

Annual Report of the Independent Review Committee of the Integra Group of Funds

February 15, 2011

IRC Annual Report to: Securityholders in the Integra Group of Funds (the "Funds") as listed at the end of this report

Dear Securityholder,

In accordance with **National Instrument 81-107 *Independent Review Committee for Investment Funds*** ("NI 81-107" or the "Instrument"), the Manager established an Independent Review Committee (the "Committee" or "IRC") for the Funds. The IRC became fully operational on October 22, 2007 and, after that date, has functioned in accordance with the applicable securities laws, including NI 81-107. The IRC is composed of three individuals, each of whom is independent of the Funds, the Manager and each entity related to the Manager (as defined in the Instrument).

Mandate of the IRC

In accordance with the Instrument, the mandate of the IRC is to consider and provide recommendations to the Manager on conflicts of interest to which the Manager may be subject when managing the Funds. The Manager is required under the Instrument to identify potential conflicts of interest inherent in its management of the Funds, develop written policies and procedures guiding its management of those conflicts and request input from the IRC on those written policies and procedures, hereinafter referred to as the Conflict of Interest Matters manual.

When a conflict matter arises, the Manager must refer its proposed course of action in respect of such conflict to the IRC for its review. While certain matters require the IRC's prior approval, in most cases the IRC will provide a recommendation to the Manager as to whether or not, in the opinion of the IRC, the Manager's proposed action provides a fair and reasonable result for the Funds. For recurring conflict of interest matters, the IRC can provide the Manager with Standing Instructions ("SIs") that enable the Manager to proceed with certain matters without having to refer them to the IRC each time for approval, providing the Manager deals with the conflicts in accordance with the SIs.

The IRC is empowered to represent the best interest of the Funds in any matter where the Manager has referred a conflict of interest matter to the IRC. In those cases, it has sought to ensure that the Manager's proposed course of action represents a fair and reasonable result for the Funds.

The IRC is pleased to publish its annual report to the Securityholders, to describe the IRC and its activities during the year ended December 31, 2010 ("the Reporting Period") on behalf of the Integra Funds.

Composition of the IRC

The current members of the IRC, and their principal occupations, are as follows:

<i>Name and Municipality of Residence</i>	<i>Principal Occupation</i>	<i>Term of Office</i>
Chair: Eamonn B.P. McConnell, Toronto, Ontario	Consultant, former Managing Director of Deutsche Bank, Europe and Asia	Three years from April 30, 2010
Michele McCarthy, Toronto, Ontario	President McCarthyLaw Professional Corp.,	Three years from April 30, 2009
W. William Woods, Toronto, Ontario	Consultant, Independent Director, former CEO of Bermuda Stock Exchange	Two years, two months from October 30, 2009

Eamonn McConnell's initial term was for three years from April 30, 2007. His term was renewed on March 3, 2010 for a period of two years and eight months ending December 31, 2012.

There were no other changes in the composition of the IRC during the Reporting Period.

Compensation and Indemnification

Review of Compensation

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

- the nature and extent of the workload of each member of the IRC, including the commitment of time and energy expected from each member;
- the number of meetings required by the IRC including special meetings to consider conflict issues brought to the committee;
- industry best practices, including industry averages and surveys on IRC compensation; and
- the complexity of the conflict issues brought to the IRC.

Members' Fees

In aggregate the IRC members were paid \$50,000 in 2010, plus applicable taxes.

Indemnities Granted

The Funds and the Manager have provided each IRC Member with a contractual indemnity in keeping with NI 81-107. No payments were paid to the IRC Members pursuant to this indemnity by the Funds or the Manager during the Reporting Period.

Disclosure of IRC Members' Holdings

As at December 31, 2010, the IRC Members did not beneficially own, directly or indirectly:

- any units in any of the Funds;
- any interests in the Manager; or
- any interests in a company or person that provides services to the Manager or any Fund.

Recommendations and Approvals

The Committee made no recommendations or approvals during the Reporting Period.

