HARVEST
PORTFOLIOS GROUP

US Buyback Leaders Fund

Condensed Interim Financial Statements
(Unaudited)

June 30, 2015

HARVEST
PORTFOLIOS GROUP

US Buyback Leaders Fund

STATEMENT OF FINANCIAL POSITION (Unaudited) As at		June 30, 2015
Assets		
Current assets		
Investments	$	50,157,740
Cash		559,704
Dividends receivable		93,569
		50,811,013
Liabilities		
Current liabilities		
Redemptions payable		87,925
Distributions payable (Note 4)		548,553
Unrealized depreciation on foreign currency forward contracts (Note 6)		650,886
		1,287,364
Net assets attributable to holders of redeemable units		**49,523,649**
Net assets attributable to holders of redeemable units		
Series A	$	46,002,217
Series U (CAD)		3,521,432
Series U (USD)		2,820,643
Number of redeemable units outstanding (Note 4)		
Series A		5,089,882
Series U		311,500
Net assets attributable to holders of redeemable units per unit		
Series A	$	9.04
Series U (CAD)		11.30
Series U (USD)		9.06

The accompanying notes are an integral part of these financial statements.

US Buyback Leaders Fund

STATEMENT OF COMPREHENSIVE LOSS (Unaudited) For the period from March 25, 2015 (commencement of operations) to June 30, 2015		2015
Income		
Net gain (loss) on investments		
Dividends	$	283,070
Net realized gain (loss) on sale of investments		29,027
Net change in unrealized appreciation (depreciation) of investments		(1,211,776)
Net gain (loss) on investments		(899,679)
Net gain (loss) on derivatives		
Net realized gain (loss) on foreign exchange		576,839
Net change in unrealized appreciation (depreciation) of foreign exchange		(649,388)
Net gain (loss) on derivatives		(72,549)
Total income (net)		**(972,228)**
Expenses (Note 5)		
Management fees		115,843
Withholding taxes		43,228
Unitholder reporting costs		25,577
Audit fees		19,183
Transfer agency fees		3,215
Custodian fees and bank charges		14,981
Independent review committee fees		1,849
Filing fees		1,603
Legal fees		28,505
Transaction costs (Note 8)		37,514
Total expenses		**291,498**
Increase (decrease) in net assets attributable to holders of redeemable units	**$**	**(1,263,726)**
Increase (decrease) in net assets attributable to holders of redeemable units - **Series A**	$	(1,174,338)
Increase (decrease) in net assets attributable to holders of redeemable units - **Series U**		(89,388)
Increase (decrease) in net assets attributable to holders of redeemable units per unit - **Series A (Note 4)**	$	(0.23)
Increase (decrease) in net assets attributable to holders of redeemable units per unit - **Series U (Note 4)**		(0.29)

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US Buyback Leaders Fund

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ALL SERIES (Unaudited) For the period from March 25, 2015 (commencement of operations) to June 30, 2015		2015
Net assets attributable to holders of redeemable units beginning of period	**$**	**-**
Increase (decrease) in net assets attributable to holders of redeemable units		(1,263,726)
Redeemable unit transactions		
Proceeds from issue of redeemable units		55,436,463
Cancellation of redeemable units		(581,581)
Agents' fees		(2,910,414)
Cost of issue		(608,540)
Net unitholders' transactions	**$**	**51,335,928**
Distributions to holders of redeemable units		
Net investment income		(548,553)
Total distributions to holders of redeemable units		**(548,553)**
Net assets attributable to holders of redeemable units end of period	**$**	**49,523,649**

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US Buyback Leaders Fund

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS SERIES A (Unaudited) For the period from March 25, 2015 (commencement of operations) to June 30, 2015		2015
Net assets attributable to holders of redeemable units beginning of period	**$**	**-**
Increase (decrease) in net assets attributable to holders of redeemable units	**$**	**(1,174,338)**
Redeemable unit transactions		
Proceeds from issue of redeemable units		51,538,820
Cancellation of redeemable units		(581,581)
Agents' fees		(2,705,788)
Cost of issue		(564,908)
Net unitholders' transactions	**$**	**47,686,543**
Distributions to holders of redeemable units		
Net investment income		(509,988)
Total distributions to holders of redeemable units		**(509,988)**
Net assets attributable to holders of redeemable units end of period	**$**	**46,002,217**

The accompanying notes are an integral part of these financial statements.

