Simplified Prospectus

June 16, 2023

Offering Series A, Series D, Series F and Series R Units of:

HARVEST BANKS & BUILDINGS INCOME FUND
HARVEST CANADIAN INCOME & GROWTH FUND

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

The Funds and the Units of the Funds described in this Simplified Prospectus are not registered with the United States Securities and Exchange Commission and they are sold in the United States only in reliance on exemptions from registration.

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INTRODUCTORY DISCLOSURE

This simplified prospectus ("**Simplified Prospectus**") contains selected important information to help you make an informed investment decision and to help you understand your rights as an investor in the Funds. In this Simplified Prospectus, we use the following key terms:

- **Dealer** refers to both the dealer (including discount brokers) and the registered representative in your province or territory who advises you on your investments;
- **Funds** means, collectively, the funds offered for distribution by the Manager under this Simplified Prospectus, and they are individually referred to as a Fund;
- **Units** refers to units of a series of a Fund;
- **Unitholders** refers to holders of Units of a Fund;
- **We**, **us**, **our, Harvest, Trustee** and the **Manager** refers to Harvest Portfolios Group Inc.;
- **You** refers to an individual investor and everyone who invests or may invest in the Funds; and
- **Harvest Group of Funds** means, collectively, the investment funds established and/or managed by Harvest from time to time, including the Funds.

This Simplified Prospectus contains information about the Funds and the risks of investing in mutual funds generally, as well as the names of those responsible for the management of the Funds.

This document is divided into two parts. The first part (Part A), from page 4 through 33, contains general information applicable to both of the Funds. The second part (Part B), from page 34 through 54, contains specific information about each of the Funds described in this document.

Additional information about each Fund is available in the following documents:

- the most recently filed Fund Facts document
- the most recently filed annual financial statements
- any interim financial report filed after those annual financial statements
- the most recently filed annual management report of fund performance; and
- any interim management report of fund performance filed after that annual management report of fund performance.

These documents are incorporated by reference into this Simplified Prospectus, which means they legally form part of this Simplified Prospectus just as if they were printed as part of this document. You can get a copy of these documents, at your request, and at no cost, by calling us at (416) 506-8189 or by calling us toll-free at 1-877-506-8128, or by asking your Dealer. These documents are available on the Funds' designated website at www.harvestportfolios.com, or by contacting us at info@harvestportfolios.com. These documents and other information about the Funds are also available at www.sedar.com.

RESPONSIBILITY FOR MUTUAL FUND ADMINISTRATION

Manager

Harvest is the manager of the Funds pursuant to an amended and restated master management agreement dated November 6, 2013, as amended on June 20, 2014 and May 1, 2022 (the "**Master Management Agreement**"). The Manager carries on business at 610 Chartwell Road, Suite 204, Oakville, Ontario, L6J 4A5. The Manager can be reached at 416-649-4541 or toll free at 1-866-998-8298 or by email at info@harvestportfolios.com, and information about the Manager may also be obtained at www.harvestportfolios.com.

Pursuant to the Master Management Agreement, the Manager is responsible for the overall management and administration of the Funds. The Manager manages the overall activities of each Fund, including arranging for the provision of administration services and promoting sales of the securities of the Fund through financial advisors in each province and territory of Canada. The Manager may, subject to certain conditions, delegate certain of its duties to third parties.

Pursuant to the Master Management Agreement, the Manager is required to exercise its powers and discharge its duties honestly, in good faith and in the best interests of a Fund and to exercise the care, diligence and skill that a reasonably prudent person would exercise in the circumstances. The Master Management Agreement provides that the Manager will not be liable in any way for any default, failure or defect in the portfolio held by a Fund if it has satisfied the duties and the standard of care, diligence and skill set forth above. The Manager will incur liability, however, in cases of wilful misconduct, bad faith, negligence, disregard of the Manager's standard of care or by any material breach or default by it of its obligations under the Master Management Agreement.

Unless the Manager resigns or is removed as described below, the Manager will continue as manager of each Fund until the termination of a Fund. The Manager may resign as manager of a Fund if the Fund is in breach or default of the provisions of the Master Management Agreement and, if capable of being cured, any such breach or default has not been cured within 30 days' notice of such breach or default to the Fund. The Manager may resign as manager of a Fund upon 60 days prior written notice to the Unitholders of the Fund. If the Manager resigns, it may appoint its successor but, unless its successor is an affiliate of the Manager, its successor must be approved by the Unitholders of the Fund. The Manager is deemed to have resigned as manager of the Funds if the Manager becomes bankrupt or insolvent or makes a general assignment for the benefit of its creditors or a receiver is appointed in respect of the Manager or a substantial portion of its assets or in the event the Manager ceases to be resident in Canada for the purposes of the *Income Tax Act* (Canada) ("**Tax Act**") or no longer holds the requisite licenses, registrations or other authorizations necessary to carry out its obligations under the Master Management Agreement.

Directors and Officers of the Manager

The name and municipality of residence of all partners, directors and executive officers of the Manager and their respective current positions and offices held with the Manager:

Name and Municipality of Residence	Current Positions and Offices Held with the Manager

Michael Kovacs Oakville, Ontario	President, Chief Executive Officer, Chairman, Secretary, Ultimate Designated Person and Director
Paul MacDonald Mississauga, Ontario	Chief Investment Officer
Daniel Lazzer Toronto, Ontario	Chief Financial Officer
Mary Medeiros Oakville, Ontario	Chief Operating Officer, Director
David Balsdon Mississauga, Ontario	Chief Compliance Officer
Townsend Haines Toronto, Ontario	Director
Nick Bontis Ancaster, Ontario	Director

Portfolio Adviser

Effective January 16, 2017, the Manager provides investment management services to the Funds. Prior to such date, Avenue Investment Management Inc. was the investment manager of the Funds. The Manager, in its capacity as portfolio adviser, conducts research for the Funds, selects, purchases and sells investments for the Funds and makes all investment decisions with respect to each of the portfolios of the Funds. Paul MacDonald oversees the execution of the investment strategies for the Funds. Paul MacDonald is the Chief Investment Officer at Harvest and has held this position since 2013. In that capacity, he is responsible for the portfolio of each of the Funds and reconstituting and rebalancing the portfolio of the Funds in accordance with the investment objectives, investment strategies and investment restrictions. James Learmonth is the Portfolio Manager of the Funds and has held that position at Harvest since June 1, 2015. As Portfolio Manager, James Learmonth is responsible for the day-to-day management of the portfolios of the Funds, including the implementation of investment strategies. Mike Dragosits supports the portfolio management of the Funds in his capacity as a portfolio manager. Mike Dragosits has been acting as portfolio manager since February 19, 2019.

Investment decisions made by these individuals are not subject to the oversight, approval or ratification of a committee.

Brokerage Arrangements

The Manager is responsible for selecting members of securities exchanges, brokers and Dealers for the execution of transactions in respect of each Funds' portfolio investments and, when applicable, the negotiation of commissions in connection therewith. The Funds are each responsible to pay those commissions.

The Manager's allocation of brokerage business to companies, including those that furnish statistical, research or other services to the Funds, is based on decisions made by individual portfolio managers, analysts and traders of the Manager and will only be made in compliance with applicable law and in accordance with the Manager's policies and procedures. The Manager may receive research and order execution goods and services in return for directing brokerage transactions for the Funds to Dealers. When doing so, the Manager ensures that the goods or services are used by the Funds to assist with investment or trading decisions, or with effecting securities transactions, on behalf of the Funds. The Manager also makes a good faith determination that the Funds receive reasonable benefit considering the use of the goods and services, the amount of brokerage commissions paid, the range of services and the quality of research received. The Manager uses the same criteria in selecting Dealers. These arrangements are always subject to best execution, which includes a number of considerations such as price, volume, speed and certainty of execution and total transaction costs.

As at the date of this Simplified Prospectus, no brokerage transactions involving client brokerage commissions of each Fund have been directed to a Dealer in return for the provision of any good or service, other than order execution, by the Dealer. The Manager does not have any affiliated brokers.

Where brokerage transactions involving client brokerage commissions of a Fund have been or might be directed to a broker in return for the provision of any research goods and services by a broker or a third party, the names of such Dealers or third parties will be provided upon request by contacting the Manager at 1-866-998-8298 or via email at info@harvestportfolios.com.

Principal Distributor

The Funds are marketed and distributed only through registered dealers and brokers. There is no principal distributor of the Funds. See "*Purchases, Switches and Redemptions*".

Trustee

Harvest, of Oakville, Ontario, is the trustee of the Fund under the Master Declaration of Trust (defined under "*Name, Formation and History of the Mutual Funds*") and is responsible for managing all of the Funds' activities. The Trustee holds the actual title to the property of each Fund on behalf of its Unitholders. The address of the Trustee where it principally provides services to the Funds is at 610 Chartwell Road, Suite 204, Oakville, Ontario, L6J 4A5.

The Trustee may resign upon 60 days' prior written notice to Unitholders of a Fund and to the Manager. Any such resignation shall become effective only upon the acceptance of appointment by a successor. If the Trustee resigns as trustee of a Fund, its successor shall be appointed by the Manager but if the Manager fails to appoint a successor Trustee within 30 days of receipt of the written notice of resignation then the Manager is required to call a meeting of Unitholders of the Fund within 60 days thereafter for the purpose of appointing a successor Trustee. If a successor Trustee cannot be found within the 60 day period, the Trustee must terminate that Fund upon the expiration of the 60 day period and distribute the Fund's assets to its Unitholders in accordance with the provisions of the Master Declaration of Trust. The Trustee may be removed as trustee of a Fund by the Manager at any time by notice to the Trustee not less than 90 days before the date that the removal is to take effect, provided that a successor Trustee is appointed or that Fund is terminated in accordance with the provisions of the Master Declaration of Trust. The successor trustee shall be required to assume all obligations of the Trustee under the Master Declaration of Trust.

