



Integra U.S. Value Growth Fund Annual Management Report of Fund Performance As at December 31, 2009

This annual report of fund performance contains financial highlights but does not contain the complete annual financial statements for the investment fund. You may request a copy of the annual financial statements at no cost, by calling 1-800-363-2480, by writing to us at Integra Capital Limited (“Integra”), 2020 Winston Park Drive, Suite 200, Oakville ON L6H 6X7 or by visiting our website at www.integra.com or the SEDAR website at www.sedar.com.

Security holders may also contact us using one of these methods to request a copy of the investment fund’s proxy voting policies and procedures, proxy voting disclosure record, or portfolio disclosure relation to the investment fund.

Management Discussion of Fund Performance

Investment Objective and Strategies

The Integra U.S. Value Growth Fund seeks to achieve long-term investment returns through a portfolio of U.S. stocks which are sufficiently diversified to minimize investment risk. To achieve this objective, the Fund invests in shares of medium to large-capitalized companies based in the United States. The Fund invests primarily in American corporations with a minimum market capitalization of U.S. \$1 billion. The Fund may hold up to an aggregate of 20% in cash or cash equivalents. In addition, the Fund may invest in American Depository Receipts trading on recognized U.S. stock exchanges.

The Fund is a multi-managed/multi-style portfolio, which combines a “bottom-up value” approach with a “bottom-up growth” process.

The “bottom-up value” investment team uses a value-oriented research intensive approach of individual stock selection. The team identifies securities which are temporarily undervalued for reasons which it can understand. It implements a large cap value strategy by constructing portfolios which reflect all three traditional value characteristics: Price/Earnings and Price/Book ratios below the market and Dividend Yields above the S&P 500 index.

The “bottom-up growth” investment team uses fundamental research to identify U.S. high quality growth companies with the capability to produce above average growth in earnings, cash flow and return on equity. The team focuses on corporations with a proven history of growth. It attempts to build portfolios with price multiples below those of the Russell 1000 Growth Index.

The Fund may enter into securities lending transactions. Securities lending transactions will be used in conjunction with the Fund’s other strategies in an appropriate manner to achieve the Fund’s investment objectives.

Risk

Most of the Fund’s assets will be invested in common shares issued by U.S. companies. As a result, the Fund is exposed to stock market risk and specific issuer risk. As the Fund is investing in foreign securities it will also be subject to foreign security risk and currency risk.

The Fund may also invest in American Depository Receipts and would therefore be exposed to ADR risk.

The Fund may participate in securities lending. Accordingly, it may be subject to securities lending risks.

As of December 31, 2009, there was one unitholder holding approximately 54% of the outstanding units of the Fund. The purchase or redemption of a substantial number of securities of a Fund may require the manager to change the composition of the Fund’s portfolio significantly or may force the Fund’s sub-advisor to buy or sell investments at unfavourable prices, which can affect the Fund’s return.

Integra U.S. Value Growth Fund

Management Discussion of Fund Performance—continued

Results of Operations

For the quarter, six-month and one-year periods ended December 31st, the Fund gained 4.3%, 10.2% and 8.8%, respectively. In comparison, the Fund's benchmark (90% Russell 1000 Index plus 10% Dex 91-day Treasury Bill Total Returns Index) returned 3.3%, 10.0% and 8.3% in the same periods. All of the returns are presented in Canadian dollar terms.

The first nine weeks of 2009 looked like a continuation of 2008, which was the worse year for the U.S. stock market since 1937. However, the pervasive fear amongst investors suddenly evaporated in early March only to be replaced by the acceptance of risk. From its March lows, the S&P 500 index rose 65% by the end of the year in U.S. Dollar terms.

During the first three months of 2009, nearly half the trading days featured daily moves of greater than +/-2%. Thereafter, volatility settled down and investors' emotions did not run as high.

There was tremendous dispersion within the American stock market in 2009. The Information Technology, Materials and Consumer Discretionary sectors had returns ranging between 23% and 38%. These business groupings tend to be the most economically sensitive. On the other hand, four of the ten sub-indices within the market: Telecom Services, Utilities, Consumer Staples and Financial Services, the more defensive sectors, all lost money in Canadian dollar terms.

