



R.N. Croft Financial Group Inc.

The Active Management Portfolio Program

Class D-3 Income Share

Objective and strategy

The objective of the Class D-3 Income Share is to generate a stable stream of income by investing in four major segments of the financial markets. These include, but are not limited to, fixed-income, guaranteed investment certificates (GICs), convertible bonds, exchange traded bond funds, cash, dividend-paying stocks, American Depositary Receipts (ADRs), preferred and convertible preferred shares, income trusts and ETFs.

Managers may write covered call options on all or part of the securities in its portfolio to the extent such securities are held directly, or in respect of securities that the Share Class has the right or obligation to acquire under forward contracts or other derivative instruments. The managers may also, from time to time, buy puts to hedge against downside market movements, write puts to acquire shares, or buy calls as a stock replacement strategy. Managers may from time to time use leverage to a maximum of 50% in the aggregate (at the time of incurring leverage) of the Share Class's gross asset value.

Benchmark

The benchmark for this Share Class is the Merrill Lynch Canadian Broad Bond Index.

Liquidity

The Share Class is available for withdrawal and is not subject to any deferred sales charges. Transactions in the Share Class occur only when the net asset value (NAV) is calculated, every Wednesday.

Reporting

The price of the Share Classes is reported on the R.N. Croft Financial Group Inc website at www.croftgroup.com. In addition, on a weekly basis, the holdings of the Share Class are posted on the Croft website. Investors may view their pro-rata ownership of the underlying securities of the Share Class by accessing the Corporate Class Platform area of the website and using the calculator feature at www.croftgroup.com/products/pools.asp. Clients must select the Share Class and number of shares owned to view contents of the portfolio.

Top holdings

	Symbol	Security	Weight
Income	XDV	ISHARES DJ CDA SL DIV ETF	8.81%
Cash	1CAD	ACCOUNT BALANCE CAD	8.58%
Real Estate	XRE	ISHARES SP/TSX CP REIETF	7.68%
Income	XSB	ISHARES DEX S/T BOND ETF	6.86%
Income	XBB	ISHARES DEX UNIV BOND ETF	6.08%
Real Estate	REI.UN	RIOCAN R/ESTATE INV T/U	5.67%
Income	XCB	ISHARES DEX ALL CP BD ETF	4.89%
Equity	BCE	BCE INC	3.99%
Income	TD.PR.R	TD BK N/C 5.6%-A SR-R 1PF	3.49%
Income	BMO.PR.H	BK OF MTL N/C PFD-B SR-5	3.38%

As at July 29, 2011

Costs and Fees

Portfolio Management Expense Ratio 0.500%

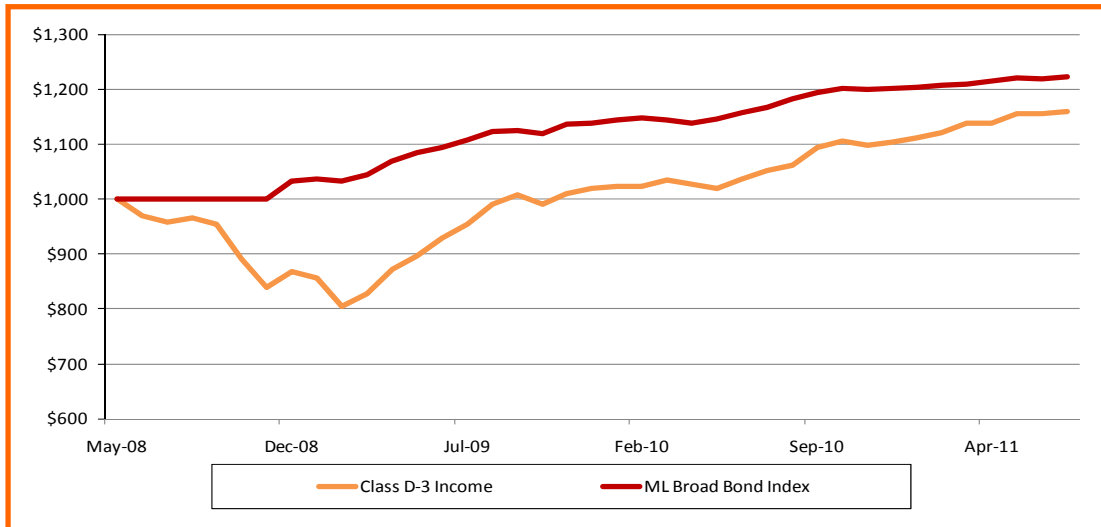
Please refer to the Offering Memorandum for the Active Management Portfolio Program for further fee disclosure. The Offering Memorandum is available on the Croft website at www.croftgroup.com or by contacting R.N. Croft Financial Group Inc.