Custodian and Fund Accounting Agent

State Street Trust Company Canada is the custodian (the "**Custodian**") of the Funds pursuant to a custodian agreement dated September 29, 2009, as amended most recently on November 22, 2013 (the "**Custodian Agreement**") between each Fund and the Custodian. The Custodian's principal place of business in respect of the Funds is Toronto, Ontario. In accordance with the terms of the Custodian Agreement, the Custodian is responsible for the safekeeping of all of the investments and other assets of the Funds delivered to it but not those assets of the Funds not directly controlled or held by the Custodian as the case may be. In the event that any portfolio assets are acquired by the Funds that cannot be held in Canada, the Custodian may appoint sub custodians who are qualified to act as such.

In addition, State Street Trust Company Canada is responsible for providing fund accounting services to each Fund and will calculate the net asset value of a Fund and net asset value per Unit of a Fund and for each series pursuant to the terms of a separate accounting service agreement. State Street Trust Company Canada will receive fees for custodial and fund accounting services provided to a Fund.

In carrying out its duties, the Custodian is required to exercise: (a) the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances, or (b) at least the same degree of care which it gives to its own property of a similar kind under its custody, if this is a higher degree of care than in (a) above.

Except to the extent the Custodian has not complied with its standard of care, it will not be liable for any act or omission in the course of, or connected to, rendering services under the Custodian Agreement or for loss to, or diminution of, the Funds' property. In no event shall the Custodian be liable for any consequential or special damages. The Funds shall indemnify and save harmless the Custodian and its affiliates, subsidiaries and agents, and their directors, officers, and employees from and against all legal fees, judgments and amounts paid in settlement incurred by such indemnified parties in connection with custodial services provided under the Custodian Agreement except to the extent incurred as a result of breach of the above standard of care.

The Custodian Agreement provides that it may be terminated by either the Manager or the Custodian by written notice to the other party, such termination to take effect not sooner than sixty days after the notice, unless a different period is agreed to in writing by the parties.

The Custodian is independent of the Manager.

Auditor

The Funds' auditor is PricewaterhouseCoopers LLP, Chartered Professional Accountants, Licensed Public Accountants, Toronto, Ontario. The auditors are independent of the Manager.

Registrar

International Financial Data Services Limited is the registrar and transfer agent and provides recordkeeper and registrar services to the Funds from its principal office in Toronto, Ontario.

The registrar and transfer agent keeps track of owners of Units of a Fund, processes purchases, transfer, switches and redemption orders, issues investor account statements and trade confirmations and issues annual tax reporting information.

International Financial Data Services Limited is independent of the Manager.

Independent Review Committee and Fund Governance

Independent Review Committee

The Manager has established an independent review committee (the "**IRC**") for the Funds that are subject to National Instrument 81-107 *Independent Review Committee for Investment Funds* ("**NI 81-107**") in order to:

- consider and make decisions on conflict of interest matters that require its approval under NI 81-107;
- consider and provide its recommendations on conflict of interest matters that the Manager refers to it for review; and
- perform any other functions required by securities legislation.

The IRC currently is comprised of three individuals, each of whom is independent from the Manager, its affiliates and the Funds. The current members of the IRC are Edna Chu (Chair), Karen McRae, and Neil Gross.

NI 81-107 requires the Manager to have policies and procedures relating to conflicts of interest. The Manager is responsible for referring to the IRC any matters, including any related policies and procedures, in which a reasonable person could view the Manager as having an interest that may conflict with its ability to act in the best interest of a Fund. The IRC reviews each matter and provides its approval or recommendation, as applicable, as to whether the proposed course of action will achieve a fair and reasonable result for that Fund. The IRC has adopted a written charter that includes its mandate, responsibilities and functions, and the policies and procedures it will follow when performing its functions.

In respect of certain matters, the IRC grants approvals. If approved by the IRC, the Manager may merge a Fund into another Fund provided the merger fulfills the requirements of the Canadian securities regulators and the Manager sends you a written notice of the merger at least 60 days before it takes effect. In those circumstances no meeting of Unitholders of the terminating fund is required to approve the merger. In circumstances where Unitholder approval is required for a merger involving a Fund, a recommendation for the merger will also be sought from the IRC.

The compensation and other reasonable expenses of the IRC are paid *pro rata* out of the assets of each Fund, as well as out of the assets of the other investment funds managed by the Manager. See "*Remuneration of directors, officers, and trustee*" for details of the compensation payable to the IRC members.

Among other matters, the IRC prepares, at least annually, a report of its activities for securityholders and makes such reports available on the Funds' designated website at www.harvestportfolios.com or at the securityholder's request and at no cost by contacting us at 1-866-998-8298 or by e-mailing info@harvestportfolios.com. It is also available on the SEDAR website at www.sedar.com.

Fund Governance

The Trustee has the ultimate and overriding authority to manage and direct the business and affairs of the Funds, subject to applicable law and the Master Declaration of Trust. In its capacity as Manager, Harvest manages the overall business and operations of the Funds in accordance with applicable law and the Master Management Agreement.

The Manager has policies and practices in place in order to comply with applicable securities laws, regulations and rules, including rules on business practices, sales practices and conflicts of interest, as well as risk management policies and procedures. The Manager also has policies and procedures in place to deal with conflict of interest matters to ensure the Manager manages each Fund in the best interests of that Fund and in compliance with the requirements of NI 81-107.

The Manager approves all significant risk management practices and policies to ensure that they are consistent with the broader business strategies of the Fund. These policies are reviewed and amended as business and market circumstances change and at least annually. Fund transaction activity is monitored regularly and in sufficient detail to understand the sources of risk. Stress testing may be employed to ensure that potential losses remain within acceptable limits during periods of increased volatility.

Each Fund is managed in accordance with the investment objectives, guidelines, strategy and restrictions described in the Simplified Prospectus, and which are monitored regularly by appropriate personnel to ensure compliance therewith.

Code of Ethics and Standards of Professional Responsibility

The Manager has a Code of Ethics and Standards of Professional Conduct (the "**Code**") which applies to all of its employees. The Code is in place to protect the interests of all of the Manager's clients. The Code provides policies governing the conduct of business including conflicts of interest, privacy issues and confidentiality.

The Manager is under a statutory duty imposed by the *Securities Act* (Ontario) to act honestly and in good faith and in the best interests of each Fund and to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances.

The Master Declaration of Trust provides that the Trustee shall exercise its powers and discharge its duties as the Trustee honestly, in good faith and in the best interests of each Fund and shall perform the duties of the Trustee to the standard of care, diligence and skill a reasonably prudent person would exercise in the circumstances.

Affiliated Entities

As Manager and Trustee of the Funds, Harvest is associated with the Funds. The provision of these administrative and management services to the Funds may indirectly benefit the directors and officers of the Manager. No person or company providing services to the Funds or the Manager is an affiliated entity of the Manager.

Policies and Practices

Proxy Voting Procedures

The proxies associated with securities held by the Funds are voted in accordance with the best interests of Unitholders determined at the time the vote is cast. The Manager maintains policies and procedures that are designed to be guidelines for the voting of proxies; however, each vote is ultimately cast on a case-by-case basis, taking into consideration the relevant facts and circumstances at the time of the vote. Any conflict of interest will be resolved in a way that most benefits Unitholders. The Manager's proxy voting policies and procedures set out various considerations that the Manager will address when voting, or refraining from voting, proxies, including that:

(a) the Manager will generally vote with management on routine matters such as electing corporate directors, appointing external auditors and adopting or amending management compensation plans unless it is determined that supporting management's position would not be in the best interests of the Unitholders of a Fund;

(b) the Manager will address on a case-by-case basis, non-routine matters, including those business issues specific to the issuer or those raised by shareholders of the issuer with a focus on the potential impact of the vote on each Funds' net asset value; and

(c) the Manager has the discretion whether or not to vote on routine or non-routine matters. In cases where the Manager determines that it is not in the best interests of Unitholders to vote, the Manager will not be required to vote.

Where appropriate in the circumstances, including with respect to any situations in which a Fund is in a conflict of interest position, the Manager will seek the advice of the IRC prior to casting its vote.

Disclosure of Proxy Voting Guidelines and Record

A copy of the policies and procedures that the Funds follow when voting proxies relating to portfolio securities is available on request, at no cost, by calling 1-866-998-8298 or by writing to the Manager at 610 Chartwell Road, Suite 204, Oakville, Ontario, L6J 4A5 or by e-mail at info@harvestportfolios.com. A copy of the Fund's proxy voting record for the most recent period ending June 30 of each year, is available free of charge to any securityholder of the Fund upon request at any time after August 31 of that year and is also available on the Fund's designated website, www.harvestportfolios.com. Information contained on the website of the Manager and the Fund is not part of this Simplified Prospectus and is not incorporated herein by reference.

Remuneration of Directors, Officers, and Trustee

The Funds do not have any directors, officers nor employees.

Harvest is entitled to compensation for its services as Trustee of the Fund and for the provision of services in any other capacity. As of the date of this Simplified Prospectus, no fees have been paid to Harvest for its services as Trustee of the Fund. No other remuneration, fees or reimbursement of expenses are paid by the Fund to the directors or officers of the Trustee.

For the most recently completed financial year, the IRC members received the following amounts in fees and in reimbursement of expenses (plus HST, as applicable), in aggregate, from the Harvest Group of Funds: Edna Chu (Chair) – $14,000; Karen McRae – $10,500; Neil Gross – $10,500.

Material Contracts

The Fund is a party to the following material contracts:

(a) the Master Declaration of Trust referred to under "*Name, Formation and History of the Mutual Funds*";

(b) the Master Management Agreement referred to under "*Responsibility for Mutual Fund Administration – Manager*"; and

(c) the Custodian Agreement referred to under "*Responsibility for Mutual Fund Administration – Custodian and Fund Accounting Agent*".

Copies of the foregoing documents may be examined during normal business hours at the principal offices of the Manager located at 610 Chartwell Road, Suite 204, Oakville, Ontario, L6J 4A5.

