

**Annual Report of the Independent Review Committee of the Harvest
Group of Funds (the "Funds")**

February 1, 2017

IRC Annual Report to: Securityholders in the Harvest Group of Funds (the "Funds") as listed at the end of this report

Dear Securityholder,

In accordance with National Instrument 81-107 *Independent Review Committee for Investment Funds* ("NI 81-107" or the "Instrument"), the Manager established an Independent Review Committee (the "Committee" or "IRC") for the Funds in September 2009. The IRC has functioned in accordance with the applicable securities laws and is composed of three individuals, each of whom is independent of the Fund, 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, 2016 to December 31, 2016 ("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 on conflicts of interest to which the Manager may be subject when managing the Fund. The Manager is required under the Instrument to identify potential conflicts of interest inherent in its management of the Fund, develop written policies and procedures guiding its management of those conflicts and request input from the IRC on those written policies and procedures, hereinafter referred to as the Conflict of Interest Matters manual.

When a conflict matter arises, the Manager must refer its proposed course of action in respect of such conflict to the IRC for its review. While certain matters require the IRC's prior approval, in most cases the IRC will provide a decision to the Manager as to whether or not, in the opinion of the IRC, the Manager's proposed action provides a fair and reasonable result for the Fund. For recurring conflict of interest matters, the IRC can provide the Manager with Standing Instructions ("SI's") that enable the Manager to proceed with certain matters without having to refer them to the IRC each time for approval, providing the Manager deals with the conflicts in accordance with the SI's.

The IRC is empowered to represent the best interest of the Funds in any matter where the Manager has referred a conflict of interest matter to it. In those cases, it has sought to ensure that the Manager's proposed course of action represents a fair and reasonable result for the Fund.

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

Secretariat of the Harvest IRC
Independent Review Inc.
175 Bloor Street East, Suite 1316, North Tower
Toronto, M4W 3R8

Composition of the IRC

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

<i>Name and municipality of residence</i>	<i>Principal Occupation</i>	<i>Term of Office</i>
Chair, Don Hathaway, Stratford, Ontario	Corporate Director, Chair, Compute Canada	Appointed September 28, 2009 Term: Two years from January 1, 2017
Karen Fisher, Newcastle, Ontario	Chartered Director and Consultant	Appointed March 14, 2014. Term: Three years from January 1 31, 2017
Adam Conyers, Ashburn, Ontario	Financial Executive/Consultant	Appointed September 28, 2009. Term: Two years from January 1, 2016

Don Hathaway's term was renewed on October 26, 2016 for a period of two years effective January 1, 2017. The re-appointment extended Mr. Hathaway's total years of service beyond the 6 year term limit set out in the Instrument. However, the Manager has provided its consent to and agreement with the re-appointment beyond the 6 year term limit in accordance with the provisions of the Instrument.

Karen Fisher's term was renewed on October 26, 2016 for a period of three years effective January 1, 2017.

There were no other changes in the composition of the IRC during the Reporting Period.

Compensation and Indemnification

Review of Compensation

At least annually, the IRC reviews its compensation giving consideration to 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 reviewed comparable benchmarks and has determined not to make any changes in the Members' compensation at this time.

Members' Fees

In aggregate the IRC members were paid \$35,000 in 2016.

Indemnities Granted

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

Disclosure of IRC Members' Holdings

As at December 31, 2016, the IRC Members did not beneficially own, directly or indirectly:

- any units of any of the Harvest Funds;
- any interests in the Manager; or
- any interests in a company or person that provides services to the Manager or the Fund.

Decisions and Approvals

On May 16, 2016 the Manager proposed changing the name of Global Advantaged Telecom & Utilities Income Fund to Global Telecom & Utilities Income Fund (the "Fund"). After reasonable enquiry, the IRC **RESOLVED** that the change of name from the Global Advantaged Telecom & Utilities Income Fund to Global Telecom & Utilities Income Fund provided a fair and reasonable result for the Fund.

On July 27, 2016 the Manager proposed converting the following funds from closed-end funds into open-ended Exchange Traded Funds ("ETF's"): the Brand Leaders Plus Income Fund, Healthcare Leaders Income Fund, US Buyback Leaders Fund and Energy Leaders Plus Income Fund (the "Funds"). After reasonable enquiry, the IRC **RESOLVED** that the proposed conversion from closed end funds into open-end ETF's, if approved by the unitholders and implemented, provided a fair and reasonable result for each of the Funds.

On November 1, 2016, the Manager proposed changing the portfolio manager of Harvest Banks & Buildings Income Fund, Harvest Canadian Income & Growth Fund and Global Telecom & Utilities Income Fund (the "Funds") from Avenue Investment Management Inc. ("Avenue") to its in-house portfolio management team. After reasonable enquiry, the IRC **RESOLVED** that the proposed change of portfolio management from Avenue to its in-house portfolio management team, provided a fair and reasonable result for each of the Funds.

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

Standing Instructions Approved

The IRC has approved three SI's, which constitute a written approval or decision from the IRC that permits the Manager to proceed with the specific action(s) set out in an SI on an ongoing basis, 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 SI. In each case, the SI 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 conflict of interest matters including:

1. Fees and Expenses
2. Trade Allocations
3. Portfolio Pricing Issues
4. Pricing Errors and other Errors
5. Best Execution Issues
6. Distribution Issues
7. Showing Favoritism
8. Sub-Managers and Sub-Advisors
9. Outsourcing to Third-party Services
10. Personal Trading
11. Benchmarking Indices
12. Late Trading
13. Client Complaints
14. Capacity Issues

Standing Instruction No. 2: Inter-fund Trades.

Standing Instruction No. 3: Undertaking a future Fund Offering on a Closed-end Fund.

Manager's Report on its Standing Instructions

In accordance with the Instrument, the Manager provided a written report to the IRC describing its reliance on the SI's during the Reporting Period. The Manager relied on the SI No. 1 & 3 during the Reporting Period.

Funds served by the IRC

- Harvest Banks & Buildings Income Fund
- Harvest Canadian Income & Growth Fund
- Global Telecom & Utilities Income Fund
- Brand Leaders Income Fund
- Brand Leaders Plus Income ETF
- Energy Leaders Income Fund
- Energy Leaders Plus Income ETF
- Australian REIT Income Fund
- Healthcare Leaders Income ETF
- US Buyback Leaders ETF
- Tech Achievers Growth & Income Fund

This report is available on the Manager's website at <http://www.harvestportfolios.com> or you may request a copy, at no cost to you, by contacting the Manager at 416-649-4541 or toll free at 1-866-998-8298 or email the Funds at info@harvestportfolios.com. This document and other information about the Funds are available on www.sedar.com

Yours truly,



Don Hathaway, Chair

Schedule of IRC Members who sit on IRCs for other Fund Families

Karen Fisher serves as a member of the Independent Review Committees for the following funds:

Investment funds that are reporting issuers managed by Excel Funds;

Investment Funds that are reporting issuers managed by WisdomTree Asset Management Canada, Inc.; and

Investment funds that are reporting issuers managed by PIMCO Canada.

Adam Conyers serves as a member of the Independent Review Committees for the following funds:

- Investment funds that are reporting issuers managed by Federated Investors Canada ULC.