



---

## INTERIM FINANCIAL STATEMENTS

(UNAUDITED)

---

**HARVEST Banks & Buildings Income ETF**

**June 30, 2018**



# Harvest Banks & Buildings Income ETF

STATEMENT OF FINANCIAL POSITION (Unaudited)		
As at June 30,		2018
<b>Assets</b>		
<b>Current assets</b>		
Investments	\$	1,915,855
Cash		100,065
Dividends and interest receivable		6,326
		<b>2,022,246</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Distributions payable (Note 4)		9,160
		<b>9,160</b>
<b>Net assets attributable to holders of redeemable units</b>	<b>\$</b>	<b>2,013,086</b>
<b>Number of redeemable units outstanding (Note 4)</b>		<b>100,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>	<b>\$</b>	<b>20.13</b>

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

## Harvest Banks & Buildings Income ETF

<b>STATEMENT OF COMPREHENSIVE INCOME (LOSS)</b>		
<b>(Unaudited)</b>		
<b>For the period from March 26, 2018 (commencement of operations) to June 30, 2018</b>		<b>2018</b>
<b>Income</b>		
Net gain (loss) on investments		
Dividends	\$	24,939
Net realized gain (loss) on sale of investments		520
Net change in unrealized appreciation (depreciation) of investments		22,875
Net gain (loss) on investments		48,334
Other income		
Net realized gain (loss) on foreign exchange		(11)
Net change in unrealized appreciation (depreciation) of foreign exchange		422
Other income		411
<b>Total income (net)</b>	<b>\$</b>	<b>48,745</b>
<b>Expenses (Note 5)</b>		
Management fees	\$	4,982
Withholding taxes		591
Unitholder reporting costs		1,345
Audit fees		2,500
Transfer agency fees		2,576
Custodian fees and bank charges		7,772
Independent Review Committee fees		100
Filing fees		9,121
Transaction costs (Note 7)		13
<b>Total expenses</b>		<b>29,000</b>
Expenses absorbed by manager (Note 5)		(20,821)
<b>Total expenses (net)</b>		<b>8,179</b>
<b>Increase (decrease) in net assets attributable to holders of redeemable units</b>	<b>\$</b>	<b>40,566</b>
<b>Increase (decrease) in net assets attributable to holders of redeemable units per unit (Note 4)</b>	<b>\$</b>	<b>0.41</b>

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

## Harvest Banks & Buildings Income ETF

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS (Unaudited) For the period from March 26, 2018 (commencement of operations) to June 30, 2018			2018
Net assets attributable to holders of redeemable units beginning of period	\$		-
Increase (decrease) in net assets attributable to holders of redeemable units	\$		40,566
Redeemable unit transactions			
Proceeds from issue of redeemable units			2,000,000
Net increase (decrease) in redeemable unit transactions	\$		2,000,000
Distributions to holders of redeemable units			
Net investment income			(27,480)
Total distributions to holders of redeemable units	\$		(27,480)
Net assets attributable to holders of redeemable units end of period	\$		2,013,086

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

# Harvest Banks & Buildings Income ETF

<b>STATEMENT OF CASH FLOWS</b>	
<b>(Unaudited)</b>	
<b>For the period from March 26, 2018 (commencement of operations) to June 30,</b>	
	<b>2018</b>
<b>Operating activities</b>	
Increase (decrease) in net assets attributable to holders of redeemable units	\$ 40,566
<b>Add (deduct) items not affecting cash:</b>	
Foreign exchange (gain) loss on cash	(411)
Realized (gain) on sale of investments	(520)
Change in unrealized (appreciation) depreciation of investments	(22,875)
Proceeds from sale of investments**	26,542
Purchases of investments**	-
Net change in non-cash assets and liabilities	(6,326)
<b>Net cash flow provided by (used in) operating activities</b>	<b>\$ 36,976</b>
<b>Financing activities **</b>	
Proceeds from redeemable units issued	80,998
Distributions paid to holders of redeemable units (net of reinvested distributions)	(18,320)
<b>Net cash flow provided by (used in) financing activities</b>	<b>\$ 62,678</b>
Net increase (decrease) in cash during the period	99,654
Foreign exchange gain (loss) on cash	411
Cash, beginning of the period	-
<b>Cash, end of the period</b>	<b>\$ 100,065</b>
<b>Supplemental disclosure of cash flow information</b>	
Dividends received, net of withholding taxes*	\$ 18,022