Legal Proceedings

In September 2013, Michael Kovacs entered into a settlement agreement and order with the Ontario Securities Commission (the "**OSC**") with respect to certain personal trades and failing to file insider trading reports in connection with a fund managed by Harvest. Pursuant to the settlement agreement reached between the OSC and Mr. Kovacs, he agreed to an order which included that all of his trades be pre-cleared by the chief compliance officer of Harvest for a period of one year following the date of the settlement agreement. Pursuant to the settlement agreement, Mr. Kovacs paid a voluntary payment of $15,000.00 and paid an administrative penalty and costs of the OSC's investigation in the amount of $15,000.00.

Designated Website

A mutual fund is required to post certain regulatory disclosure documents on a designated website. The designated website of the Funds can be found at www.harvestportfolios.com.

VALUATION OF PORTFOLIO SECURITIES

Unless otherwise required by law, the value of the assets held by each Fund is determined as follows:

(a) the value of any cash on hand or on deposit, bills, demand notes, accounts receivable, prepaid expenses, cash dividends received (or to be received and declared to shareholders of record on a date before the date as of which the net asset value is being determined), and interest accrued and not yet received, shall be deemed to be the full amount thereof unless the Manager shall have determined that any such asset is not worth the full amount thereof, in which event the value thereof shall be deemed to be such value as the Manager shall determine to be the reasonable value thereof;

(b) the value of any security which is listed or dealt in upon a stock exchange shall be determined by (i) in the case of a security which was traded on the day as of which the net asset value is being determined, the closing sale price; (ii) in the case of a security which was not traded on the day as of which the net asset value is being determined, a price which is the average of the closing recorded bid and asked prices; or (iii) if no bid or asked quotation is available, the price last determined for such security for the purpose of calculating the net asset value. The value of inter-listed securities shall be computed in accordance with directions laid down from time to time by the Manager;

(c) the value of any security, the resale of which is restricted or limited by reason of a representation, undertaking or agreement by the Fund or by the predecessor in title of the Fund, shall be the lesser of (i) the value based on a reported quotation in common use and (ii) that percentage of the market value of securities of the same class, the resale of which is not restricted or limited by reasons of any representation, undertaking or agreement, equal to the percentage that the acquisition cost of the Fund was of the market value of such securities at the time of acquisition, provided that a gradual taking into account of the actual value of the securities may be made when the date on which the restrictions will be lifted is known;

(d) unlisted securities traded on an over-the-counter market are valued at the closing bid price on that business day;

(e) long positions in clearing corporation options, options on futures, over-the-counter options, debt-like securities and listed warrants shall be valued at the current market value thereof;

(f) where a covered clearing corporation option, option on futures or over the counter option is written by the Fund, the premium received by the Fund will be reflected as a deferred credit which will be valued at an amount equal to the current market value of the clearing corporation option, option on futures or over-the-counter option which would have the effect of closing the position; any difference resulting from revaluation shall be treated as an unrealized gain or loss on investment; the deferred credit shall be deducted in arriving at the net asset value of the Fund; the securities, if any, which are the subject of a written covered clearing corporation option or over-the-counter option will be valued in the manner described above for listed securities;

(g) the value of a futures contract, forward contract or swap shall be the gain or loss, if any, that would arise as a result of closing the position in the futures contract or forward contract or swap, as the case may be, on that business day unless daily limits are in effect, in which case fair market value shall be based on the current value of the underlying interest;

(h) margin paid or deposited in respect of futures contracts, forward contracts, and swaps shall be reflected as an account receivable and margin consisting of assets other than cash shall be noted as held as margin;

(i) short-term securities may be valued using market quotations, amortized cost or original cost plus accrued interest, unless the Manager determines that these no longer approximate market value of the assets;

(j) the value of all assets of the Fund valued in terms of a currency other than Canadian currency and liabilities payable in a currency other than Canadian currency shall be translated to Canadian currency using the closing rate of exchange as quoted by customary banking sources on the date of valuation;

(k) each transaction of purchase or sale of portfolio securities effected by the Fund shall be reflected in the computation of the net asset value of the Fund not later than the first computation of the net asset value of the Fund made after the date on which the transaction becomes binding;

(l) the issue or redemption of Units of the Fund shall be reflected in the computation of the net asset value not later than the next computation of the net asset value or series made after the time of the issue or redemption of the Units of the Fund; and

(m) if any asset of the Fund cannot be valued under the foregoing rules or if the foregoing rules are at any time considered by the Manager to be inappropriate under the circumstances, then notwithstanding the foregoing rules, the Manager shall make such valuation as it considers fair and reasonable.

The liabilities of a Fund include:

(a) all bills and accounts payable;

(b) all administrative expenses payable and/or accrued;

(c) the fees and reasonable expenses of the IRC established pursuant to NI 81-107;

(d) all obligations for the payment of money or property, including the amount of any declared but unpaid distributions;

(e) all allowances authorized or approved by the Manager for taxes or contingencies; and

(f) all other liabilities of the Fund of whatever kind and nature, except liabilities represented by outstanding Units.

The liabilities of each series of a Fund include the proportionate share of all common fund liabilities and the liabilities incurred exclusively by that series.

In the past three years, the Manager has not deviated from the valuation principles described above.

CALCULATION OF NET ASSET VALUE

The net asset value of each Fund is valued at the close of business each day that the Toronto Stock Exchange (the "**TSX**") is open for trading (a "**business day**") and will be equal to the aggregate value of the assets of each Fund less the aggregate value of the liabilities of the Fund, expressed in Canadian dollars at the applicable exchange rate on such date. The net asset value will be calculated using the fair value of the Fund's assets and liabilities.

The issue and redemption price of Units of a Fund is based on the Fund's net asset value next determined after the receipt of a purchase order and a redemption order. Where there is more than one series of Units of a Fund, a separate net asset value is calculated for each series of that Fund. The net asset value per Unit of a Fund or series, as applicable, on any day will be obtained by dividing the net asset value of the Fund or series, as applicable, on such day by the number of Units of the Fund or series, as the case may be, then outstanding.

The Manager will make available the daily net asset value of each Fund and the net asset value per series of Unit of each Fund on the Funds' website at www.harvestportfolios.com. Such information will also be available on request, free of charge, by calling the Manager toll free at 1-866-998-8298, by sending an email to info@harvestportfolios.com or by mailing Harvest Portfolios Group Inc. at: 610 Chartwell Road, Suite 204, Oakville, Ontario, L6J 4A5.

Harvest may suspend the calculation of the net asset value of a Fund when the right to redeem Units of the Fund is suspended. See "*Redemption of Units – Suspending your right to redeem Units*" below. During any period of suspension there will be no calculation of the net asset value of the Fund and the Fund will not be permitted to issue or redeem any Units. The calculation of the net asset value will resume when redemptions in the Fund's securities resumes. In the event of a suspension of the calculation of net asset value per Unit of the Fund, a Unitholder may either withdraw his, her or its redemption request prior to the end of the suspension period or receive payment based on the net asset value per Unit of the Fund next calculated after the termination of the suspension.

The net asset value per Unit of each Fund for financial statement purposes is calculated in accordance with International Financial Reporting Standards ("**IFRS**"). Under IFRS, each Fund's accounting policies for measuring the fair value of its investments and derivatives for financial statement purposes are expected to be aligned with those used in measuring its net asset value for transactions with Unitholders.

PURCHASES, SWITCHES AND REDEMPTIONS

The Units of each Fund are offered for sale on a continuous basis through registered Dealers. Purchase orders must be placed with Dealers or brokers registered in an investor's province or territory of residence. The price of a Unit of a Fund is the net asset value per Unit of the Fund.

You can buy Units of a Fund; switch from Units of one series of a Fund to another series of the same Fund, or switch Units from one series of a Fund to another series of another Fund through a qualified Dealer, subject to certain restrictions set out below.

You can also sell your investment in a Fund through your Dealer. Selling your investment is also known as redeeming. Whether you are buying, selling or switching Units of a Fund, we base the transaction on the value of the Units of the Fund as of the date of the transaction. The price of a Unit is called the net asset value per Unit, or the Unit value. We generally calculate the net asset value per Unit of each series of each Fund following the close of trading on the TSX (usually 4:00 p.m.) on each day that the TSX is open for trading (a "**Valuation Day**"). In unusual circumstances, we may suspend the calculation of the net asset value per Unit.

The net asset value per Unit of each series of each Fund is calculated as follows:

- we determine the value of each series' proportionate share of the assets of the Fund;
- we subtract the series' proportionate share of the liabilities of the Fund that are common to all series and the liabilities of the Fund that are specific to the series; and
- finally, we divide the balance by the number of Units of the series held by Unitholders.

The Funds are valued and may only be bought in Canadian dollars. When you place your order through a Dealer, the Dealer sends it to us.

Securities offered

Each Fund offers Series A, Series D, Series F and Series R Units. Additional series may be offered in the future without notice to, or approval of, Unitholders. If you cease to satisfy criteria for holding any series of units of a Fund, the Manager may switch such series into another series of units of the same Fund as appropriate.

Series A:

Series A Units are available to all investors. Series A Units are available only on a front-end sales charge basis. With the front-end sales charge option, you negotiate and pay your Dealer a sales charge of up to 5.00% of the amount invested at the time you purchase such Units. The sales charge you negotiate is deducted from the amount you invest at the time of purchase and is paid to your Dealer as a commission. Dealers may be paid an annual trailing commission for Series A Units. For more information, please see "*Fees and Expenses"* and see "*Dealer Compensation – Trailing commission*".

Series D:

Series D Units are available to all investors through discount brokers (or other dealer who does not make a suitability determination). Series D Units have the same characteristics as Series A except that the Management Fee for Series D is lower than Series A Units as a result of no trailing commission being charged for the Series D Units. For more information please see "*Fees and Expenses"* and see "*Dealer Compensation – Trailing commission*".

