



March 26, 2015

Dear Investor:

The independent review committee of the Marret Funds (the “Marret **IRC**”) was established on May 28, 2009. The role of the Marret IRC is to provide approval or recommendation in respect of conflict of interest matters identified by Marret Asset Management Inc. (“**Marret**”) as the manager of the funds listed in Schedule A to this report (the “**Marret Funds**”).

Marret is responsible for referring to the Marret IRC any matter which a reasonable person could view Marret as having an interest that may conflict with its ability to act in good faith and in the best interest of the Marret Funds. The Marret IRC reviews each such matter and provides its approval or recommendation, having regard to whether the actions proposed by Marret achieve a fair and reasonable result for the Marret Funds.

Marret takes governance and stewardship very seriously and continues to view the IRC as an enhancement to its commitment to unitholders for high standards of operations and governance.

Sharon M. Ranson ceased to be a member of the IRC effective March 31, 2014 and Ms. Mary M. Robertson was appointed as a member of the IRC effective September 25, 2014. The IRC consists of five members who have expertise in a broad range of areas, including the management and oversight of investment funds, accounting and general corporate experience.

During the year, the Marret IRC met on a regular basis, had regular discussions with management, and received appropriate representations regarding conflict matters from the CEO and the Marret Chief Compliance Officer.

The annual Marret IRC review of the effectiveness of Marret’s policies and practices related to conflict matters took note of the fact that: Marret IRC activities had not revealed any issues with the conflict policies or practices; there were no cases of conflict matters not covered by the policies; and that there was no evidence that the policies were not effective. Regular audits of Marret Funds and the internal compliance program have not identified any weaknesses in Marret’s operations that might suggest deficiencies in the conflict policies or processes, nor has the IRC received any direct communication on conflict matters, except for those that have been satisfactorily dealt with by Marret.

The Marret IRC also assessed its own independence, effectiveness and compensation and no changes were identified except as noted below.

Attached is the IRC 2014 Annual Report to Unitholders for the period from January 1, 2014 to December 31, 2014. The Marret IRC is pleased with its continuing operations and found

Marret responsive to questions and suggestions. The Marret management team has made itself available and we are comfortable with their dealings with our committee.

We look forward to continuing to serve you and the Marret Funds.

Stuart P. Hensman
Chair of the Independent Review Committee of the Marret Funds

INDEPENDENT REVIEW COMMITTEE OF THE MARRET FUNDS

2014 Annual Report to Unitholders

MEMBERS OF THE INDEPENDENT REVIEW COMMITTEE OF THE MARRET FUNDS (“MARRET IRC”)

MEMBER OF THE IRC ¹	APPOINTED IN	EXPIRY OF TERM
Stuart P. Hensman Chair of the IRC Toronto, Ontario	2013	2016
William Harding Toronto, Ontario	2013	2016
Christopher M. Hopper ² Toronto, Ontario	2013	2016
Mary M. Robertson Toronto, Ontario	2014	2017
James M. Werry Toronto, Ontario	2013	2016

SECURITY HOLDINGS AND INDEPENDENCE OF THE MARRET IRC

As at December 31, 2014, the members of the Independent Review Committee owned beneficially, directly or indirectly, in aggregate the following securities:

- Any series or class of any Fund: Nil
- Any series or class of securities of the Manager: Nil
- Any series or class of securities of CI Financial Corp., the indirect parent company of the Manager: Nil
- Any securities of any person or company that provides services to any of the Funds or the Manager: Nil

COMPENSATION AND INDEMNITIES

The members of the Marret IRC are entitled to be compensated by the Marret Funds and to be indemnified by the Marret Funds in appropriate circumstances. The aggregate

¹ Each member of the Independent Review Committee is also a member of the Board of Governors and Independent Review Committee of CI Investments Inc.

² Mr. Christopher Hopper is also a director and member of the independent review committee of the VentureLink Fund.

compensation paid to the IRC in respect of all Marret Funds during the most recently completed financial year was \$45,125. Each Marret Fund paid a pro rata share of this compensation.

No indemnities have been paid to members of the Marret IRC by the Marret Funds during the most recently completed financial year.

The compensation of the Marret IRC is set, from time to time, by the Marret IRC, giving consideration to the following:

- (i) the most recent assessment of its compensation;
- (ii) the Manager's recommendation, if any;
- (iii) the number, nature and complexity of the investment funds and fund families for which it acts;
- (iv) the nature and extent of the workload of each member of the Marret IRC, including the commitment of time and energy that is expected from each member;
- (v) industry best practices, including industry averages and surveys on independent review committee compensation;
- (vi) the best interests of the Fund; and
- (vii) such other factors deemed necessary or appropriate.

CONFLICT OF INTEREST MATTERS

- Manager acting without positive recommendation

The Marret IRC is not aware of any instance where, during the most recently completed financial year, the Manager acted in a conflict of interest matter referred to the Marret IRC for which the Marret IRC did not provide a positive recommendation.

- Manager failing to meet condition

The Marret IRC is not aware of any instance, during the most recently completed financial year, where the Manager acted in a conflict of interest matter but did not meet a condition imposed by the Marret IRC in its recommendation or approval.

- Reliance on standing instructions, recommendations and approvals

During the financial year, the Manager relied on the following standing instructions, recommendations and approvals of the Marret IRC:

- a. In September 2014, the Manager advised the Marret IRC of a potential conflict related to the proposed continuation of Marret Investment Grade Bond Fund ("MIG"). The proposed continuation would give rise to a potential conflict of interest

in that the Manager had a pecuniary interest in the continuation of MIG and as such was not able to objectively determine whether it was acting in the best interests of MIG.

The Marret IRC resolved that the decision of the Manager to continue MIG in the manner proposed (a) had been proposed by the Manager free from any influence by any entity related to it and without taking into account any consideration relevant to any other entity related to it; (b) represented the business judgment of management of the Manager, uninfluenced by consideration other than the best interests of MIG; (c) was in compliance with the Manager's written policies and procedures; and (d) achieved a fair and reasonable result for MIG.



SCHEDULE A

Marret High Yield Strategies Fund
Marret Investment Grade Bond Fund
Marret Multi Strategy Income Fund
Marret MSIF Trust