\*included in operating activities

\*\*net cash inflows (outflows) excludes trades that were not settled in cash (in-kind trades).

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

## Harvest Banks & Buildings Income ETF

<b>SCHEDULE OF INVESTMENTS (Unaudited)</b>				
<b>As at June 30, 2018</b>				
<b>Number of Shares</b>	<b>Security</b>	<b>Average Cost (\$)</b>	<b>Carrying Value (\$)</b>	<b>% of Net Assets</b>
<b>EQUITIES</b>				
<b>Financials</b>				
2,232	Bank of America Corporation	87,363	82,718	4.1
1,232	Bank of Montreal	119,590	125,196	6.2
1,068	Canadian Imperial Bank of Commerce	122,222	122,136	6.1
708	JPMorgan Chase & Co.	100,424	96,986	4.8
4,168	Manulife Financial Corporation	100,199	98,448	4.9
1,220	Morgan Stanley	85,182	76,024	3.8
1,328	Royal Bank of Canada	132,614	131,459	6.5
2,140	Sun Life Financial Inc.	113,976	113,056	5.6
1,484	The Bank of Nova Scotia	117,518	110,469	5.5
1,624	The Toronto-Dominion Bank	119,185	123,570	6.1
4,140	Timbercreek Financial Corp.	37,384	37,840	1.9
1,160	Wells Fargo & Company	77,995	84,546	4.2
		1,213,652	1,202,448	59.7
<b>Real Estate</b>				
394	Alexandria Real Estate Equities, Inc.	61,357	65,352	3.2
1,336	Allied Properties Real Estate Investment Trust	53,026	55,912	2.8
6,616	Chartwell Retirement Residences	103,540	101,423	5.0
4,972	Crombie Real Estate Investment Trust	62,796	63,244	3.1
564	Digital Realty Trust, Inc.	74,045	82,732	4.1
5,700	First Capital Realty Inc.	114,570	117,762	5.9
7,424	Killam Apartment Real Estate Investment Trust	100,744	111,212	5.5
3,792	SmartCentres Real Estate Investment Trust	109,248	115,770	5.8
		679,326	713,407	35.4
<b>Total investments</b>		<b>1,892,978</b>	<b>1,915,855</b>	<b>95.1</b>
<b>Other assets less liabilities</b>			<b>97,231</b>	<b>4.9</b>
<b>Net assets attributable to holders of redeemable units</b>			<b>2,013,086</b>	<b>100.0</b>

# Harvest Banks & Buildings Income ETF

## NOTES TO THE INTERIM FINANCIAL STATEMENTS (Unaudited)

June 30, 2018

### 1. GENERAL INFORMATION

Harvest Banks & Buildings Income ETF (the “Fund”) is an investment trust established under the laws of the Province of Ontario pursuant to a Declaration of Trust dated January 26, 2018 and as amended and restated, being the inception date. There was no significant activity in the Fund from the date of inception to commencement of operations on March 26, 2018. The address of the Fund’s registered office is 710 Dorval Drive, Oakville, Ontario, L6K 3V7.

The Fund’s investment objectives are to provide unitholders with monthly distributions and to maximize total return for unitholders. As part of the investment strategy the Fund will invest in an actively managed portfolio that will consist primarily of banking issuers, other financial issuers and real estate issuers.