Series F:

Series F Units are available to investors who participate in fee-based programs through their Dealer. There is no sales commission payable on purchases of Series F Units of a Fund. Purchasers of Series F Units will be generally required to pay their Dealers a fee for a service or wrap program. These investors pay their Dealer an investment advisory fee for ongoing services. This investment advisory fee is negotiated between you and your Dealer. We pay no commissions or trailer fees to your Dealer. Your Dealer must ensure that you are eligible to buy and continue to hold Series F Units. If you did not qualify to hold Series F Units, or are no longer eligible to hold Series F Units, your Dealer must notify us to switch your Series F Units into Series A Units of the Fund, or to redeem them. If we do not receive such instructions within 30 days, we may, at our discretion, switch your Series F Units into Series A Units of the Fund, or redeem them. For more information please see "*Fees and Expenses"* and see "*Dealer Compensation – Trailing commission*".

Series R:

Series R Units are available to all investors and have the same characteristics as Series A Units except that the Management Fee for Series R is lower than Series A as a result of a lower trailing commission charged for the Series R Units. For more information, please see "*Fees and Expenses"* and see "*Dealer Compensation – Trailing commission*".

Purchases

You can purchase Units of a Fund through Dealers who will send your order to the Toronto office of the Fund's registrar and transfer agent. Series A, Series D, Series F and Series R Units are qualified for distribution in all Canadian provinces and territories pursuant to this Simplified Prospectus. Your order must be in the proper form and include all necessary supporting documents. Your Dealer is responsible for sending your order to the Toronto office of the Fund's registrar and transfer agent without cost to you.

If your properly completed order is received at the Toronto office of the Fund's registrar and transfer agent before 4:00 p.m. Eastern time on a Valuation Day, your order will be processed using that day's net asset value per Unit for that particular series of the Fund. If your order is received after that time, your order will be processed using the net asset value on the next Valuation Day. The Valuation Day used to process your order is called the "**trade date**". Your Dealer will send you a confirmation of your order once your order has been processed. A confirmation shows details of your transaction, including the name of the Fund, the number and series of Units you bought, and the purchase price and the trade date. We do not issue certificates of ownership for Units of the Funds.

We may reject your purchase order within one business day of receiving it. If rejected, any monies sent with your order will be returned immediately, without interest, once the payment clears. If we accept your order, but do not receive payment within two business days, we will redeem your Units on the next business day. If the proceeds are greater than the payment you owe, the difference will belong to the Fund. If the proceeds are less than the payment you owe, your Dealer will be required to pay the difference to the Fund and is entitled to collect this amount and any associated expenses from you.

If your Dealer suffers any loss arising from a failed settlement of a purchase of Units caused by you, your Dealer may seek compensation from you for the loss.

We will not accept orders to buy Units during a period when we have suspended Unitholders' rights to redeem Units. See "*Suspending your right to redeem Units*" for details.

The minimum initial investment in Series A, Series D, Series F and Series R Units of a Fund must be at least $1,000. Each additional investment in Series A, Series D, Series F and Series R Units of the Fund must be at least $100. If the value of your Units is less than $1,000, we have the discretion to sell your Units and send you the proceeds provided that you are given 30 days' prior notice. We reserve the right to change the minimum investment level at our sole discretion.

Switches

Switches from one Fund to another Fund

You may, at any time, switch all or part of your investment in a series of Units of a Fund to Units of another Fund of the same or a different series by contacting your Dealer. You can only switch Units into a different series if you are eligible to buy that other series.

You may have to pay your Dealer a switch fee of up to 2.00% of the value of the Units you are switching. However, the switch fee is negotiable. The switch fee is deducted from the amount you switch by redeeming a sufficient number of Units. If you have held the Units for 90 business days or less, you may also have to pay a short-term trading fee to the Fund you are switching out of. See "*Redemption of Units – Short-term trading*".

A switch between Funds is a disposition for tax purposes. If you hold your Units outside a Registered Plan (as defined below), you may realize a capital gain (or capital loss) on the switch. For more information on the tax consequences, see "*Income Tax Considerations*".

Switches between series of a Fund

You can switch your Units of one series to Units of another series of a Fund by contacting your Dealer. You can only switch Units into a different series if you are eligible to buy that other series. No fees apply for such switches.

Switching from one series to another series of a Fund will likely result in a change in the number of Units of the Fund you hold since each series of a Fund generally has a different series net asset value per Unit.

Switching Units from one series to another series of a Fund should not be a disposition for tax purposes.

Redemption of Units

Redemptions

Unitholders may redeem Units of a Fund on any business day without charge except for payment of a short-term trading fee, if applicable. To do so, Unitholders must complete a written redemption request. If a redemption request is deposited with a Dealer, the Dealer must send the redemption request to the Toronto office of the Fund's registrar and transfer agent on the same day. If the Dealer receives the redemption request after the close of business (usually 4:00 p.m. Toronto time) or on a day that is not a business day, the Dealer must send it to the Fund's registrar and transfer agent on the next business day.

A redemption request received by the registrar and transfer agent before 4:00 p.m. Toronto time on a Valuation Day will be processed at the net asset value per Unit on that Valuation Day. If the TSX closes earlier than 4:00 p.m. on a particular Valuation Day, we may impose an earlier deadline for that Valuation Day. Any orders received after this earlier deadline would be processed as of the next Valuation Day. A redemption request received by the Fund's registrar and transfer agent after 4:00 p.m. on a Valuation Day, or on a day which is not a Valuation Day will be processed at the net asset value per Unit determined on the next Valuation Day. The cost of sending the redemption request must be paid by the Dealer. As a security measure, a redemption request sent by fax directly by an investor will not be accepted.

For the protection of Unitholders in the Fund, a Unitholder's signature on any redemption request must be guaranteed by a bank, trust company or a Dealer. This procedure must be followed carefully. Other documentation may be required for redemption by corporations or other Unitholders that are not individuals.

We will not process orders to redeem for:

- a past date;
- a future date;
- a specific price; and/or
- any Units that have not been paid for.

If all necessary redemption documents have been properly completed and sent to the Fund's registrar and transfer agent with the redemption request, the Manager will pay the redemption amount within two business days after the date of calculation of the net asset value per Unit used in establishing the redemption price. Otherwise, the redemption amount will be paid within two business days after the Fund's registrar and transfer agent receives the missing documentation. If all necessary documents are not received by the Fund's registrar and transfer agent within ten business days following the date on which the redemption was requested, the Manager will reverse the redemption order by processing a purchase order on the tenth business day after the redemption order for the number of Units that were redeemed. The redemption proceeds will be used to pay for the Units purchased. Any excess proceeds belong to the Fund. Any shortfall will initially be paid to the Fund by the Manager, but the Manager will be entitled to collect the shortfall, plus any costs involved, from the Dealer who placed the redemption request. The Dealer may, in turn, collect the shortfall plus any costs involved from the Unitholder who placed the redemption request. Where no Dealer has been involved, the Manager will be entitled to collect the shortfall and costs from the Unitholder who placed the redemption request. If your Dealer suffers any loss arising from a failed redemption of Units caused by you, your Dealer may seek compensation from you for the loss.

We may require investors to redeem their Units if their participation in a Fund has the potential to cause regulatory or income tax problems, including if investors fail to provide their identity and residency details as required under the Tax Act, as amended from time to time. See "*Income Tax Considerations*". Please speak with your financial and/or tax advisor for more details if this applies to you.

We reserve the right to redeem, without notice, all of the Units that you hold at the class or series net asset value per Unit thereof if at any time the aggregate class or series net asset value per Unit of those Units is less than $1,000.

If you hold your Units outside a Registered Plan (as defined below), you may realize a capital gain or loss when your Units are sold. Capital gains are taxable. For more information on the tax consequences, please see "*Income Tax Considerations*".

Suspending your right to redeem Units

Under extraordinary circumstances, the rights of Unitholders to redeem Units of a Fund may be suspended. This would most likely occur: (i) during any period when normal trading is suspended on a stock exchange or other market within or outside Canada on which securities owned by a Fund are listed and posted for trading, if those securities represent more than 50% by value or underlying market exposure of the total assets of the Fund (without allowance for liabilities) and if those securities are not traded on any other exchange that represents a reasonably practical alternative for the Fund; or (ii) with the prior permission of the applicable securities regulatory authorities.

The suspension will apply to all requests for redemption received prior to the suspension in respect of which payment has not been made, as well as to all requests received while the suspension is in effect. All Unitholders making such requests shall be advised by the Manager of the suspension and that the redemption will be effected at a price determined on the first business day following the termination of the suspension. All such Unitholders shall have the right to withdraw their requests for redemption. The suspension shall terminate in any event on the first day on which the condition giving rise to the suspension has ceased to exist, provided that no other condition under which a suspension is authorized then exists. To the extent not inconsistent with official rules and regulations promulgated by any government body having jurisdiction over the Funds, any declaration of suspension made by the Manager shall be conclusive.

Short-term trading

Redeeming or switching units of a Fund within 90 business days after they were purchased, which is referred to as "**short-term trading**", may have an adverse effect on other investors in the Fund because it can increase trading costs to the Fund to the extent the Fund purchases and sells portfolio securities in response to each redemption or switch request. Excessive trading may require the Manager to sell investments at an inappropriate time and may also force the Manager to hold more cash in a Fund than would otherwise normally be required. An investor who engages in short-term trading may also participate in any appreciation in the net asset value of a Fund during the short period that the investor was invested in the Fund, which reduces the amount of the appreciation that is experienced by other, longer term investors in the Fund.

The Manager has established policies and procedures to discourage investors of a Fund from buying, redeeming or switching units of such a Fund frequently. The Manager employs a combination of measures to discourage and identify short-term trading in the Funds. These measures take into account the particular circumstances of the excessive trading of a Fund, and include:

- fair value and pricing of the securities held by the Fund;
- imposition of short-term trading fees; and
- monitoring of trading activity and refusal of trades.

