



EDUCATORS

Annual Report of IRC

Annual Report of the Independent Review Committee of the Educators Financial Group Family of Funds

March 22, 2024

Independent Review Committee Annual Report to the Securityholders in the Educators Financial Group of Funds

Dear Securityholders,

In accordance with **National Instrument 81-107 Independent Review Committee for Investment Funds** (*'NI 81-107' or the 'Instrument'*), Educators Financial Group (*the 'Manager'*) established an Independent Review Committee (*the 'Committee' or 'IRC'*) for the Funds in April 2007. The IRC has functioned in accordance with the applicable securities laws and 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*).

The IRC is pleased to publish its annual report to securityholders, covering the period from **January 1, 2023, to December 31, 2023** (*the 'Reporting Period'*).

Mandate of the IRC

In accordance with the Instrument, the mandate of the IRC is to consider and provide decisions to the Manager with regard to any conflicts of interest that the Manager encounters as it manages the Funds. The Manager is required under the Instrument: to identify potential conflicts of interest inherent in its management of the Funds; to develop written policies and procedures guiding its management of those conflicts; and, to request input from the IRC on those written policies and procedures, (hereinafter referred to as the Conflict of Interest Matters manual (*'COIM'*)).

When a conflict matter arises, the Manager must refer its proposed course of action in respect to any conflict to the IRC for its review. The IRC will then provide a decision to the Manager as to whether or not 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 as long as 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 conflict of interest matter that has been referred to by the Manager. In those cases, the IRC seeks to ensure that the Manager's proposed course of action represents a fair and reasonable result for the Funds.

In order to provide certain administrative and record keeping functions and to act as the IRC's independent Secretariat, the IRC has engaged Independent Review Inc. to assist in its duties, in accordance with the provisions of the Instrument and the IRC's written charter.



PLANNING



INVESTING



LENDING

Composition of the IRC

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

Name and Municipality of Residence	Principal Occupation	Term of Office
Ken Thomson, Chair Toronto, Ontario.	President, Monfort Capital Corp.	Initial Appointment: November 29, 2017 Re-appointed in 2022 effective January 1, 2023 for three years
Audrey Robinson Burlington, Ontario	Investment professional, Board Director	Initial Appointment: January 1, 2019 Re-appointed in 2021 effective January 1, 2022 for three years
W. William Woods Toronto, Ontario	Consultant, Lawyer, former CEO of the Bermuda Stock Exchange, Independent Director	Initial Appointment: December 8, 2016 Re-appointed in 2022 effective January 1, 2023 for two years

Members' Fees

In aggregate, the IRC members were paid \$57,500 plus applicable taxes during the Reporting Period. The Manager also paid \$25,000 plus applicable taxes to Independent Review Inc. during the Reporting Period.

Compensation and Indemnification

Review of Compensation

The IRC reviews its compensation annually, considering 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.

The IRC determined that no changes were required in its compensation.

Indemnities Granted

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

Disclosure of IRC Members' Holdings

As of December 31, 2023, the IRC Members did not beneficially own (*directly or indirectly*):

- Any units in any of the Funds,
- Any interest in the Manager, or,
- Any material interest in a company or person that provides services to the Manager or any Fund.

Decisions and Approvals

The IRC did not provide any decisions or approvals during the Reporting Period.

Standing Instructions Approved

The IRC has approved three (3) Standing Instructions ("SIs"). The Manager can proceed with the specific action(s) set out in an SI 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 SIs. The SIs required the Manager to comply with its related policy and procedures and to report periodically to the IRC.

Standing Instruction No. 1: Omnibus.

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

1. Soft-dollar arrangements
2. Best execution
3. Participation in new issues underwritten by affiliated dealers
4. Allocation of investment opportunities
5. Trade error policy
6. Proxy voting procedures
7. Security valuation policies
8. Personal trading by the money managers
9. Personal trading by the Manager
10. Confidentiality policy
11. Expense allocation

Standing Instruction No. 2: Related Party Issues: Securities of a Related Issuer

Standing Instruction No. 3: Related Party Issues: Related Underwritings

Manager's Report on its Standing Instructions

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

Funds served by the IRC

Educators Monitored Aggressive Portfolio
Educators Monitored Balanced Portfolio
Educators Monitored Conservative Portfolio
Educators Monitored Growth Portfolio
Educators Balanced Fund
Educators Bond Fund
Educators Dividend Fund
Educators Growth Fund
Educators Money Market Fund
Educators Monthly Income Fund
Educators Mortgage and Income Fund
Educators U.S. Equity Fund

This report is available on the Manager's website at educatorsfinancialgroup.ca, or you may request a copy (*at no cost to you*) by contacting Educators Financial Group at **416.752.6843** or **1.800.263.9541**, or by emailing Educators Financial Group at info@educatorsfinancialgroup.ca. This document and other information about Educators Financial Group's Funds are available on www.sedar.com.

Yours truly,

Signed,

"Ken Thomson"

Ken Thomson, Chair

Schedule of the Independent Review Committees on which the IRC Members Served during 2023

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

Investment funds that are reporting issuers managed by 3iQ.
Investment funds that are reporting issuers, managed by Educators Financial Group Inc.
Investment funds that are reporting issuers, managed by Ninepoint Partners LP.
Investment funds that are reporting issuers, managed by NEI LP.
Investment funds that are reporting issuers, managed by Russell Investments Canada Limited
(resigned effective May 31, 2023)
Investment funds that are reporting issuers, managed by Spartan Fund Management Inc.

Ken Thomson served as a member of the Independent Review Committees for the following funds:

Investment funds that are reporting issuers, managed by Algonquin Capital Corp.
Investment funds that are reporting issuers, managed by Educators Financial Group Inc;
Investment funds that are reporting issuers, managed by Hazelview Securities Inc.
Certain investment funds managed by Goodwood Inc.

Audrey Robinson served as a member of the Independent Review Committees for the following funds

Investment funds that are reporting issuers, managed by Educators Financial Group Inc.
Investment funds that are reporting issuers, managed by Russell Investments Canada Limited
Investment funds that are reporting issuers, managed by Emark Student Corp.
Investment funds that are reporting issuers, managed by Ninepoint Partners LP.