Suitability and risk profile

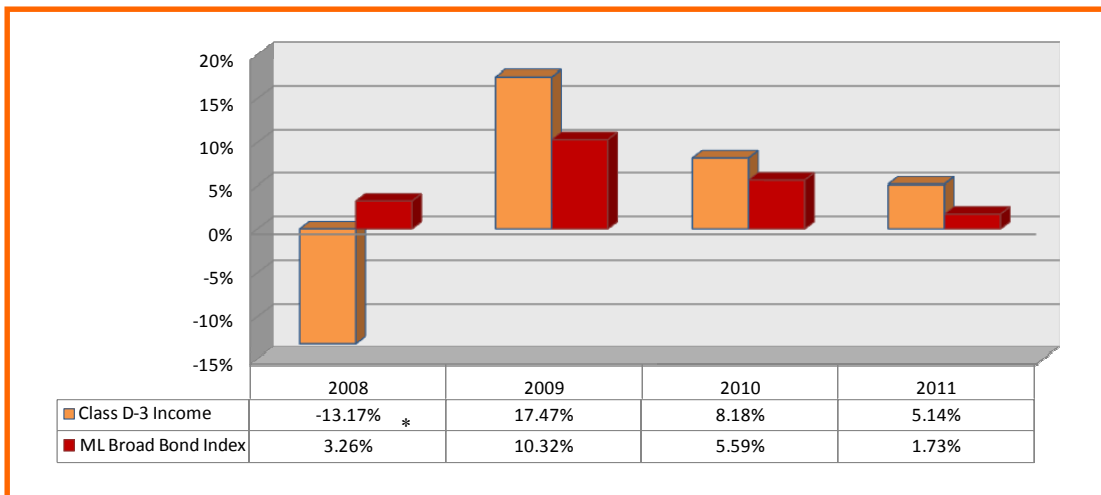
This Share Class is suitable for income investors seeking dividends with below-average equity volatility risk. Investors seeking to use this Share Class will typically have an intermediate time horizon of four or more years and have the ability to withstand a drop of 20% in their equity portfolios.

Class D-3 Income vs Benchmark Cumulative Returns



As at July 29, 2011

Annual Returns



As at July 29, 2011

Time Horizon 4 years +

This is a higher-risk portfolio with an intermediate time horizon. Lower volatility in this portfolio should decrease risk of capital loss, allowing for withdrawals.

Portfolio Statistics

Returns	Portfolio	Benchmark
1-month	0.45%	0.41%
3-months	1.88%	0.70%
6-months	4.39%	1.65%
1-year	10.17%	4.81%
3-year	3.28%	1.58%
Since inception* (compounded)	4.80%	6.58%
Annual standard deviation	8.94%	2.71%
Sharpe Ratio 1-year	0.40	1.96
Maximum up month	5.34%	3.26%
Maximum down month	-6.63%	-0.49%

*May 31, 2008

DISCLAIMER & NOTES

Portfolio Management services provided by R.N. Croft Financial Group Inc. All metrics as at 07/29/2011. Performance is not guaranteed. Portfolio values change frequently, and past performance may not be repeated. Performance is based on actual returns to 7/29/2011 net of embedded management and operating fees and transaction costs, but not adjusted for any account or relationship manager fees. Portfolio returns are net of all withholding taxes. Performance data have not been audited and are for illustrative purposes only. R.N. Croft Financial Group Inc. is a licensed Portfolio manager serving individual and institutional clients throughout Canada. Valuations and performance results are reported in Canadian dollars. Additional information regarding calculating and reporting performance is available upon request. Please contact R. N. Croft Financial Group, 218 Steeles Ave. East, Thornhill, ON L3T 1A6, Telephone: 905-695-7777 or Toll Free: 1877-289-2884

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