A Fund may charge a short-term trading fee in order to deter certain trading activities that can be detrimental to the Fund and its investors. Specifically, a Fund may charge its Unitholders a short-term trading fee of up to 2.00% of the total amount redeemed by the Unitholder, if the Unitholder sells or transfers Units of the Fund within 90 days of buying them. The short-term trading fee will be deducted from the redemption amount of the series of Units of a Fund being redeemed.

This fee does not apply in certain circumstances, including: (a) if you switch to another series of the Fund; (b) the redemption of Units purchased by the reinvestment of distributions, if any; (c) as a result of switching between the Fund and another Fund; or (d) redemptions initiated by the Trustee.

The short-term trading fee is in addition to any other fees you would otherwise be subject to under this Simplified Prospectus. We may in our sole discretion waive the short-term trading fee. We may refuse to accept further purchase orders from you and we have the discretion to redeem all of your Units if we believe that you are, or may continue, to engage in short-term trading.

The Funds do not have any arrangements, formal or informal, with any person or company to permit short-term trading.

See "*Fees and Expenses – Short-Term Trading Fees*" for additional information.

FEES AND EXPENSES

This table lists the fees and expenses that you may have to pay if you invest in a Fund. You may have to pay some of these fees and expenses directly. A Fund may pay some of these fees and expenses, which will therefore reduce the value of your investment in the Fund.

<table>
<tr><th colspan="2">Fees and expenses payable by a Fund</th></tr>
<tr><td>Management Fees:</td><td>
Each series of Units of a Fund pays the Manager an annual management fee based on a percentage of the average daily net asset value of the assets of the Fund attributable to that applicable series (the "Management Fee").
The management fee is paid in consideration of the Manager providing management and portfolio management services to the Funds. These services include but are not limited to: the making of investment portfolio decisions, the execution of portfolio transactions, services related to ongoing administration, marketing and oversight and compliance matters for the Funds.
The Management Fees accrue daily and are paid monthly. This fee differs among the series of Units of a Fund and is subject to applicable taxes, including HST.
This table sets out the Management Fees for each series of Units of the Funds:
<table>
<tr><th>Fund</th><th>Series A Units</th><th>Series D Units</th><th>Series F Units</th><th>Series R Units</th></tr>
<tr><td>Harvest Canadian Income & Growth Fund</td><td>2.50%</td><td>1.25%</td><td>1.25%</td><td>2.25%</td></tr>
<tr><td>Harvest Banks & Buildings Income Fund</td><td>2.35%</td><td>1.10%</td><td>1.10%</td><td>1.50%</td></tr>
</table>
</td></tr>
</table>

	We may from time to time reduce or waive the Management Fees that we are entitled to charge.
Operating Expenses:	Each Fund is responsible for the payment of all expenses relating to the operation of the Fund and the carrying on of its business, including, but not limited to: • Filing fees; • Fund accounting; • Brokerage commissions and fees*; • Taxes, including HST; • Foreign withholding taxes*; • Income taxes*; • Registrar and transfer agency fees; • Accounting, audit and legal fees and expenses; • Interest expense; • Customer service centre; • Safekeeping and custodial fees; • Investor servicing costs for our call centre; • Costs of annual and semi-annual reports, prospectuses, Fund Facts and other reports; • Fees and expenses payable in connection with the Independent Review Committee; and • Other operating and administrative expenses. * *These expenses are not included in the calculation of the Fund's management expense ratio.* Generally, any changes to the basis of calculation of a fee or expense that is charged to a Fund or directly to its Unitholders by the Fund or the Manager in connection with holding Units that could result in an increase in those charges is subject to Unitholder approval. However, subject to applicable securities law requirements, no Unitholder approval will be required if the Fund is at arm's length to the person or company charging the fee or expense to the Fund and if written notice is sent to all Unitholders at least 60 days before the effective date of the change that could result in an increase in charges to the Fund. In accordance with the Manager's policies, annual compensation fees of the IRC members are apportioned among all of the investment funds (including the Funds) to which NI 81-107 applies and are managed by the Manager at that time. Fees for IRC members attending a meeting of the IRC are also apportioned among all of the investment funds managed by the Manager whose business was advanced at that particular meeting of the IRC. The costs associated with an IRC meeting to deal with an issue involving a specific fund are allocated to that particular investment fund

	only. Each year, the IRC determines and discloses its compensation in its annual report to investors in the Funds. Each series of Units of a Fund is responsible for the operating expenses that relate specifically to that series of the Fund and for its proportionate share of the operating expenses that are common to all series of the Fund. Expenses that are specific to a series include items such as filing fees, and Unitholder servicing costs. The Manager may, in some years, pay a portion of a series' operating expenses. The decision to absorb the operating expenses is reviewed annually and determined at the discretion of the Manager, without notice to Unitholders. The Manager will be reimbursed by a Fund for all reasonable costs, expenses and liabilities incurred by the Manager for performance of extraordinary services on behalf of the Fund in connection with the discharge by the Manager of its duties hereunder. Any arrangements for additional services between a Fund and the Manager, or any affiliate thereof, that have not been described in this Simplified Prospectus will be on terms that are no less favourable to the Fund than those available from arm's length persons (within the meaning of the Tax Act) for comparable services and the Fund will pay all expenses associated with such additional services. As of the year ended December 31, 2022, each IRC member is paid, as compensation for his or her services, $10,500 per annum (plus HST), prorated based on the length of the service where applicable (the chair of the IRC is paid $14,000 per annum (plus HST)). Additional compensation is also payable to each IRC member for attending meetings that are in excess of four meetings each year. For each such additional meeting attended, each IRC member is entitled to compensation of $500 (plus HST). These fees and any expense reimbursements are allocated across all investment funds to which NI 81-107 applies and that are managed by the Manager in a manner that is considered by the Manager to be fair and reasonable.

Fees and expenses payable directly by you	
Sales Charges:	You negotiate the sales charges directly with your Dealer when you purchase the Series A, Series D, or Series R Units of a Fund. These sales charges, for Series A, Series D, and Series R Units, typically range from 0% to 5% of the purchase price of the Units.

Fees and expenses payable directly by you	
Switch Fees:	You may have to pay your Dealer a negotiated switch fee of up to 2.00% of the value of the Units of a Fund if you are switching to another Fund. You negotiate this fee with your Dealer. We do not charge you a switch fee. The switch fee is deducted from the amount you switch by redeeming a sufficient number of Units.
Short-Term Trading Fees:	We may charge you a short-term trading fee of up to 2.00% of the total amount you redeem, if you redeem or switch your Units within 90 days of buying them. The short-term trading fee will be deducted from the redemption amount of the series of Units of a Fund being redeemed. This fee does not apply in certain circumstances, including: (a) as a result of switching into another series of the same Fund; (b) redemption of Units purchased on the reinvestment of distributions, if any; (c) as a result of switching between two Funds; or (d) redemptions initiated by the Trustee. We have the discretion to redeem some or all of your Units if we determine that you are engaged in short-term trading. The short-term trading fee is in addition to any other fees you would otherwise be subject to under this Simplified Prospectus.
Investment Advisory Fees for Series F Units:	Investors in Series F Units may be charged an investment advisory fee by their Dealer. The amount of the investment advisory fee is negotiated between you and your Dealer.
Other Fees:	Duplicate tax receipt – $10.00. There is a $25.00 fee plus applicable taxes per dishonoured cheque or electronic transfer.

DEALER COMPENSATION

Your Dealer may receive two types of compensation – sales commissions and trailing commissions.

Sales commissions

If you buy Series A Units, Series D Units or Series R Units of a Fund, you pay your Dealer a sales commission of up to 5.00% at the time of the purchase. The sales commission is negotiable between you and your Dealer at the time of purchase of these Units.

Trailing commission

Dealers may be paid a trailing commission in connection with Series A Units and Series R Units as we may determine from time to time for ongoing services they provide to investors, including investment advice, account statements and newsletters. The trailing commission is deducted from the Management Fee. The rate of the trailing commission paid to Dealers is negotiated between us and your Dealer and generally depends on the series of Units of the Fund in which you invest. Generally, a trailing commission is payable monthly or quarterly in arrears based on the total client assets invested in each series of Units of the Fund held by all of a Dealer's clients throughout the month or quarter, as applicable. No trailing commission is paid on Series D Units or Series F Units. We can change or cancel a trailing commission at any time, in our discretion.

Series A:

For Series A Units, Dealers will receive an annual trailing commission (calculated and paid at the end of each calendar month or quarter (depending on the Dealer's request), plus applicable taxes) equal to 1.25% of the net asset value per Unit for each Unit of a Fund held by clients of the Dealer.

Series D:

For Series D Units, no trailing commission is paid due to the implementation of a prohibition on the payment of trailing commissions by fund organizations to dealers who do not make a suitability determination effective on or about June 1, 2022.

Series F:

For Series F Units, no trailing commission is paid.

Series R:

For Series R Units, Dealers will receive an annual trailing commission (calculated and paid at the end of each calendar month or quarter (depending on the Dealer's request), plus applicable taxes) equal to 0.40% of the net asset value per Unit for each Unit of Harvest Banks & Buildings Income Fund and equal to 1.00% of the net asset value per Unit for each Unit of Harvest Canadian Income & Growth Fund held by clients of the Dealer.

Other kinds of dealer compensation

Investment advisory fees

When you invest in Series F Units, you may be charged an investment advisory fee by your Dealer for the services provided to you by your Dealer. The amount of the investment advisory fee is to be negotiated between you and your Dealer.

Switch fees

You may have to pay your Dealer a negotiated switch fee of up to 2.00% of the value of the Units of a Fund if you are switching to another Fund. The switch fee is deducted from the amount you switch by redeeming a sufficient number of Units.

We may make various payments to registered Dealers relating to educational and marketing activities in accordance with National Instrument 81-105 *Mutual Fund Sales Practices*. These include paying up to 50% of the cost of sales communications and investor seminars, up to 100% of the cost of third party educational courses taken by representatives and up to 10% of the cost of conferences put on by Dealers. We may also provide representatives with non-monetary items of a promotional nature of minimal value.