US Buyback Leaders Fund

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS SERIES U (Unaudited) For the period from March 25, 2015 (commencement of operations) to June 30, 2015		2015
Net assets attributable to holders of redeemable units beginning of period	**$**	**-**
Increase (decrease) in net assets attributable to holders of redeemable units	**$**	**(89,388)**
Redeemable unit transactions		
Proceeds from issue of redeemable units		3,897,643
Agents' fees		(204,626)
Cost of issue		(43,632)
Net unitholders' transactions	**$**	**3,649,385**
Distributions to holders of redeemable units		
Net investment income		(38,565)
Total distributions to holders of redeemable units		**(38,565)**
Net assets attributable to holders of redeemable units end of period	**$**	**3,521,432**

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US Buyback Leaders Fund

STATEMENT OF CASH FLOWS (Unaudited) For the period from March 25, 2015 (commencement of operations) to June 30, 2015		2015
Operating activities		
Increase (decrease) in net assets attributable to holders of redeemable units	$	(1,263,726)
Add (deduct) items not affecting cash		
Realized gain (loss) on sale of investments		(29,027)
Change in unrealized (appreciation) depreciation of investments		1,211,776
Proceeds from sale of investments		1,472,665
Purchases of investments		(52,813,154)
Net change in non-cash assets and liabilities		557,317
Net cash flow provided by (used in) operating activities		**(50,864,149)**
Financing activities		
Proceeds from redeemable units issued		55,436,463
Cancellation of redeemable units		(493,656)
Agents' fees		(2,910,414)
Issuance costs		(608,540)
Net cash flow provided by (used in) financing activities	**$**	**51,423,853**
Net increase (decrease) in cash during the period		559,704
Cash, beginning of the period		-
Cash, end of the period	**$**	**559,704**
Supplemental disclosure of cash flow information		
Dividends received, net of withholding taxes*	**$**	146,273

*included in operating activities

The accompanying notes are an integral part of these financial statements.

US Buyback Leaders Fund

SCHEDULE OF INVESTMENTS
(Unaudited)
As at June 30, 2015

Number of Shares	Security	Average Cost ($)	Carrying Value ($)	% of Net Assets
	EQUITIES			
	Banking and Other Financial Issuers			
23,500	The Allstate Corporation	2,078,523	1,903,193	3.8
8,400	The Goldman Sachs Group, Inc.	1,986,091	2,189,576	4.4
40,000	The Hartford Financial Services Group	2,094,867	2,075,923	4.2
16,000	The Travelers Companies, Inc.	2,127,522	1,930,803	3.9
		8,287,003	8,099,495	16.3
	Consumer Discretionary Issuers			
26,800	CBS Corporation Cl. B	2,032,176	1,856,945	3.7
25,100	Macy's, Inc.	2,042,501	2,114,246	4.3
20,400	Starwood Hotels & Resorts Worldwide, Inc.	2,104,757	2,065,231	4.2
19,500	Time Warner Inc.	2,082,897	2,127,977	4.3
		8,262,331	8,164,399	16.5
	Energy Issuers			
27,500	Apache Corporation	2,101,826	1,978,575	4.0
24,300	Hess Corporation	2,115,873	2,028,961	4.1
		4,217,699	4,007,536	8.1
	Industrials Issuers			
18,800	Caterpillar Inc.	1,885,237	1,990,798	4.0
18,600	Deere & Company	2,047,464	2,253,614	4.6
9,800	FedEx Corp.	2,043,986	2,084,812	4.2
17,400	Illinois Tool Works Inc.	2,094,324	1,993,957	4.0
13,600	L-3 Communications Holdings, Inc.	2,110,957	1,925,070	3.9
10,300	Northrop Grumman Corporation	2,053,600	2,039,829	4.1
		12,235,568	12,288,080	24.8
	Information Technology Issuers			
74,100	Corning Incorporated	2,059,518	1,825,225	3.7
48,400	Intel Corporation	1,844,653	1,837,826	3.7
27,100	Motorola Solutions, Inc.	2,167,762	1,939,984	3.9
45,500	Netapp Inc.	2,013,758	1,792,749	3.6
142,700	Xerox Corporation	2,241,177	1,895,557	3.9
		10,326,868	9,291,341	18.8
	Materials Issuers			
28,500	CF Industries Holdings, Inc.	2,058,749	2,287,135	4.6
14,000	Monsanto Company	1,998,587	1,863,012	3.8
31,100	The Dow Chemical Company	1,846,420	1,986,767	4.0
37,100	The Mosaic Company	2,136,291	2,169,975	4.4
		8,040,047	8,306,889	16.8
	Total investments	**51,369,516**	**50,157,740**	**101.3**
	Foreign currency forward contracts (Note 6)		**(650,886)**	**(1.3)**
	Other assets less liabilities		**16,795**	**-**
	Net assets attributable to holders of redeemable units		**49,523,649**	**100.0**