Value stocks trailed growth stocks over the year. Furthermore, companies that did not pay dividends and did not generate positive earnings were the best performers amongst U.S. equities.

With respect to the Fund's strong relative performance, stock selection in the Energy and Financial Services sectors proved beneficial. Particular stocks in these business groups that did well included American Express, Occidental Petroleum and Spectra Energy. Other stocks that did exceedingly well over the past year were Cognizant Technology, a leading provider of outsourced data processing, TJX Co., the leading retailer of off-price merchandise, Intuitive Surgical, the manufacturer of robotic surgical apparatus and Priceline. Conversely, stock selection in the Information Technology area hurt performance when compared to the Fund's benchmark. Nokia was the major drag amongst the IT holdings. The company has been dealing with a combination of weak end demand, volatile currencies and increased levels of competition in the high and low ends of the market. Other relatively weak performers in the Fund were Psychiatric Solutions and Kansas City Southern.

Fund expenses vary period over period mainly as the result of changes in average Net Asset Values and investment activity. Custodial fees decreased year over year largely due to the full year's benefit of a new fee schedule negotiated with the Fund's custodian in late 2008. Additionally, Operating expenses were also lower during 2009.

Recent Developments

Although the global recession ended during the summer of 2009, the outlook for the economic recovery appears mixed. Developed economies, restrained by the consequences of both property and credit bubbles, are likely to grow at rates meaningfully below those of prior economic recoveries.

In past market cycles, low quality leadership begins to wane after about six to nine months. The most important determinant in the equity market outlook is likely to be corporate earnings. Actual profits mattered less in the robust returns of 2009, yet in the coming year and those to follow, as the economic recovery progresses, the environment is likely to see a return where corporate earnings matter. Stocks are now trading at approximately their historical levels in terms of average price/earnings multiples. Recent additions to the Fund include Emergency Medical Services, an operator of ambulance transports, Direct TV Group, Medtronic, which manufactures device-based medical therapies such as cardiac pacemakers and implantable defibrillators, Raytheon and Waddell & Reed Financial.

Caution Regarding Forward-looking Statements

This report may contain forward-looking statements about the Fund, including its strategies and expected performance. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to potential future events or market and economic conditions.

In addition, any statement that may be made concerning future performance, strategies or prospects and possible future Fund action, is also a forward-looking statement. Forward-looking statements are based on current expectations and projections about future events and are inherently subject to risks, uncertainties and assumptions about the Fund and capital market and economic factors.

Integra U.S. Value Growth Fund Management Discussion of Fund Performance—continued

Caution Regarding Forward-looking Statements - *continued*

Forward-looking statements are not guarantees of future performance, and actual events and results may differ materially from those expressed or implied in any forward-looking statements made by the Fund. A wide range of factors may contribute to these variances, including general economic, geopolitical and market influences in Canada or globally, interest rates and currencies, capital markets, technology innovations, regulations and catastrophic events.

Investors are encouraged to consider these and other factors including their own investment objectives carefully before making any investment decisions and are urged to avoid placing undue reliance on forward-looking statements.

Additionally, investors should be aware that the Fund has no specific intention to update any forward-looking statements whether as a result of new information and future events, prior to the release of the next Management Report on Fund Performance.

Related Party Transactions

Manager, Portfolio Manager and Transfer Agent

The Fund is managed by Integra. Integra provides or arranges for the provision of all general management and administrative services rendered by the Fund in its day-to-day operations, including providing or arranging the provision of investment advice and record-keeping services for the Fund.

As a result of providing investment advisory and management services, Integra is entitled to receive a monthly fee from investors in the Fund.

Integra U.S. Value Growth Fund

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past 5 years. This information is derived from the Fund's audited annual financial statements.