### 2. BASIS OF PRESENTATION

These 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 interim financial statements were authorized for issue by Harvest Portfolios Group Inc. (the “Manager”) on August 21, 2018.

### 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) based on its business model. The Fund’s obligation for net assets attributable to holders of redeemable units is presented at the redemption amount, which approximates fair value. 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. 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, 2018 there were no differences between the Fund’s NAV per security and its net assets per security calculated in accordance with IFRS 9.

#### Fair value of investments

Investments 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.

Investments held that are not traded on 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.

# Harvest Banks & Buildings Income ETF

## Classification of redeemable units

Under IFRS, IAS 32 Financial Instruments – Presentation 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. The Fund's units include different redemption rights and in some instances are at 95% of market value of the units on the exchange. 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. Average cost does not include amortization of premiums or discounts on fixed income securities with the exception of zero coupon bonds. Dividend income is accounted for on the ex-dividend date. The cost of investments is determined using the average cost method.

Distributions received from income trusts are recorded as income, capital gains or a return of capital, based on the best information available to the Manager. Due to the nature of these investments, actual allocations could vary from this information. Distributions from investment trusts treated as a return of capital reduce the average cost of the underlying investment trust.

## Foreign currency translation

The Fund's subscriptions and redemptions are 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 Income (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 Income (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.

## Redeemable units valuation

The NAV on a particular date will be equal to the aggregate value of the assets of the Fund less the aggregate value 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. "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 Income (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 currently is a unit trust however has until March 31, 2019 to qualify 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 20 years and applied against future taxable income. 2018 is the first taxation year, therefore the Fund has no non-capital losses and net capital losses available to be carried forward for income tax purposes.

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.



# Harvest Banks & Buildings Income ETF

## 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 6 for further information about the fair value measurement of the Fund's financial instruments.

- b) Classification and measurement of investments and derivatives under IFRS 9

In classifying and measuring financial instruments held by the Fund, the Manager is required to make significant judgments about the business model in which the portfolio of investments and derivatives is held. The Manager has determined that the Fund's business model is one in which its portfolio is managed and performance evaluated on a fair value basis under IFRS 9.

## 4. REDEEMABLE UNITS

The authorized capital of the Fund consists of an unlimited number of transferable units of one class representing 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. The units trade on the TSX under the symbol HCB.B. As at June 30, 2018, the closing price of the units was \$20.31 per unit.

### Subscriptions and Redemptions

On any trading day, a designated broker or underwriter may place a subscription or redemption order for an integral multiple of the prescribed number of units of the ETF. A trading day is each day on which the TSX is opened for business.

If the subscription or redemption order is accepted, the ETF will issue or redeem units to/from the designated broker or underwriter by no later than the second trading day after the date on which the subscription or redemption order is accepted. For each prescribed number of units issued or redeemed, a designated broker or underwriter must deliver or receive payment consisting of:

- (a) A basket of applicable securities and cash in an amount sufficient so that the value of the securities, and the cash received is equal to the NAV of the units issued or redeemed; or  
(b) Cash in the amount equal to the NAV of the units issued or redeemed.

On any trading day, unitholders may redeem units for cash or exchange units for baskets of securities and cash. Units redeemed for cash may be redeemed at a redemption price per unit equal to 95% of the closing price for the units on the TSX on the effective day of the redemption, subject to a maximum redemption price per unit equal to NAV. Units exchanged for baskets of securities will be exchanged at a price equal to the NAV of the units on the effective date of the exchange request, payable by delivery of baskets of securities and cash. The units will be redeemed in the exchange.

The following units were issued and redeemed during the period indicated:

	Units outstanding
Initial issuance, March 26, 2018	100,000
Redeemable units issued	-
Total outstanding as at June 30, 2018	100,000

The weighted average number of units outstanding during the period ended June 30, 2018 was 100,000.

