



PIE INTERNATIONAL EQUITY FUND

Quick Facts

Inception date	November 4, 2008
Management fee	Maximum 1.80%
Portfolio Manager	R.N. Croft Financial Group Inc.
Distributions	Annually, as specified in the prospectus
Fund codes	Series A: TCG443; Series F: TCG543; Series I: TCG643

Series A at Dec. 31, 2009	
NAVPS	\$10.47
Returns*	
3-Mo.	0.6%
6-Mo.	3.2%
1-Yr.	-1.7%
Inception	4.4%

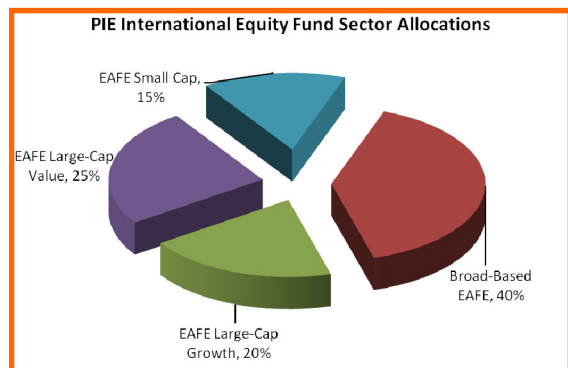
What does the Fund invest in?

The Fund aims to invest in a cross-section of stocks within Europe, Australasia and the Far East (EAFE). The fund will hold a position in the iShares MSCI EAFE Index Fund, which represents a basket of large-cap EAFE stocks. The Fund will also tilt the portfolio by holding value and growth exchange-traded funds (ETFs) and a small-cap ETF, as determined by the Fund's manager. The Fund will rebalance periodically to maintain the targeted investment mix. The Fund may also sell covered options to generate internal tax-advantaged cash flow and to reduce the risk of holding EAFE equities during certain adverse market cycles.

Top holdings

iShares MSCI EAFE Index Fund exposure	40%
iShares MSCI EAFE Value Index Fund	25%
iShares MSCI EAFE Growth Index Fund	20%
iShares MSCI EAFE Small Cap Index Fund	15%
As at Dec. 31, 2009	

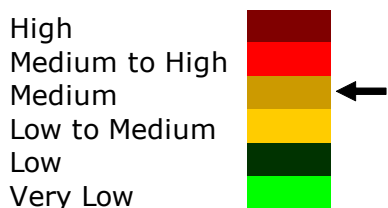
What is the Fund's investment mix?



Who is this Fund for?

The Fund is designed to be the international equity component within a portfolio mandate. As such, the percentage invested in this Fund may vary depending on the investor's objectives and risk tolerance within the context of his or her portfolio mix. Generally, this Fund should appeal to medium-risk investors seeking capital appreciation, with some dividend income.

How risky is the Fund?

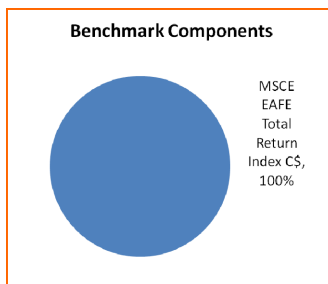


How much does it cost to buy the Fund?

The PIE International Equity Fund is generally offered as a no-load fund. This means that typically, there is no upfront cost to acquire the Fund. Your advisor may negotiate a front-end commission with you for initial purchase of the Fund. The Fund prospectus allows your advisor to negotiate a front-end commission as high as 5% of the initial purchase value. On a \$1,000 deposit, the maximum upfront charge would be \$50.00. The front-end charge is deducted from the purchase price and paid to your advisor. If you invest \$1,000.00 and agree to a front-end fee of \$50.00, your initial investment into the Fund would equal \$950.00.

Fund Benchmark Index

The performance of each PIE Fund is compared with an appropriate benchmark index. The PIE International Equity Fund benchmark is the MSCI EAFE Index Total Return C\$. In a total return index dividends and interest income are reinvested – that is, the income is used to buy additional units of the benchmark. These returns* are for illustrative purposes only. The returns do not take into account the potential or risk associated with the covered option writing strategy or fund rebalancing.



Quarterly Commentary

Eurozone markets were rattled late in the fourth quarter by Dubai's debt payment delay and by the downgrade of the creditworthiness of Greece's sovereign debt. The events sent year-end jitters through the European bourses as fears spread that fiscal troubles in Portugal, Ireland, Italy, and Spain might prompt similar sovereign debt downgrades in those countries. The euro fell against the US dollar, giving up most of its advance over the fourth quarter.

Although the eurozone emerged from recession in the third quarter, the recovery remained fragile through the fourth quarter. Industrial production remained weak, and indeed fell 0.6% in October from September, the first such drop since March. Germany's credit crisis worsened and manufacturing orders dropped 2.1% in the month. Meanwhile, eurozone bank lending remained weak as household lending fell in October at a record-breaking pace. Inflationary pressures remained subdued, advancing at an annual rate of only 0.8% in December, up from 0.3% in November. The European Central Bank left its key rate unchanged at 1%. And in the United Kingdom, stronger readings in manufacturing activity were offset by a contraction in the services sector in the three months ending Oct. 30. A rising budget deficit, however, put downward pressure on UK bond prices (bond prices move inversely to interest rates), as Moody's Investors Services indicated a debt downgrade may be in the offing.