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
(Unaudited)

June 30, 2015

1. GENERAL INFORMATION

US Buyback Leaders Fund (the "Fund") is an investment fund established under the laws of the Province of Ontario pursuant to a Declaration of Trust dated February 25, 2015, being the inception date. There was no significant activity in the Fund from the date of inception, February 25, 2015 to commencement of operations on March 25, 2015. On March 25, 2015, the Fund completed an initial public offering of 5,000,000 Series A units at $10.00 per unit for gross proceeds of $50,000,000 and 311,500 Series U units at $10.00 USD per unit for gross proceeds of $3,115,000 USD. On April 23, 2015, an overallotment option was exercised for an additional 153,882 Series A units at a price of $10.00 per unit for gross proceeds of $1,538,820. The address of the Fund's registered office is 710 Dorval Drive, Oakville, Ontario.

The Fund's investment objectives are to provide unitholders with quarterly cash distributions, the opportunity for capital appreciation and provide investors with exposure to select large capitalization U.S. companies that are leaders in terms of share repurchase programs or "buybacks". As part of the investment strategy, the Fund will invest in an equally-weighted portfolio of equity securities of the top 25 ranked US Buyback Leaders that have a market capitalization of at least US$10 billion at the time of investment.

The Fund offered Series A units and Series U units. The Series U units are designed for investors who want to make their investment in U.S. dollars and will not be listed on a stock exchange, but are convertible into Series A Units on a monthly basis.

2. BASIS OF PRESENTATION

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) applicable to the preparation of interim financial statements, including International Accounting Standard 34, Interim Financial Reporting. These condensed interim financial statements were authorized for issue by Harvest Portfolios Group Inc. (the "Manager") on August 20, 2015.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial instruments
The Fund recognizes financial instruments at fair value upon initial recognition, plus transaction costs in the case of financial instruments not measured at fair value through profit or loss (FVTPL). Transaction costs on financial assets and liabilities at FVTPL are expensed as incurred. Regular way purchases and sales of financial assets are recognized at their trade date. The Fund's investments and derivative assets and liabilities are measured at fair value through profit or loss (FVTPL), including investments which have been designated at FVTPL. Derivative assets and liabilities are classified as held-for-trading (HFT). The Fund's obligation for net assets attributable to holders of redeemable units is presented at the redemption amount. All other financial assets and liabilities are measured at amortized cost. Under this method, financial assets and liabilities reflect the amount required to be received or paid, discounted, when appropriate, at the contract's effective interest rate. Carrying values of other financial assets and liabilities at amortized cost approximate their fair values due to the short term to maturity. The Fund's accounting policies for measuring the fair value of its investments and derivatives are identical to those used in measuring its net asset value (NAV) for transactions with unitholders. As at June 30, 2015, there were no differences between the Fund's NAV per security and its net assets per security calculated in accordance with IFRS.