# Harvest Banks & Buildings Income ETF

## Distributions

The Fund intends to make monthly cash distributions to unitholders of record on the last business day of each month and pay such cash distributions on or before the 15th day of the following month. The distribution amount was \$27,480 or \$0.916 per unit per month for the period ended June 30, 2018.

## 5. RELATED PARTY TRANSACTIONS AND OTHER EXPENSES

### Management fees and servicing fees

Harvest Portfolios Group Inc. is the Manager of the Fund and is responsible for managing the Fund's overall business and operations and provides key management personnel to the Fund. The Fund pays the Manager an annual management fee, plus applicable taxes, of 0.85% based on a percentage of the average daily net asset value ("NAV") of the Fund.

### 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.

The Manager may, in some cases, absorb a portion of the Fund's operating expenses. For the period ended June 30, 2018 the Fund absorbed \$20,821 expenses. The Manager may cease doing so at any time without notice to unitholders.

### 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 are allocated by the Manager on a reasonable basis, across all of the Harvest Portfolios Group Inc. Funds, and series of each applicable fund. These expenses were \$609 for the period ended June 30, 2018 and are included in the unitholder reporting costs on the Statement of Comprehensive Income (Loss) in the financial statements.

## 6. 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, 2018, 95.1% 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 \$95,793.

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.

## Harvest Banks & Buildings Income ETF

The table below summarizes the Fund's 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).

Currency	As at June 30, 2018	
	Currency exposure*	As a % of net assets
U.S. Dollars	\$510,213	25.3

\*Amounts are in Canadian dollars

The non-monetary currency exposure is \$488,359 and the monetary currency exposure is \$21,854.

As at June 30, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to all foreign currencies, 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 \$25,511 or 1.3%. In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

### 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. A Fund that invests in fixed income securities, such as bonds and money market instruments, is sensitive to changes in interest rates. In general, when interest rates are falling, the value of these investments rises.

Moreover, fixed income securities with longer terms to maturity are usually more sensitive to changes in interest rates. The Fund held no fixed income securities at the end of June 30, 2018.

As at June 30, 2018 the Fund had no interest-bearing liabilities.

### 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. Since the settlement of redemptions is primarily by delivery of securities, the Fund is not exposed to any significant liquidity risk. 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. In addition, the Fund retains sufficient cash and cash equivalent positions to maintain liquidity.

As at June 30, 2018, all of the Fund's financial liabilities had maturities of less than three months.

### Credit risk

Credit risk is the risk that the 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.

As at June 30, 2018, 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.

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

## Harvest Banks & Buildings Income ETF

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

Securities classification:

Investments at fair value as at June 30, 2018				
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Totals (\$)
<b>Financial Assets</b>				
<b>Equities</b>				
Common Stock	1,202,448	-	-	1,202,448
REIT	611,984	-	-	611,984
Trust Unit	101,423	-	-	101,423
<b>Total Financial Assets</b>	<b>1,915,855</b>	<b>-</b>	<b>-</b>	<b>1,915,855</b>

There were no Level 3 securities held by the Fund as at June 30, 2018. There were no transfers between Level 1 and Level 2 for the period ended June 30, 2018.

The value of equities is based on quoted prices.

### 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, 2018	
Country of Issue	\$*	% of net assets
Canada	1,427,496	70.9
United States of America	488,359	24.2
<b>Totals</b>	<b>1,915,855</b>	<b>95.1</b>

\*Stated in Canadian dollars

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

	June 30, 2018
	% of net assets
Financials	59.7
Real Estate	35.4
<b>Total</b>	<b>95.1</b>

## 7. 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, 2018 amounted to \$nil.



### **Head Office**

710 Dorval Drive, Suite 209

Oakville, Ontario L6K 3V7

Phone Number: 416.649.4541

Toll Free: 866.998.8298

Fax Number: 416.649.4542

Email: [info@harvestportfolios.com](mailto:info@harvestportfolios.com)

---

#### **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 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.