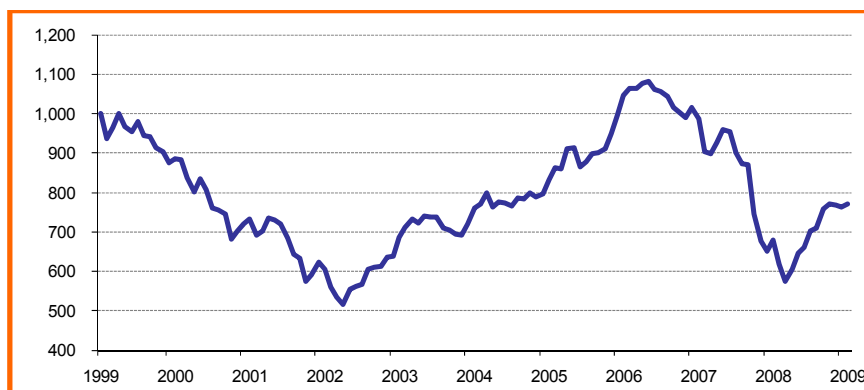
Despite strong third-quarter growth, Japan continued to wrestle with strong deflationary pressures, as November's core consumer price index dipped 1.7% from a year earlier. Against a backdrop of weak consumer demand and rising fiscal deficits, the unemployment rate crept up to 5.2% in November from 5.1% the previous month. In an attempt to prevent a double-dip recession, Japan's new government announced an US\$80 billion stimulus package, while the Bank of Japan planned to inject a further ¥10 trillion in the financial system through low-interest loans.

In Australia, a booming resource sector fuelled by Asian demand and climbing household income have underpinned a rebound in business confidence and resulted in surging employment growth. As inflation concerns make a comeback, the Reserve Bank of Australia raised interest rates by 25 basis points for the third consecutive month in December, to 3.75%.

Concerns over the sustainability of a recovery in the eurozone dampened performance of the Fund's key holding of the iShares MSCI EAFE Index Fund (NYSE: EFA). EFA slipped 1.3% (in C\$) quarter over quarter, but gained 5.3% for the year (in C\$). Growth style holdings also contributed to Fund performance, as holdings of the iShares MSCI EAFE Growth Index Fund (NYSE: EFG) gained 1.8% in the quarter and 3.6% for the year (in C\$). The value style lagged in the fourth quarter, as the iShares MSCI EAFE Value Index Fund (NYSE: EFV) dropped 4.0% in the period, but advanced 6.1% for the year overall (all in C\$). The iShares MSCI EAFE Small Cap Index Fund (NYSE: SCZ) posted a 3.7% quarterly loss in the final quarter but rose 13.8% on the year (in C\$).

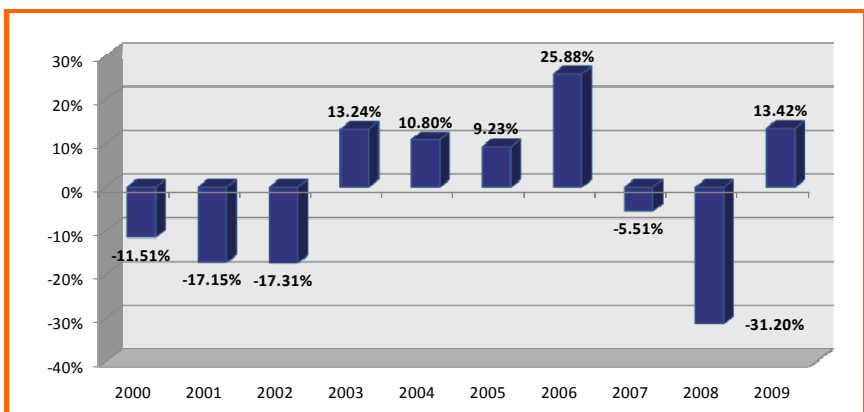
December 31, 2009

PIE International Equity Fund Benchmark Cumulative Returns



As at Dec. 31, 2009

PIE International Equity Fund Benchmark Annual Returns



As at Dec. 31, 2009

10-Year Benchmark Statistics

Compound Annual Return	-2.56%	Average % Up	3.04%
Annual Standard Deviation	14.03%	Average % Down	-3.20%
Sharpe Ratio	-0.22	Number of Up Months	59
Maximum % Up	7.52%	Number of Down Months	61
Maximum % Down	-14.45%		

*All metrics as at December 31, 2009, for Series A funds. Performance is not guaranteed. Portfolio values change frequently, and past performance may not be repeated. Performance data have not been audited and are for illustrative purposes only. Benchmark performance is based on returns adjusted for fees at a rate of 1% per annum. A complete listing and description of the firm's composites are available upon request. Portfolios of all sizes were included in calculating returns. Valuations and performance results are reported in Canadian dollars. Portfolio returns are net of all withholding taxes. Performance is also calculated net transaction fees. Additional information regarding calculating and reporting performance is available upon request. The Fund is offered by prospectus by PIE Portfolio Index Evolution Corporation, which is related, connected, and managed by R.N. Croft Financial Group Inc., which also acts as investment advisor to the Fund.