INCOME TAX CONSIDERATIONS

This information is a general summary of how investing in a Fund can affect your taxes. It assumes that you are an individual (other than a trust) resident in Canada, you are not affiliated with, and you deal at arm's length with, the Fund, and you hold your Units directly as capital property or in a trust governed by a registered retirement savings plan ("**RRSP**"), registered education savings plan ("**RESP**"), registered retirement income fund ("**RRIF**"), registered disability savings plan ("**RDSP**"), tax-free savings account ("**TFSA**"), first home savings account ("**FHSA**") or deferred profit sharing plan (each within the meaning of the Tax Act and, collectively, "**Registered Plans**").

This summary is based upon the current provisions of the Tax Act and the regulations thereunder (the "**Regulations**"), all specific proposals to amend the Tax Act and the Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Tax Proposals**"), and the current published administrative policies and assessing practices of the Canada Revenue Agency (the "**CRA**"). This summary assumes that the Tax Proposals will be enacted as proposed. However, there is no assurance that the Tax Proposals will be enacted in the form proposed or at all, or that the CRA will not change its administrative policies or assessing procedures. Except for the Tax Proposals, this summary does not take into account or anticipate any changes in the law, whether by way of legislative, governmental or judicial decision or action, nor does it take into account provincial, territorial or foreign tax legislation or considerations, which may differ from those under the Tax Act.

This summary is based on the assumption that each Fund will qualify at all times as a "**mutual fund trust**" within the meaning of the Tax Act. In the event a Fund were not to qualify as a mutual fund trust at all relevant times, the income tax consequences described below would in some respects be materially and adversely different.

This summary is not exhaustive of all possible Canadian federal income tax considerations applicable to an investment in Units and does not describe the income tax considerations relating to the deductibility of interest on money borrowed to acquire Units. Moreover, the income and other tax consequences of acquiring, holding or disposing of Units will vary according to your status, the provincial or territorial jurisdiction(s) in which you reside or carry on business and, generally, your own particular circumstances. Accordingly, the following description of income tax matters is of a general nature only and is not intended to

constitute legal or tax advice to any particular investor. You should consult your own tax advisors with respect to the income tax consequences of investing in Units, based on your particular circumstances.

Income Tax Considerations for the Mutual Funds

A Fund will be subject to tax under Part I of the Tax Act on the amount of its income for the year, including the taxable portion of net realized capital gains, less the portion thereof that it claims in respect of the amounts paid or payable to Unitholders in the year. Provided that a Fund makes distributions for each year of its net income and net realized capital gains, and provided that a Fund deducts in computing its income the full amount available for deduction in each year, the Fund will not generally be liable for income tax under Part I of the Tax Act. The "suspended loss" rules in the Tax Act may prevent the Fund from recognizing capital losses on the disposition of securities in certain circumstances which may increase the amount of net realized capital gains of the Fund to be made payable to Unitholders.

The Manager of the Funds has discretion to allocate a portion of a Fund's net capital gains for a taxation year to a redeeming Unitholder. Any amount so designated must be included in the income of the redeeming Unitholder and will reduce the redeeming Unitholder's proceeds of disposition. An amount so allocated and designated to a redeeming Unitholder will only be deductible to a Fund to the extent of the gain that would otherwise be realized by that Unitholder on the redemption of the Units.

All of a Fund's deductible expenses, including expenses common to all series of the Fund and management fees and other expenses specific to a particular series of the Fund, are taken into account in determining the income or losses of the Fund as a whole. Losses by a Fund cannot be allocated to investors but may, subject to certain limitations, be deducted by the Fund from capital gains or other income realized in other years.

If a Fund invests in securities which are not denominated in Canadian dollars, the cost and proceeds of disposition of securities, dividends, interest and all other amounts will be determined for the purposes of the Tax Act in Canadian dollars at the exchange rate prevailing at the time of the transaction. Accordingly, a Fund may realize income, gains or losses by virtue of the fluctuation in the value of foreign currencies relative to the Canadian dollar.

How the Funds Earn Money

Each Fund earns money in the form of income and capital gains. Income includes the interest and dividends that the Fund earns on its investments and income from certain derivatives. Capital gains are earned when a Fund sells investments held as capital property for more than their cost for tax purposes. A Fund may realize capital losses if it sells investments held as capital property for less than their cost.

Every year a Fund distributes to Unitholders enough of its net income and net realized capital gains to ensure that the Fund does not have to pay income tax on its income. In effect, a Fund flows all of its taxable income to Unitholders and such income is treated as if you earned your share of it directly. A Fund may also distribute an amount in excess of your share of its net income and net realized capital gains – these excess amounts are returns of capital. A Fund will distribute a portion of the distribution as a return of capital if the Fund has not earned enough income through dividends, interest and capital gains to meet the distribution that the Fund makes to investors.

Income Tax Considerations for Investors

Units Held Outside a Registered Plan

You must include in your income all net income and net taxable capital gains, if any, payable to you by a Fund, whether paid by reinvestment in additional Units or in cash. To the extent applicable, each Fund intends to make designations to ensure that the maximum portion of its dividends from taxable Canadian corporations (including deemed dividends), foreign income, net realized capital gains and foreign creditable tax will be received by you as dividends from taxable Canadian corporations, foreign income or taxable capital gains, as the case may be, or will be deemed to be paid by you in the case of foreign creditable tax.

Dividends from taxable Canadian corporations distributed to you by a Fund, whether paid by reinvestment in additional Units or in cash, are eligible for a dividend tax credit through the gross-up and dividend tax credit rules applicable to dividends received from taxable Canadian corporations, including the enhanced gross-up and dividend tax credit available for eligible dividends, where applicable.

When you purchase Units of a Fund, a portion of the price paid may reflect income and capital gains of the Fund for the year. The amounts paid to you must be included in your income for tax purposes subject to the provisions of the Tax Act, even though a Fund earned these amounts before you owned the Units. This could arise if you buy Units before a distribution date, such as just before the year-end of the Fund.

If distributions by a Fund to you in any year exceed your share of the Fund's net income and net realized capital gains for the year, the excess amount paid to you will be a return of capital and will not be included in your income but will reduce the adjusted cost base of your Units by such excess amount. If the adjusted cost base of your Units of a Fund were to become negative, you would be deemed to realize a capital gain equal to that amount and your adjusted cost base will be reset to nil.

A Fund's portfolio turnover rate indicates how frequently the Fund purchases and sells its portfolio investments. A portfolio turnover rate of 100 percent is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance that you will receive a distribution from the Fund that must be included in your income for tax purposes for that year. There is not necessarily a relationship between a high portfolio turnover rate and the performance of a Fund.

Redeeming your Units

You will realize a capital gain (or capital loss) if your sale proceeds are more (or less) than the adjusted cost base of your Units and any reasonable costs of disposition. One-half of a capital gain must be included in income as a taxable capital gain. One-half of a capital loss is an allowable capital loss, which may be applied against taxable capital gains realized in the year. Allowable capital losses in excess of taxable capital gains may be carried back three years or forward indefinitely and applied against taxable capital gains realized in those earlier or later years, subject to the rules in the Tax Act.

The amount of capital gains of a Fund, if any, distributed to you when you redeem Units, will reduce the amount of a capital gain or increase the amount of a capital loss realized on the redemption of those Units.

If you dispose of Units of a Fund and you, your spouse or another person affiliated with you (including a corporation controlled by you) has acquired Units of the Fund, within 30 days before or after you dispose of your Units, which are considered to be substituted property, any capital loss you realize may be deemed to be a superficial loss, and denied for tax purposes. If so, you will not be able to recognize the loss and it will be added to the adjusted cost base to the owner of the Units which are substituted property.

Individuals are subject to an alternative minimum tax. Capital gains and Canadian taxable dividends may give rise to liability for such minimum tax.

Calculating adjusted cost base

Your capital gain or loss for tax purposes is the difference between the amount you receive when you sell or switch your Units and the adjusted cost base of those Units plus any reasonable costs of disposition.

You *are* responsible for keeping a record of the adjusted cost base of your investment. The aggregate adjusted cost base of your Units of a series of a Fund is made up of:

- the amount you paid to purchase your initial investment including any sales charges, plus
- the amount you paid for any additional investments including any sales charges, plus
- the amount of distributions and returns of capital reinvested in additional Units, minus
- any return of capital distributions, minus
- the adjusted cost base of any Units previously redeemed or switched for Units of another series of the Fund or for Units of another Fund.

The adjusted cost base per Unit is equal to the aggregate adjusted cost base of all identical Units you own divided by the total number of those Units you own.

Switching between the Funds and series of a Fund

For tax purposes, switching Units of a Fund to another Fund is the same as redeeming the Units for cash, and then reinvesting in units of the other Fund. The same rules that apply for redeeming your Units also apply to a switch between Funds.

A switch of Units from one series to Units of another series of a Fund, however, should not be a disposition for tax purposes and no capital gain or capital loss should be realized. The adjusted cost base of the units that were switched will be transferred to the units of the other series of the Fund acquired on the switch.

Units held in a Registered Plan

The Units of a Fund are expected to be at all material times qualified investments under the Tax Act for Registered Plans. Notwithstanding the foregoing, if the Units are "prohibited investments" for a RRSP, RRIF, TFSA, RDSP, FHSA or RESP, the annuitant, holder or subscriber of such Registered Plan, as the case may be, will be subject to a penalty tax. Provided that the annuitant of the RRSP or RRIF, or the holder of the TFSA, RDSP or FHSA or the subscriber of the RESP, does not hold a "significant interest" (as defined in the Tax Act) in a Fund and that such annuitant, holder or subscriber deals at arm's length with the Fund, the Units will not be prohibited investments for such Registered Plan.

If you hold Units of a Fund in a Registered Plan, you generally pay no tax on distributions from the Fund on those Units as long as you do not make a withdrawal from the plan. When you redeem Units of a Fund or switch Units of the Fund to another Fund, you generally do not pay tax on any capital gains that your Registered Plan realizes as long as you leave the proceeds in the plan.