Fair value of investments and derivatives
Investments and derivatives that are traded in an active market are valued at their closing prices through recognized public stock exchanges or through recognized investment dealers on the valuation date. The Fund uses the last traded market price that falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on specific facts and circumstances. Investments held are represented by equities. Derivatives held include foreign currency forward contracts.

Investments and derivatives held that are not traded in an active market are valued using valuation techniques, on such basis and in such a manner established by the Manager. The value of any security for which, in the opinion of the Manager, the published market quotations are not readily available shall be the fair value as determined by the Manager. The fair values of certain securities may be determined using valuation models that are based, in part, on assumptions that are not supported by observable market inputs. These methods and procedures may include, but are not limited to, performing comparisons with prices of comparable or similar securities, obtaining valuation related information from issuers and/or other analytical data relating to the investment and using other available indication of value. These values are independently assessed internally to ensure that they are reasonable. However, because of the inherent uncertainty of valuation, the estimated fair values for the aforementioned securities and interests may be materially different from the values that would be used had a ready market for the security existed. The fair values of such securities are affected by the perceived credit risks of the issuer, predictability of cash flows and length of time to maturity.

Classification of redeemable units
Under IFRS, IAS 32 requires that units or shares of an entity which include a contractual obligation for the issuer to repurchase or redeem them for cash or another financial asset be classified as a financial liability unless certain criteria are met. In addition to the annual redemption at 100% of NAV, the Fund's units are redeemable at 95% of their market price monthly. As a result, the Fund's units contain multiple contractual obligations and are presented as financial liabilities as they do not meet the criteria for classification as equity.

Cash
Cash is comprised of cash on deposit.

Investment transactions and income recognition
Net realized gain (loss) on investments and net change in unrealized appreciation (depreciation) on investments are determined on an average cost basis. Dividend income is accounted for on the ex-dividend date.

Allocation of income and expense, and realized and unrealized capital gains and losses
Management fees directly attributable to a series are charged to that series. The Fund's shared operating expenses, income, and realized and unrealized capital gains and losses are generally allocated proportionately to each series based upon the relative net assets attributable to holders of redeemable units of each series.

Foreign currency translation
The Fund's subscriptions and redemptions are predominately denominated in Canadian dollars which is also the Fund's functional and presentation currency. Purchases and sales of investments denominated in foreign currencies and foreign currency dividend and interest income are translated into Canadian dollars at the rate of exchange prevailing at the time of the transactions. Realized and unrealized foreign currency gains or (losses) on investments are included in the Statement of Comprehensive Loss in "Net realized gain (loss) on sale of investments" and "Net change in unrealized appreciation (depreciation) of investments", respectively. Realized and unrealized foreign currency gains or losses on assets, liabilities, and income, other than investments denominated in foreign currencies, are included in the Statement of Comprehensive Loss in "Net realized gain (loss) on foreign exchange" and "Net change in unrealized appreciation (depreciation) of foreign exchange", respectively. Foreign currency assets and liabilities in the Statement of Financial Position are translated into Canadian dollars on the statement date.

Foreign currency forward contracts
The Fund will enter into foreign currency forward contracts to hedge against exposure to foreign currency fluctuations. The fair value of these contracts is based on the difference between the contract rate and current market rate for the underlying currency at the measurement date applied to the contract's notional amount and adjusted for counterparty risk. Upon closing of a contract, the gain or loss is recorded as a net realized gain or loss on foreign exchange.

Redeemable units valuation
The net asset value (NAV) of each series on a particular date will be equal to each series' proportionate share of the assets of the Fund less each series' proportionate share of the liabilities of the Fund, expressed in Canadian dollars at the applicable exchange rate on such date. The NAV and NAV per unit will be calculated on each Business Day and reported on each Thursday during the period (or, if a Thursday is not a Business Day, the Business Day following such Thursday) and on the last Business Day of each month, and any other time as may be determined by the Manager from time to time. "Business Day" means any day on which the TSX is open for trading.

Increase (decrease) in net assets attributable to holders of redeemable units per unit
"Increase (decrease) in net assets attributable to holders of redeemable units per unit" in the Statement of Comprehensive Loss represents the increase (decrease) in net assets attributable to holders of redeemable units, divided by the weighted average units outstanding for the financial period.