Integra U.S. Value Growth Fund					
	2009	2008	2007	2006	2005
Net Asset Value, Beginning of Year	\$6.03	\$8.07	\$8.95	\$8.04	\$7.70
Adjustment for New Accounting Standards	(0.04)	(0.01)	—	—	—
Net Assets, Beginning of Year	\$5.99	\$8.06	\$8.95	—	—
Increase (Decrease) From Operations:					
Total revenue	0.11	0.21	0.23	0.13	0.11
Total expenses	(0.03)	(0.02)	(0.02)	(0.02)	(0.03)
Realized gains (losses) for the year	(0.29)	(0.83)	0.25	-	0.14
Unrealized gains (losses) for the year	0.79	(1.28)	(1.06)	0.88	0.20
Total Increase (Decrease) From Operations ⁽¹⁾	\$0.58	(\$1.92)	(\$0.60)	\$0.99	\$0.42
Distributions:					
From income (excluding dividends)	(0.09)	(0.19)	(0.21)	(0.03)	(0.07)
From dividends	—	—	—	—	—
From capital gains	—	—	(0.02)	—	—
Return of capital	(0.05)	—	—	—	—
Total Annual Distributions ⁽²⁾	(\$0.14)	(\$0.19)	(\$0.23)	(\$0.03)	(\$0.07)
Net Asset Value, End of Year	\$6.41	\$5.99	\$8.06	\$8.95	\$8.04
Ratios and Supplemental Data (Based on Trading NAV)					
Net asset values(000's)	\$49,702	\$45,210	\$65,175	\$75,016	\$60,995
Number of units outstanding	7,740,484	7,499,282	8,080,446	8,384,263	7,582,320
Management expense ratio (%)	2.47%	2.39%	2.31%	2.38%	2.44%
Management expense ratio before waivers or absorptions (%)	2.47%	2.39%	2.31%	2.38%	2.44%
Portfolio turnover rate (%) ⁽³⁾	29.35%	46.35%	23.33%	22.46%	37.63%
Trading expense ratio (%) ⁽⁴⁾	0.07%	0.13%	0.05%	0.06%	0.10%

Supplementary information to the Financial Highlights calculations are based on the following:

1. Net asset and distributions are based on the actual number of units outstanding at the relevant time.
The increase/decrease from operations is based on the weighted average number of units outstanding over the year.
2. Distributions were paid in cash/reinvested in additional units of the Fund, or both.
3. The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.
4. The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average Net Asset Values during the year.

Management Fees

The Fund pays no management fees to Integra. For management services provided to them by Integra, clients of Integra will pay an investment management fee directly to Integra, as set out in their agreement with Integra. The amount of the investment management fee is negotiable between the client and Integra.

*The maximum annual management fee before GST (expressed as a % of assets under management by Integra) payable by the client to Integra for the Integra U.S. Value Growth Fund is 1.95%. Accordingly, the Management Expense Ratio includes this maximum annual management fee.