When you withdraw money from a Registered Plan it will generally be subject to tax at your marginal tax rate. Withdrawals from a TFSA, however, are generally not subject to tax, and RESPs, RDSPs and FHSAs are subject to special rules. The amount you receive on withdrawal will be reduced by any applicable tax withholdings.

You should be careful not to contribute more to your Registered Plan than the allowable amount under the Tax Act or you may be required to pay a penalty.

Tax Statements

You will receive written confirmation when you buy, sell or switch between the Funds, as the case may be. Your trade confirmation shows details of the trade including the name of a Fund, the number of Units purchased/redeemed and the purchase/redemption price.

You will also receive annual account statements, which summarize the trading activity in your account and the market value of your holdings in a Fund as at the date of the statement. If you hold Units outside of a Registered Plan, we will send you a tax slip showing all distributions that have been earned by you. Each year, you will receive both the annual audited financial statements of a Fund for the financial year ended December 31 and interim unaudited financial statements of the Fund for the six-month period ended June 30 unless you have requested not to receive such statements in accordance with applicable securities laws.

Tax Information Reporting

Generally, you will be required to provide your dealer with information related to your citizenship, tax residence and, if applicable, your foreign tax identification number. If you are identified as a U.S. person (including a U.S. citizen living in Canada) or foreign tax resident, details of your investment in a Fund will generally be reported to the Canada Revenue Agency, unless your Units are held in a Registered Plan. The Canada Revenue Agency exchanges this information annually with the relevant foreign tax authority if the relevant foreign country has signed an exchange of financial account information agreement with Canada.

WHAT ARE YOUR LEGAL RIGHTS?

Under securities law in some provinces and territories, you have the right to withdraw from an agreement to buy Units of a Fund within two business days after you receive a Simplified Prospectus or Fund Facts document, or cancel your purchase within 48 hours after you receive confirmation of the purchase. In some provinces and territories, you also have the right to cancel a purchase, or in some jurisdictions, claim damages, if the Simplified Prospectus, Fund Facts document or financial statements contain a misrepresentation. You must act within the time limits set by law in the applicable province or territory. For more information, see the securities law of your province or territory or ask a lawyer.

EXEMPTIONS AND APPROVALS

The Harvest Canadian Income & Growth Fund was established as a closed-end investment fund and was first distributed on May 31, 2010. The Fund converted into an open-end mutual fund on June 20, 2012. The Fund obtained exemptive relief from the Canadian securities regulatory authorities relieving the Fund from the prohibitions in National Instrument 81-102 *Investment Funds*, as amended from time to time (or any successor instrument) ("**NI 81-102**") in order for the Fund to show performance data of the Fund for the period prior to the Fund offering its securities under a Simplified Prospectus. The information relating to the past performance of the Fund in sales communications (including Fund Facts) will include pre-conversion past performance.

CERTIFICATE OF THE FUNDS, THE MANAGER AND THE PROMOTER

HARVEST BANKS & BUILDINGS INCOME FUND
HARVEST CANADIAN INCOME & GROWTH FUND
(the "Funds")

This Simplified Prospectus and the documents incorporated by reference into the Simplified Prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the Simplified Prospectus, as required by the securities legislation in each of the provinces and territories of Canada and do not contain any misrepresentations.

June 16, 2023

(Signed) "Michael Kovacs"
Michael Kovacs
President and Chief Executive Officer of
Harvest Portfolios Group Inc.

(Signed) "Daniel Lazzer"
Daniel Lazzer
Chief Financial Officer of
Harvest Portfolios Group Inc.

On behalf of the Board of Directors of Harvest Portfolios Group Inc.
as Trustee, Manager and Promoter of the Funds

(Signed) "Nick Bontis"
Nick Bontis
Director

(Signed) "Mary Medeiros"
Mary Medeiros
Director

SPECIFIC INFORMATION ABOUT EACH OF THE MUTUAL FUNDS DESCRIBED IN THIS DOCUMENT

What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund?

What is a mutual fund?

A mutual fund is a pool of money that is professionally managed on behalf of a group of investors with similar investment objectives. Each investor puts money into the mutual fund by buying units of the mutual fund. A professional portfolio adviser uses that money to buy a variety of securities and other investments for the mutual fund, depending on the mutual fund's objectives. Most mutual funds invest in securities like stocks, bonds and money market instruments. When you buy units of a mutual fund, you are indirectly buying these underlying investments, and the value of your investment in the mutual fund is determined by the performance of those underlying investments. The portfolio adviser makes all the decisions about which securities to buy and when to buy and sell them. If the value of the investments falls, everyone shares in the loss. The size of your share depends on how much you invested. The more you invest in the mutual fund, the more units of the mutual fund you own and the greater your portion of the gains or losses. Mutual fund investors also share the mutual fund's expenses.

The two most common legal forms for a mutual fund are: a mutual fund trust or a mutual fund corporation. Both forms of mutual funds allow you to pool your savings with other investors seeking the same investment objectives. A mutual fund trust issues "units" of the trust to people who invest in the trust fund and a mutual fund corporation issues "shares" of the corporation to people who invest in the corporation. Units and shares both represent an ownership interest in a mutual fund. The Funds are mutual fund trusts, and therefore, in this Simplified Prospectus we refer to "Units" and not "shares".

What are the advantages of investing in a mutual fund?

There are many advantages to investing in a mutual fund over investing in individual stocks, bonds and money market instruments on your own. Professional portfolio advisers have the skills and the time to do research and make decisions about which investments to buy, hold or sell. Owning several investments can improve long-term results because the ones that increase in value can compensate for those that do not. You can sell your investment back to the mutual fund at any time. With many investments other than mutual funds, your money is locked in or you have to find a specific buyer before you can sell. Mutual fund companies use sophisticated record keeping systems to keep track of all of the individual investments by recording how many units each investor owns and send you regular financial statements, tax slips and reports.

What are the general risks of investing in a mutual fund?

As with most other investments, mutual funds come with a certain amount of risk. Mutual funds own different types of investments, depending upon their investment objectives. The value of these investments will change from day to day, reflecting changes in interest rates, economic conditions, and market and company news. As a result, the value of a mutual fund's units may go up and down, and the value of your investment in a mutual fund may be more or less when you redeem it than when you purchased it.

The amount of risk depends on the kind of mutual fund you buy. Before you invest in a mutual fund, you need to decide what level of risk you are comfortable with. The answer depends in part on the kind of returns you expect. Generally, higher risk investments (for example, equity funds) have a higher potential for gains and losses, while lower risk investments (for example, money market funds) have a lower potential for gains and losses.

Under exceptional circumstances, a mutual fund may suspend your right to sell your investment. For more details, see "*Purchases, Switches and Redemptions – Suspending your right to redeem Units*" for details. Some mutual funds offer units in more than one series. Each series generally has different management fees and expenses.

While mutual funds have many advantages, it is important to remember that your investment in a Fund is not guaranteed. Unlike bank accounts or guaranteed investment certificates ("**GICs**"), mutual fund units are not covered by the Canada Deposit Insurance Corporation or any other government deposit insurer.

What are the risks of investing in the Funds?

Each Fund owns different types of investments, the value of which may change from day to day, reflecting changes in, among other things, interest rates, economic conditions, market and company news, and unforeseeable events. As a result, the value of a Fund's investments, and therefore its net asset value, may go up or down. When you redeem units of a Fund, their value may be more or less than your original investment.

The risks outlined below in alphabetical order are some of the most common risks associated with investing in the Funds. Any reference to a Fund in this section is intended to also refer to the securities of any underlying funds that a Fund may invest in. To find out which risks apply to each Fund, see the individual fund profiles starting in Part B in this document.

The risks associated with an investment in the Funds as set out in Part B are as follows:

Banking and financial issuers risk

The value of a Fund will fluctuate with interest rate changes and corresponding changes in the value of the securities of publicly-traded banking issuers listed on a recognized stock exchange in North America ("**banking issuers**") and other publicly-traded financial services issuers listed on a recognized stock exchange in North America other than banking issuers ("**financial issuers**") in the investment portfolio of that Fund. The value of securities of banking issuers and other financial issuers is also affected by such factors as general economic conditions and the customers of such banking issuer's creditworthiness. Customers or banking issuers and other financial issuers may default on their obligations to pay interest and/or principal amounts.

Concentration risk

A Fund may hold significant investments in a few companies, rather than investing the Fund's assets across a large number of companies. Further, a Fund may concentrate its investments in particular sectors, regions, countries and industries. This means a Fund's holdings may not be diversified and may be concentrated. The effects of such lack of diversification and of such concentration can mean that changes in the value of the securities of companies in a Fund's portfolio may have more pronounced effects on the volatility of the net asset value of the Fund than if the holdings were less concentrated. In some cases, more than 10% of the net assets of the Fund may be invested in securities of a single issuer as a result of the appreciation in value of such investment and/or the liquidation or decline in value of other investments that it owns. In such event, the investment portfolio of a Fund will be less diversified, and therefore potentially subject to larger and more frequent changes in value than mutual funds which hold more broadly diversified investment portfolios.

Capital depreciation risk

In certain situations, such as periods of declining markets or increases in interest rates, a Fund may make distributions that include a return of capital. Where the total distributions by a Fund in a year exceed the Fund's net income and net realized capital gains for the year, the net asset value of the Fund may be reduced, which could reduce the Fund's ability to generate future income.

Conflicts of interest risk

The services to be provided by the Manager are not exclusive to the Funds. The Manager is not prevented from offering its services to other funds, some of which may invest in the same securities as a Fund from time to time.

Credit risk

To the extent that a Fund invests in fixed income securities or debt securities, it will be sensitive to credit risk. When a company or government issues a fixed income security or debt security, it promises to pay interest and repay a specified amount on the maturity date. Credit risk is the risk that the company or government will not live up to that promise. Companies and governments that borrow money, and the fixed income or debt securities they issue, are rated by specialized rating agencies. High-quality securities have high ratings, such as A1 or better. A rating of A1 or better indicates that an issuer's capacity to meet its financial commitments on those obligations is extremely strong. The riskiest fixed income securities are those with a low credit rating or no credit rating at all. These securities usually offer higher interest rates to compensate for the increased risk. Ratings by nationally recognized ratings agencies generally represent the particular agency's opinion of the credit quality of an issuer and may prove to be inaccurate.