Income and other taxes
The Fund qualifies as a mutual fund trust under the Income Tax Act (Canada). For tax purposes, the Fund has a December 31 year end. All of the Fund's net income for tax purposes and sufficient net capital gains realized in any period are required to be distributed to unitholders such that no income tax is payable by the Fund. As a result, the Fund does not record income taxes. Since the Fund does not record income taxes, the tax benefit of capital and non-capital losses has not been reflected in the statement of financial position as a deferred income tax asset. Capital losses may be carried forward indefinitely to reduce future realized capital gains. Non-capital losses may be carried forward for 20 years and applied against future taxable income.

The Fund may incur withholding taxes imposed by certain countries on investment income and capital gains. Such income and gains are recorded on a gross basis and the related withholding taxes are shown as a separate expense.

As the Manager is a resident of Ontario, the expenses paid by the Fund generally include HST of 13%. HST is calculated using the residency of unitholders in the Fund as at specific times, rather than the physical location of the Manager. A blended rate refund is filed with the Canada Revenue Agency on behalf of the Fund, in arrears, using each province's HST rate or GST rate in the case of non-participating provinces.

Critical accounting estimates and judgments
The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. The following discusses the most significant accounting judgments and estimates that the Fund has made in preparing the financial statements:

a) Fair value measurement of derivatives and securities not quoted in an active market

   The Fund may hold financial instruments that are not quoted in active markets, including derivatives. Fair values of such instruments are determined using valuation techniques and may be determined using reputable pricing sources (such as pricing agencies) or indicative prices from market makers. Broker quotes as obtained from the pricing sources may be indicative and not executable or binding. Refer to Note 7 for further information about the fair value measurement of the Fund's financial instruments.

b) Classification and measurement of investment and application of the fair value option

   In classifying and measuring financial instruments held by the Fund, the Manager is required to make significant judgments about whether or not the business of the Fund is to invest on a total return basis for the purpose of applying the fair value option for financial assets under IAS 39, Financial Instruments – Recognition and Measurement (IAS 39). The most significant judgments made include the determination that certain investments are held-for trading and that the fair value option can be applied to those which are not.

Accounting standards issued but not yet adopted

IFRS 9, Financial Instruments

The final version of IFRS 9, Financial Instruments, was issued by the IASB in July 2014 and will replace IAS 39 Financial Instruments – Recognition and Measurement. IFRS 9 introduces a model for classification and measurement, a single, forward-looking 'expected loss' impairment model and a substantially reformed approach to hedge accounting. The new single, principle based approach for determining the classification of financial assets is driven by cash flow characteristics and the business model in which an asset is held. The new model also results in a single impairment model being applied to all financial instruments, which will require more timely recognition of expected credit losses. It also includes changes in respect of own credit risk in measuring liabilities elected to be measured at fair value, so that gains caused by the deterioration of an entity's own credit risk on such liabilities are no longer recognized in profit or loss. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, however, is available for early adoption. In addition, the own credit changes can be early applied in isolation without otherwise changing the accounting for financial instruments. The Fund is in the process of assessing the impact of IFRS 9 and has not yet determined when it will adopt the new standard.

4. REDEEMABLE UNITS

The authorized capital of the Fund consists of an unlimited number of transferable units of each class, each of which represents an equal, undivided interest in the net assets of the Fund. Except as provided in the Declaration of Trust, all units have equal rights and privileges. Each unit is entitled to one vote at all meetings of unitholders and is entitled to participate equally in any and all distributions made by the Fund. Series A units trade on the TSX under the symbol HUL.UN and Series U units do not trade. As at June 30, 2015, the closing price for Series A units was $8.91 per unit.

The Fund entered into a normal course issuer bid program for the period from May 4, 2015 to May 3, 2016, which allows the Fund to purchase up to 515,288 units of the Fund for cancellation by way of a normal course issuer bid through the facilities of the Toronto Stock Exchange and other Canadian markets. During the period ended June 30, 2015 64,000 units were purchased for cancellation for $581,581.