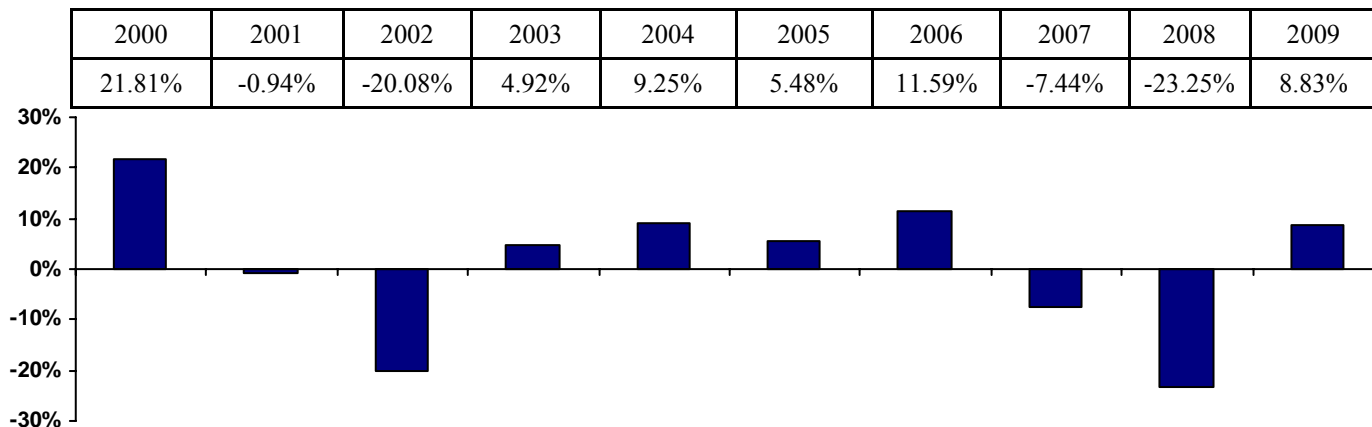
Integra U.S. Value Growth Fund

Past Performance

Fund Inception - July 24, 1998 (Prior to this date, the Fund was a non-public mutual fund)

Year-by-Year Returns

The following bar chart shows the investment fund's annual performance for each of the years shown, and illustrates how the investment fund's performance was changed from year to year. In percentage terms, the bar chart shows how much an investment made on the first day of each financial year would have grown or decreased by the last day of each financial year.



Annualized Returns

This table shows the fund's historical annualized returns for the period ending December 31, 2009.

Annualized Returns	Past 1 year	Past 3 years	Past 5 years	Past 10 years
Integra US Value Growth Fund	8.83%	-8.22%	-1.87%	0.06%
Benchmark	8.29%	-7.44%	-1.33%	-2.90%

Benchmark

The U.S. Value Growth Benchmark reflects the market sectors in which the Fund invests and was created by using the assumptions that a portfolio was invested as to 90% in the securities in the Russell 1000 Composite Index and as to 10% in the securities in the Dex 91-day Treasury Bill Total Return Index.

90.0%	Russell 1000 Index
10.0%	Dex 91-day Treasury Bill Total Return Index.

Integra U.S. Value Growth Fund

Summary of Investment Portfolio as at December 31, 2009

Asset Mix

	% of Fund's Net Asset Values
U.S Equities	89.60%
International Equities	7.26%
Cash and Cash Equivalents	3.17%
Other Assets, Net of Liabilities	-0.03%

Sector Mix

	% of Fund's Net Asset Values
Consumer Discretionary	11.48%
Consumer Staples	4.61%
Energy	7.20%
Financials	11.26%
Health Care	16.00%
Industrials	13.63%
Information Technology	17.31%
Materials	2.42%
Telecommunication Services	2.59%
Utilities	3.09%

Top 25 Issuers

(excluding cash equivalents)		% of Fund's Net Asset Values
1	Occidental Petroleum Corp.	1.85%
2	Pfizer Inc.	1.67%
3	Bristol-Myers Squibb Co.	1.65%
4	American Express Co.	1.57%
5	Wellpoint Inc.	1.55%
6	Illinois Tool Works Inc.	1.55%
7	Express Scripts Inc.	1.50%
8	Imperial Tobacco Group	1.46%
9	Philip Morris International Inc.	1.45%
10	Microsoft Corp.	1.40%
11	IBM Corp.	1.38%
12	Hewlett-Packard Co.	1.36%
13	Honeywell International Inc.	1.34%
14	Raytheon Co.	1.34%
15	ConocoPhillips	1.34%
16	Cognizant Technology Solutions Corp	1.29%
17	Wells Fargo & Co.	1.28%
18	Stanley Works (The)	1.27%
19	JPMorgan Chase & Co.	1.23%
20	TJX Cos. Inc.	1.21%
21	Intel Corp.	1.16%
22	AT&T Inc.	1.12%
23	Carnival Corp.	1.10%
24	Fiserv Inc.	1.10%
25	Microchip Technology Inc.	1.08%

Total Fund Net Asset Values \$ 49,701,657

The summary of investment portfolio may change due to ongoing portfolio transactions of the investment fund. The most recent annual report, semi-annual report or quarterly report is available at no cost, by calling 1-800-363-2480, by writing to us at Integra Capital Limited, 2020 Winston Park Drive, Suite 200, Oakville, ON, L6H 6X7 or by visiting our website at www.integra.com.



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