathy Quinn (president, Croft Capital Management)

The meeting commenced at 10.30 a.m.

1. The chairman determined that a quorum was present and the meeting was duly constituted.
2. Mark Taucar reported on the status of the funds, explained the rebalancing approach, and reviewed the covered call writing philosophy.
3. Kathy Quinn provided the committee with details of the funds' administration and tabled several reports for the IRC to review. These included the Quarterly Performance Review, the Annual Management Reports of Fund Performance, Financial Statements to Dec. 31/08, and Portfolio Valuations as of April 6/09.
4. The IRC report for the period to Dec. 31/08 was submitted by the committee chairman.
5. Richard Croft advised the IRC that none of the funds' activities constituted a potential conflict of interest that would require the committee's attention.
6. The next IRC meeting is to be held on a date to be determined.
7. The meeting adjourned at 11.30 a.m.

Gordon Pape
Chairman

Investment Review Committee
PIE Portfolio Index Evolution Corporation
R.N. Croft Financial Group Inc.
Meeting of Dec. 1, 2008

Present: Gordon Pape (chairman)
Tom Slee (member)
David Paterson (member)
Richard Croft (manager)
Mark Toucar (manager)

The meeting commenced at 11.15 a.m.

1. The chairman determined that a quorum was present and the meeting was duly constituted.
2. Richard Croft reviewed the role of the IRC, noting that the primary function of the committee is to advise on potential conflict of interest situations that are referred to the committee by the manager. He indicated he expects such references to be minimal in view of the nature of the portfolios.
3. Richard Croft explained the workings of the fund in detail and responded to questions from IRC members.
4. The next IRC meeting was tentatively set for March, date to be determined.
5. The meeting adjourned at 12.20 p.m.

A handwritten signature in blue ink, appearing to be 'Gordon Pape', written in a cursive style. The signature starts with a large loop on the left and extends to the right with a long, thin stroke.

Gordon Pape
Chairman

PIE Portfolio Index Evolution Corporation

REPORT FROM THE INDEPENDENT REVIEW COMMITTEE

On September 16, 2008, R. N. Croft Financial Group Inc. (the “**Manager**”) appointed the first members of the independent review committee (“**IRC**”) of the Funds (as described below), as required under *National Instrument 81-107 – Independent Review Committee for Investment Funds* (“**NI 81-107**”).

Pursuant to NI 81-107, the IRC is required to provide shareholders of the Funds a report describing the IRC and its activities for the year. The following report describes the IRC, its compensation and indemnities, its shareholdings in the Funds and conflict of interest matters for the period ended December 31, 2008 (the “**Period**”).

Membership and Composition

The IRC consists of three members as initially appointed by the Manager. No member of the IRC has a material relationship with the Funds, the Manager or an entity related to the Manager that could reasonably be perceived to interfere with the member’s judgment regarding a conflict of interest matter.

The following is a list of the current members of the IRC as at the end of the Period:

Name	Residence	Date of Appointment	Other IRC Memberships
Gordon Pape (Chair)	[municipality], ON	September 16, 2008	[None]
Thomas Slee	[municipality], ON	September 16, 2008	[None]
David Paterson	[municipality], ON	September 16, 2008	[None]

There have been no changes to the composition or membership of the IRC during the Period.

Compensation and Indemnities

The initial level of compensation and expenses for the member of the IRC was determined by the Manager and reviewed and accepted by the IRC. As compensation for their role on the IRC, the Manager has determined that each member of the IRC, except the Chair, receives an annual retainer of \$5,000, payable in four quarterly instalments. The Chair of the IRC will receive \$7,500 per annum, payable in four quarterly instalments. These fees, plus associated legal and insurance costs, are allocated among all of the funds managed by the Manager in a manner that is considered by the Manager to be fair and reasonable.

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At least annually, the IRC reviews its compensation giving consideration to the following:

1. the number, nature and complexity of the Funds;
2. the nature and extent of the workload of each member of the IRC, including the commitment of time and energy of each member;
3. industry best practices;
4. the best interests of the Funds;
5. the results of its annual assessment of compensation and effectiveness; and
6. the recommendations of the Manager for compensation payable to the IRC, if any.

The aggregate compensation paid to the IRC members by the Manager was \$• for the Period. No amounts were paid to the IRC members by the Funds under indemnities in their favour during Period.

Share Ownership

The members of the IRC do not own beneficially, directly or indirectly, in aggregate; any class of voting or equity shares of the Corporation; more than 10% of any class of voting securities of any person or company that provides services to the Funds or the Corporation; or more than 10% of the shares of the Funds.

Conflict of Interest Matters

For the Period, no conflict of interest matter was referred to the IRC.

The Manager received the approval and standing instruction with respect to its Policies and Procedures Mutual Fund Conflicts of Interest (the “Conflicts Policy”) from the IRC during the Period.

The standing instruction requires the Manager to comply with the Conflicts Policy and to report periodically to the IRC.

The Funds

- Class A-1 Income
- Class B-1 Canadian Equity
- Class C-1 U.S. Equity
- Class D-1 International Equity
- Class E-1 Emerging Markets Equity
- Class F-1 Alternative Strategies

PIE Portfolio Index Evolution Corporation

This report is respectfully submitted to you on behalf of the Independent Review Committee of the Funds.



Gordon Page

Toronto, Ontario

April 30, 2009

Chair of the Independent Review Committee