Redemptions
Units may be surrendered prior to 5:00 p.m. (Toronto time) on the 10th business day before the last business day of the applicable month by the holders for monthly redemption. Upon receipt by the Fund of the redemption notice, the holder of a unit shall be entitled to receive a price per unit equal to the lesser of:

(a) 95% of the "market price" of the units on the principal market on which the units are quoted for trading during the 20 trading day period ending immediately before the monthly redemption date; and

(b) 100% of the "closing market price" on the principal market on which the units are quoted for trading on the monthly redemption date.

Notwithstanding the monthly redemption price formula above, at no time will the Fund pay out redemption proceeds greater than the NAV per Unit as determined on the monthly redemption date for each Unit being redeemed.

Series U units may be redeemed or converted to Series A units on a monthly basis on the same terms as the Series A units. During the period ended June 30, 2015 no Series U units were redeemed and cancelled and no Series U units were converted into Series A units.

In accordance with the Fund prospectus, in addition to the monthly redemption rights, on an annual basis, commencing in September 2016, units may be surrendered for redemption at the Fund's NAV per unit, subject to the required redemption notice period, for the second last business day of September and the unitholder will receive payment on or before the 15th business day of the following month.

The following units were redeemed and/or cancelled during the period:

	Series A	Series U
Initial issuance, March 25, 2015 and over-allotment	**5,153,882**	**311,500**
Cancellation of redeemable units	**(64,000)**	**-**
Total outstanding as at June 30, 2015	**5,089,882**	**311,500**

The weighted average number of units outstanding during the period ended June 30, 2015 was 5,103,648 units for Series A and 311,500 for Series U.

Issue costs
Certain offering expenses such as costs of creating the Fund, the cost of printing and preparing the prospectus, legal expenses of the Fund and other out-of pocket expenses incurred by the agents together with the agent's fees payable by the Fund are included in the carrying amount of the Fund's obligation for net assets attributable to holders of redeemable units.

Distributions
The Fund intends to make quarterly cash distributions to unitholders of record on the last business day of each quarter and pay such cash distributions on or before the 15th day of the following month. Beginning in April 2016, the Fund will annually determine and announce the distribution amount for the following year based upon the prevailing market conditions. The distribution amount was $548,553 or $0.10 per unit per quarter for Series A ($0.10 USD per unit per quarter for Series U) for the period ended June 30, 2015.

The Fund will also make available to unitholders the opportunity to reinvest quarterly distributions from the Fund in additional Series A units and/or Series U units, as applicable, by participating in a distribution reinvestment plan which will provide that cash distributions made by the Fund shall, at the election of a unitholder, be automatically reinvested in additional Series A units or Series U units, as applicable, on such unitholder's behalf in accordance with the terms of the plan. Reinvestment of distributions for Series A will occur either through market purchases or units issued from treasury depending on whether the trading price of the Series A units is above or below NAV and if units are available for purchase on the market. Reinvestment of distributions for Series U units will occur through units issued from treasury at NAV. As at June 30, 2015, no Series A units or Series U units were enrolled in the reinvestment plan.

5. RELATED PARTY TRANSACTIONS AND OTHER EXPENSES

Management and service fees
Harvest Portfolios Group Inc. is the Manager and Investment Manager of the Fund and is responsible for managing or arranging for managing the Fund's overall business and operations and provides key management personnel to the Fund. The Manager is entitled to a fee of 0.75% of the average weekly NAV, plus applicable taxes, per annum of the Fund paid monthly in arrears.

Operating expenses
The Fund is responsible for operating expenses relating to the carrying on of its business, including custodial services, interest, taxes, legal, audit fees, transfer agency services relating to the issue and redemption of units, and the cost of financial and other reports, costs and expenses for the Fund's Independent Review Committee ("IRC"), including fees and expenses of the IRC members and compliance with applicable laws, regulations and policies. The Manager pays for such expenses on behalf of the Fund, except for certain expenses such as interest, and is then reimbursed by the Fund.