Standing Instructions Approved

The IRC has approved four Standing Instructions (SIs), which constitute a written approval or recommendation from the IRC that permit the Manager to proceed with the specific action(s) set out in the SI on an ongoing basis, without having to refer the conflict of interest matter or its proposed action to the IRC, provided that the Manager complies with the terms and conditions of the SI. In each case, the SI required the Manager to comply with its related policy and procedures and to report periodically to the IRC. The Manager relied on SIs No. 1 and 2 during the Reporting Period.

Standing Instruction No. 1: Omnibus.

This SI deals with a number of conflict of interest matters including:

1. Expenses charged to the Funds policy
2. Expense allocations policy
3. Short-term trading and late trading policy
4. Trade allocations policy
5. Net asset value error correction policy
6. *Other material transaction error Policy*
7. Best execution policy
8. Soft dollar arrangement policy
9. Favouritism policy
10. Proxy voting policy
11. Bringing portfolio management in house policy
12. Changing sub-advisors policy
13. Monitoring Sub-advisors policy
14. Changing service providers policy
15. Employee Personal Trading Policy
16. Sub-advisors personal trading policy
17. Late trading policy
18. Handling complaints policy
19. Service providers related to the Manager policy

Standing Instruction No. 2: Portfolio Pricing Issues: Fair Valuing Securities

Standing Instruction No. 3: Related Party Issues: Inter Fund Trades

Standing Instruction No. 4: Related Party Issues: A Fund Purchases Securities (Whether Debt or Equity) Issued by a Company Related to a Sub-Advisor

Manager's Report on Standing Instructions

In accordance with the Instrument, the Manager provided written reports quarterly to the IRC describing its reliance on any SIs during the Reporting Period.

Funds served by the IRC

Integra Balanced Fund
Integra Bond Fund
Integra Short Term Investment Fund
Integra International Equity Fund
Integra Canadian Value Growth Fund

Analytic Core U.S. Equity Fund
Acadian Core International Equity Fund
Integra U.S. Value Growth Fund
Integra Newton Global Equity Fund
Integra Equity Fund
NWQ U.S. Large Cap Value Fund

This report is available on the Manager's website at <http://www.integra.com> or you may request a copy, at no cost to you, by contacting the Integra Funds at (905)-829-1131 or 1-800-363-2480 or email the Integra Funds at info@integra.com. This document and other information about the Integra Funds, is available on www.sedar.com.

Yours truly,



Eamonn McConnell, Chair

Schedule of IRC Members who sit on IRCs for other Fund Families

Eamonn McConnell serves as a member of the Independent Review Committees for the following funds:

Investment funds that are reporting issuers managed by Sprott Asset Management LP;
Investment funds that are reporting issuers managed by Northwest & Ethical Investments L.P.;
Investment funds that are reporting issuers managed by O'Leary Funds Management L.P.;
Investment funds that are reporting issuers managed by Man Investments Canada Corp.;
Investment funds that are reporting issuers managed by Onex Credit Partners, LLC;
The Goodwood Capital Fund;
Investment funds that are reporting issuers managed by Russell Investments Canada Limited;
and
Investment funds that are reporting issuers managed by Webb Asset Management Canada Inc.

Michele McCarthy serves as a member of the Independent Review Committees for the following funds:

Investment funds that are reporting issuers managed by Northwest & Ethical Investments L.P.;
and
Investment funds that are reporting issuers managed by Educators Financial Group Inc.

W. William Woods serves as a member of the Independent Review Committees for the following funds:

Investment funds that are reporting issuers managed by Sprott Asset Management LP;
The Acker Finley Canada Focus Fund;
Investment funds that are reporting issuers managed by O'Leary Funds Management L.P.;
The Goodwood Capital Fund;
Investment funds that are reporting issuers managed by Russell Investments Canada Limited;
Investment funds that are reporting issuers managed by The International Scholarship Foundation;
Investment funds that are reporting issuers managed by Man Investments Canada Corp.;
Investment funds that are reporting issuers managed by Onex Credit Partners, LLC; and
Investment funds that are reporting issuers managed by Webb Asset Management Canada Inc.