



R.N. Croft Financial Group Inc.

# The Active Management Portfolio Program

## Class F-3 Morris Financial Balanced Growth Share

### Objective and strategy

The Class F-3 Morris Financial Balanced Growth Share aims to strike a balance between Canadian enhanced income strategies and long-term capital appreciation by seeking exposure to moderate risk through a combination of long-term capital growth and high current income.

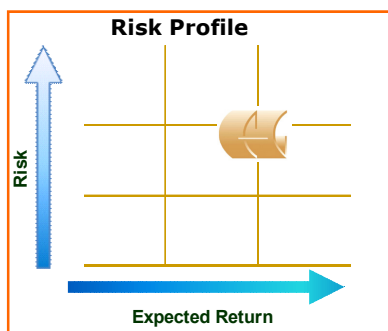
Managers may write covered call options on all or part of the securities in its portfolio to the extent such securities are held directly, or in respect of securities that the Share Class has the right or obligation to acquire under forward contracts or other derivative instruments. The managers may 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 Croft RealWorld Balanced Index, which is based on the FPX Balanced Index, adjusted for a 1% management fee.

### 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.



### Suitability and risk profile

This Share Class is suitable for balanced investors seeking growth with moderate to above-average equity volatility risk. Investors seeking to use this Share Class are medium-term investors with a time horizon of 10 or more years. Suitable investors are those that have the ability to withstand a 25% drop in the value of their portfolios.

### Top holdings

	Symbol	Security	Weight
Income	CBO	CLAYM 1-5Y LAD CRP BD ETF	13.90%
Income	CPD	CLAYMORE S&P CDN PFD ETF	13.89%
Real Estate	XRE	ISHARES SP/TSX CP REIETF	7.12%
Income	CDZ	CLAYM S&P/TSX CDN DIV ETF	6.98%
Income	CLF	CLAYM 1-5Y LAD GOV BD ETF	6.94%
Cash	1CAD	ACCOUNT BALANCE CAD	2.67%
Equity	FR	FIRST MAJESTIC SILVER CRP	2.64%
Equity	SLF	SUN LIFE FINANCIAL INC	2.57%
Equity	LULU	LULULEMON ATHLETICA INC	2.28%
Equity	PJC.A	JEAN COUTU GRP-A SV	2.00%

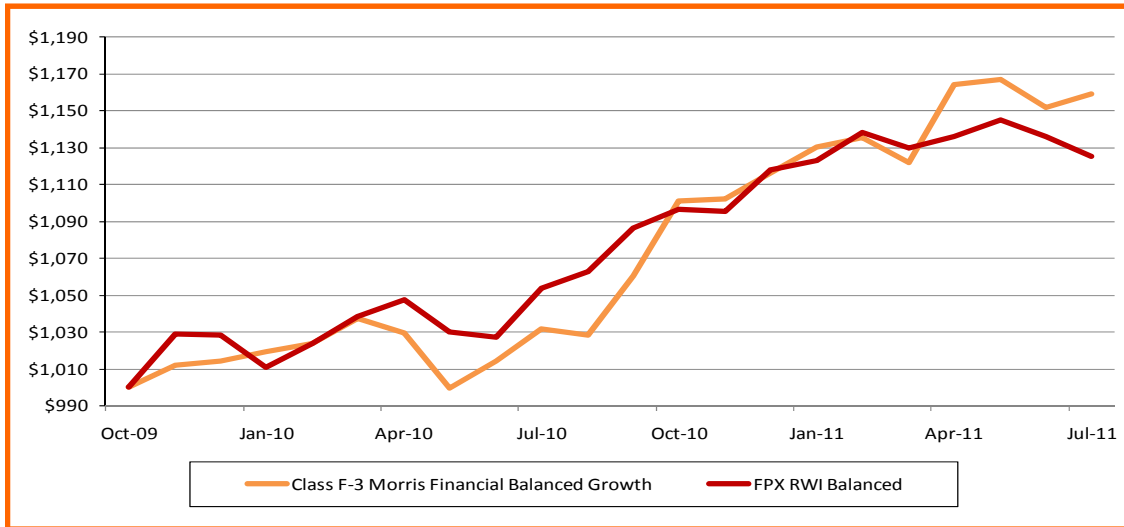
As at July 29, 2011

### Costs and Fees

#### Portfolio Management Expense Ratio 0.750%

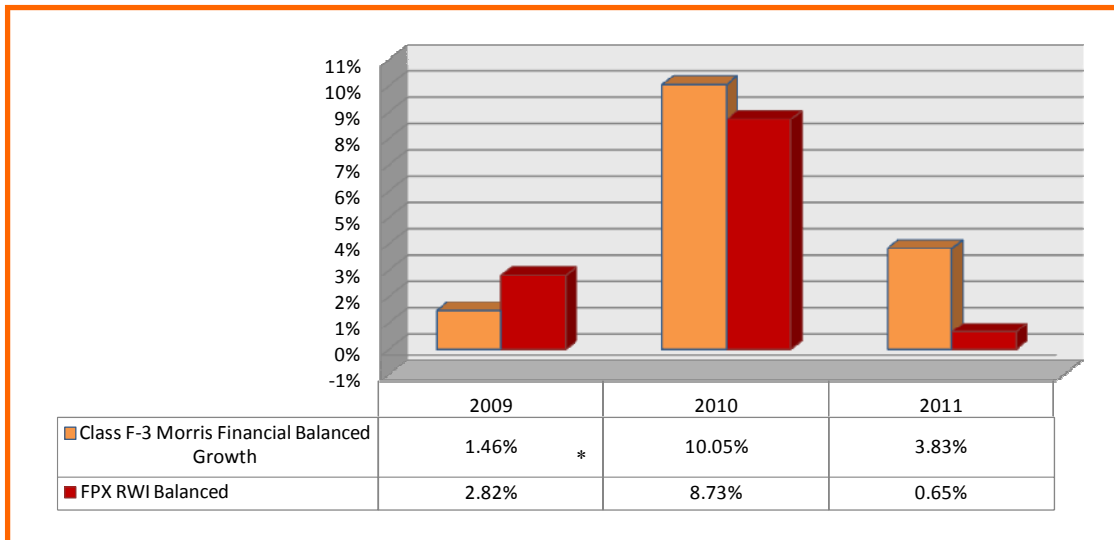
Please refer to the Offering Memorandum for the Active Management Portfolio Program for further fee disclosure. The Offering Memorandum is available on the Croft website at [www.croftgroup.com](http://www.croftgroup.com) or by contacting R.N. Croft Financial Group Inc.

# Class F-3 Morris Financial Balanced Growth vs Benchmark Cumulative Returns



As at July 29, 2011

## Annual Returns



As at July 29, 2011

### Time Horizon 10+ years

This is a higher-risk portfolio with a longer time horizon. Moderate volatility in this portfolio may increase the risk of capital loss, discouraging early withdrawals.

### Portfolio Statistics

#### Returns

	Portfolio	Benchmark
1-month	0.63%	-0.96%
3-months	-0.41%	-0.96%
6-months	2.55%	0.20%
1-year	12.36%	6.77%
Since inception* (compounded)	8.81%	6.97%
Annual standard deviation	5.58%	4.55%
Sharpe Ratio	1.35	1.26
Maximum up month	3.79%	2.92%
Maximum down month	-2.87%	-1.66%

\* Oct. 31, 2009

### 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