Other expenses
The Manager will be reimbursed by the Fund for all reasonable costs, expenses and liabilities incurred by the Manager for performance of services on behalf of the Fund in connection with the discharge by the Manager of its duties hereunder. Such costs and expenses may include, without limitation: mailing and printing expenses for reports to unitholders and other unitholder communications; a reasonable allocation of salaries, benefits and consulting fees; independent directors of the Manager and other administrative expenses and costs incurred in connection with the Fund's continuous public offering and other obligations. These expenses were $24,127 for the period ended June 30, 2015 and are included in the unitholder reporting costs on the Statement of Comprehensive Loss.

6. FOREIGN CURRENCY FORWARD CONTRACTS

The Fund enters into foreign currency forward contracts to hedge assets and liabilities denominated in foreign currencies of Series A only. Foreign currency forward contracts entered into by the Fund represent a firm commitment to buy or sell a currency at a specified value and point in time based upon an agreed or contracted quantity. The value of the foreign currency forward contract is the difference between the contract rate and the current forward rate at the measurement date applied to the contract's notional amount and adjusted for counterparty risk. The unrealized gains or losses on the forward contract are reported as part of the change in unrealized appreciation or depreciation of foreign exchange in the Statement of Comprehensive Loss and allocated to Series A only until it is closed out or partially settled.

At June 30, 2015, the Fund had entered into the following foreign currency forward contracts:

As at June 30, 2015				
Counterparty	**Settlement Date**	**Purchased currency**	**Sold currency**	**Unrealized gain (loss)**
Royal Bank of Canada credit rating AA-	July 17, 2015	CDN $47,424,300	USD $38,500,000	($650,886)

7. FINANCIAL RISK MANAGEMENT

Investment activities of the Fund expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate risk, other price risk and currency risk). The Manager seeks to minimize these risks by employing experienced portfolio managers that will manage the security portfolios of the Fund on a daily basis according to market events and the investment objectives of the Fund. To assist in managing risk, the Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations.

Other price risk
Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The value of securities in the Fund's portfolio may be affected by the stock market conditions rather than each company's performance. Developments in the market are affected by general economic and financial conditions. Political, social and environmental factors can also affect the value of any investment.

As at June 30, 2015, 101.3% of the Fund's net assets attributable to holders of redeemable units were traded on public stock exchanges. If equity prices on these exchanges had increased or decreased by 5%, as at period end, with all other factors remaining constant, net assets attributable to holders of redeemable units would have increased or decreased by approximately $2,507,887.

In practice, the actual trading results may differ and the difference could be material.

Currency risk
Currency risk is the risk that the value of investments denominated in currencies other than the functional currency of the Fund will fluctuate as a result of changes in foreign exchange rates. When a Fund buys an investment priced in a foreign currency and the exchange rate between the Canadian dollar and the foreign currency changes unfavorably, it could reduce the value of the Fund's investment.

The table below summarizes the Fund's net exposure to currency risk. Amounts shown are based on the carrying value of monetary and non-monetary net assets (including derivatives and the underlying principal (notional) amount of forward currency contracts, if any).

As at June 30, 2015				
Currency	**Currency exposure***	**Forward contracts***	**Net currency exposure***	**As a % of net assets**
U.S. Dollars	$50,277,801	($48,075,186)	$2,202,615	4.3

*In Canadian dollars

The non-monetary currency exposure is $50,157,740 and the monetary currency exposure is $120,062.

As at June 30, 2015, if the Canadian dollar had strengthened or weakened by 5% in relation to U.S. dollars, with all other variables held constant, the Fund's net assets attributable to holders of redeemable units would have increased or decreased, respectively, by approximately $110,131 or 0.2% based on the net currency exposure. In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

The Fund enters into a forward currency contract on substantially all of the value of the proportionate share of Series A portfolio investments back to the Canadian dollar at all times.

Interest rate risk
Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or fair value of financial instruments. Interest rate risk arises when the Fund invests in interest-bearing financial instruments. The Fund does not hold any bonds or money market instruments; therefore, the Fund has no significant exposure to interest rate risk.

US Buyback Leaders Fund

Liquidity risk
Liquidity risk is defined as the risk that a fund may not be able to settle or meet its obligations on time or at a reasonable price. The Fund is exposed to redemption of units as described in Note 4. However, the Manager does not expect that the contractual maturity will be representative of the actual cash outflows as holders of these units typically retain them for a longer period of time. Therefore in order to maintain sufficient liquidity, the Fund primarily invests in securities that are actively traded in public markets and can be readily disposed of to raise liquidity.

As at June 30, 2015, all of the Fund's financial liabilities, had maturities of less than three months.

Credit risk
Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund.

All transactions executed by the Fund in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

The Fund enters into foreign currency forward contracts which are exposed to credit risk. The maximum credit risk exposure is the unrealized gain (loss) on the forward contracts.

As at June 30, 2015, the Fund did not have significant credit risk exposure. All cash held by the fund is held with a reputable and regulated financial institution.

Fair value of financial instruments
The Fund classifies fair value measurements within a hierarchy which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are:

> **Level 1**: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
> **Level 2**: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
> **Level 3**: Inputs for the asset or liability that are not based on observable market data.

The table below summarizes the fair value of the Fund's financial instruments using the following fair value hierarchy:

Transfers between levels of the fair value hierarchy are deemed to have occurred at the beginning of the reporting period.

Securities classification:

Investments at fair value as at June 30, 2015				
	Level 1 ($)	**Level 2 ($)**	**Level 3 ($)**	**Totals ($)**
Equities				
Common Stock	50,157,740	-	-	50,157,740
Total equities	**50,157,740**	**-**	**-**	**50,157,740**
Foreign currency forward contract	**-**	**(650,886)**	**-**	**(650,886)**
Total investments at fair value	**50,157,740**	**(650,886)**	**-**	**49,506,854**

There were no Level 3 securities held by the Fund as at June 30, and there were no significant transfers between Level 1 and Level 2 for the period ended June 30, 2015.

The value of the equities is based on quoted prices. The value of the foreign currency forward contract is determined as the difference between the contract rate and the current forward rate at the measurement date applied to the contract's notional amount and adjusted for counterparty risk.

Concentration Risk
Concentration risk arises as a result of the concentration of exposures within the same category, whether it is geographical location, product type, industry sector or counterparty type. The following is a summary of the Fund's concentration risk by geography and segment.

Geography:

As at	June 30, 2015	
Country of Issue	**$***	**% of net assets**
United States of America	50,157,740	101.3
Totals	**50,157,740**	**101.3**

*Stated in Canadian dollars

Market Segment (percentage of net assets attributable to holders of redeemable units):

	June 30, 2015
	% of net assets
EQUITIES	
Consumer Discretionary Issuers	16.5
Energy Issuers	8.1
Banking and Other Financial Issuers	16.3
Industrial Issuers	24.8
Information Technology Issuers	18.8
Materials Issuers	16.8
Total	**101.3**

8. SOFT DOLLAR COMMISSIONS

Brokerage commissions paid to certain brokers may, in addition to paying for the cost of brokerage services in respect of security transactions, also provide for the cost of investment research services provided to the investment manager. The value of such research services included in commissions paid to brokers for the period ended June 30, 2015 amounted to $NIL.

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CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This document may contain forward-looking statements relating to anticipated future events, results, circumstances, performance or expectations that are not historical facts but instead represent our beliefs regarding future events. By their nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that predictions and other forward-looking statements will not prove to be accurate. We caution readers of this document not to place undue reliance on our forward-looking statements as a number of factors could cause actual future results, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed or implied in the forward-looking statements. Actual results may differ materially from management expectations as projected in such forward-looking statements for a variety of reasons, including but not limited to market and general economic conditions, interest rates, regulatory and statutory developments, the effects of competition in the geographic and business areas in which the Fund may invest and the risks detailed from time to time in the Fund's simplified prospectus or offering memorandum. We caution that the foregoing list of factors is not exhaustive and that when relying on forward-looking statements to make decisions with respect to investing in the Fund, investors and others should carefully consider these factors, as well as other uncertainties and potential events, and the inherent uncertainty of forward-looking statements. Due to the potential impact of these factors, the Fund does not undertake, and specifically disclaims, any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by applicable law.