Currency risk

The Funds' assets and liabilities are valued in Canadian dollars. When a Fund buys foreign securities, however, they are purchased with foreign currency. The value of such foreign securities will fluctuate as foreign currencies change value in relation to the Canadian dollar. The U.S. dollar, for example, fluctuates in value against the Canadian dollar. While the Fund can benefit from changes in exchange rates, an unfavourable move may reduce, or even eliminate, any return on a U.S. investment. The Funds' ability to make distributions or process redemptions assumes the continuing free exchange of the currencies in which the Fund is invested. However, certain foreign governments sometimes restrict the ability to exchange currencies.

The Funds may hedge currency exposure of their foreign portfolio portions to the extent deemed appropriate. Hedging against a decrease in the value of a currency does not, however, eliminate fluctuations in the prices of portfolio securities or prevent losses should the prices of the portfolio securities decline. Furthermore, it may not be possible for a Fund to hedge against generally anticipated devaluation as the Fund may not be able to contract to sell the currency at a price above the devaluation level.

Cyber security risk

The cyber security risks faced by the Manager, the Funds, service providers and Unitholders have increased in recent years due to the proliferation of cyber-attacks that target computers, information systems, software, data and networks. Cyber-attacks include, among other things, unauthorized attempts to access, disable, modify or degrade information systems and networks, the introduction of computer viruses and other malicious codes such as “ransomware”, and fraudulent “phishing” emails that seek to misappropriate data and information or install malware on users’ computers. The potential effects of cyber-attacks include the theft or loss of data, unauthorized access to, and disclosure of, confidential personal and business-related information, service disruption, remediation costs, increased cyber-security costs, lost revenue, litigation and reputational harm which can materially affect a Fund. The Manager continuously monitors security threats to its information systems and implements measures to manage these threats, however the risk to the Manager and the Funds, and therefore Unitholders, cannot be fully mitigated due to the evolving nature of these threats, the difficulty in anticipating such threats and the difficulty in immediately detecting all such threats.

Energy infrastructure issuer risk

Energy infrastructure issuers may be subject to a variety of factors that may adversely affect their business or operations, including high interest costs in connection with capital construction programs, high leverage, costs associated with environmental and other regulations, supply of, and demand for, oil, natural gas and other commodities, the effects of economic slowdown, surplus capacity, uncertainties concerning energy costs and the effects of energy conservation policies.

Foreign investment risk

A Fund may invest in securities of issuers that are domiciled in countries that are located outside of North America. The value of foreign securities, and the unit price of a Fund, may fluctuate more than investments in companies whose securities are listed on a North American stock exchange because:

- companies outside North America are not subject to the regulations, standards, reporting practices and disclosure requirements that apply in Canada and the U.S.;
- some foreign markets may not have laws to protect investor rights;
- political instability, social unrest or diplomatic developments in foreign countries could affect the Fund’s securities or result in their loss;
- certain foreign markets are less liquid than their North American counterparts, which may limit the Fund’s ability to buy and sell securities in such foreign markets; and

- there is a chance that foreign securities may be highly taxed or that government-imposed exchange controls may prevent the Fund from taking money out of the country.

These and other risks can contribute to larger and more frequent price changes among foreign investments. There may also be Canadian tax consequences for a Fund related to the holding by the Fund of investments in certain foreign investment entities.

Global financial developments risk

Significant events in foreign markets and economies can have material impacts on other markets worldwide, including Canada. Such events could, directly or indirectly, have a material effect on the prospects of a Fund and the value of the securities in the Fund's portfolio.

Inflation risk

Inflation erodes future purchasing power and should be considered when determining an appropriate asset mix for an investor. It is possible that the value of fixed income investments and currencies could depreciate if the level of inflation rises in the country of origin. Inflation rates are generally measured by governments and are reported as the Consumer Price Index ("**CPI**").

Interest rate risk

If a Fund invests in bonds and other fixed income securities, changes in the general level of interest rates will be a significant influence on that Fund's value and affect the income earned in the Fund. The general level of interest rates is in part affected by the rate of inflation. If interest rates fall, the value of the Fund's Units will tend to rise. If interest rates rise, the value of the Fund's Units will tend to fall. Changes in interest rates may also have a negative impact on the business of the issuers in which a Fund invests and on the price of the securities of such issuers. Fixed income securities with longer terms to maturity are usually more sensitive to changes in interest rates.

Investment trust risk

The Funds may invest in real estate, royalty, income and other investment trusts which are investment vehicles in the form of trusts rather than corporations. To the extent that claims, whether in contract, in tort or as a result of tax or statutory liability, against an investment trust are not satisfied by the trust, investors in the investment trust, including the Funds, could be held liable for such obligations. Investment trusts generally seek to make this risk remote by including provisions in their agreements that the obligations of the investment trust will not be binding on investors personally. However, investment trusts could still have exposure to damage claims such as personal injury and environmental claims. Certain jurisdictions have enacted legislation to protect investors in investment trusts from the possibility of such liability.

Large transaction risk

Units of a Fund may be purchased or redeemed in large quantities by an investor or by another investment fund. If these transactions are significant, they may impact the Fund's cash flow, and the Fund may be required to alter its current investment portfolio by buying or selling a large portion of its investments. In the case where a large investor purchases Units with cash, the Fund may temporarily have a higher than normal cash position until this cash can be invested. In the case of a large redemption, the Fund may be required to sell existing investments at unfavourable prices if it does not have enough cash on hand to fund the redemption.

Liquidity risk

Liquidity is a measure of how easy it is to convert an investment into cash. The liquidity of a security held by a Fund can be impacted by factors specific to the security or by external factors such as market disruptions. An investment may be less liquid if it is not widely traded, it is not well known, the pool of potential buyers is small or if there are restrictions on the exchange where the trading takes place. In highly volatile markets, securities that were considered liquid may suddenly and unexpectedly become illiquid. In the event a security held by a Fund is illiquid, the Fund may be prevented from disposing of the security, which could limit its ability to limit losses or realize gains. Likewise, if certain securities are particularly illiquid, the Manager may be unable to acquire the number of securities it would like to at a price acceptable to the Manager on a timely basis. Changes in value of securities that have low liquidity can be dramatic and liquidity issues could result in a diminished return for a Fund. In addition, illiquid securities may be more difficult to value accurately.

Market disruptions

Natural disasters, epidemics and pandemics, public health emergencies, war, occupation, terrorism and related geopolitical risks may lead to increased market volatility and may have adverse effects on world economies and markets generally. Those events could also have an acute effect on individual issuers or related groups of issuers and can adversely affect securities and financial markets, inflation and other factors relating to a Fund, its service providers and its portfolio securities. These market conditions and volatility or illiquidity in capital markets may adversely affect the prospects of a Fund and the value of its portfolio securities.

Market risk

Companies issue equities, or stocks, to help finance their operations and future growth. Investors who purchase these equities become part owners in these companies. The value of these equities varies according to how the market reacts to factors relating to the company, market activity, or the economy in general. For example, when the economy is expanding, the market tends to attach positive outlooks to companies and the value of their stocks tends to rise. The opposite is also true. For start-ups, resource companies and companies in emerging sectors, the risks and potential rewards are usually greater. Some of the products and services offered by technology companies, for example, can become obsolete as science and technology advance. In general, the greater the potential reward, the greater the risk.

Financial markets have recently experienced significant price and volume fluctuations that have particularly affected the market prices of equity securities of companies that have often been unrelated to the operating performance, underlying asset values or prospects of such companies. Accordingly, the market price of the shares of the publicly listed companies in which a Fund invests may decline even if the applicable company’s operating results, underlying asset values or prospects remain unchanged. There can be no assurance that continuing fluctuations in price and volume of such companies will not occur. If such increased levels of volatility and market turmoil continue, the above noted companies' operations could be adversely impacted and the trading price of their common shares may be materially adversely affected.

North American economic risk

A decrease in imports or exports, changes in trade regulations or an economic recession in any North American country may have a significant economic effect on the entire North American region and on some or all of the North American countries in which the Fund invests.

The U.S. is Canada's largest trading and investment partner. The Canadian economy is significantly affected by developments in the U.S. economy. Political developments in the U.S. may have implications for the trade arrangements among the U.S., Mexico and Canada, which could negatively affect the value of securities held by a Fund. Policy and legislative changes in one country, including tariff changes or import restrictions, may have a significant effect on North American markets generally, on Canadian markets specifically, as well as on the value of certain securities held by a Fund.

Portfolio management risk

The Funds are dependent on the Manager, as the portfolio adviser of the Funds, to select their investments. A Fund is subject to the risk that poor security selection or asset allocation decisions will cause the Fund to underperform relative to its benchmark or other mutual funds with similar investment objectives.

Prepayment risk

Certain fixed income securities, including mortgage-backed or other asset-backed securities, can be prepaid before maturity. If a prepayment is unexpected or if it occurs faster than predicted, the fixed income security may pay less income and its value may decrease.

Public health crisis risk

The business, operations and the financial condition of the Manager and of the issuers of securities that the Funds invest in could be materially adversely affected by the outbreak of epidemics, pandemics or other health crises, such as the outbreak of the novel coronavirus COVID-19. The international response to the spread of COVID-19 has led to significant restrictions on travel, temporary business closures, quarantines, global stock market volatility and a general reduction in consumer activity. Such public health crises can result in operating, supply chain and project development delays and disruptions, global stock market and financial market volatility, declining trade and market sentiment, reduced movement of people and labour shortages, and travel and shipping disruptions and shutdowns. Government regulation and prevention measures, or a fear of any of the foregoing could affect commodity prices, interest rates, credit ratings, credit risk and inflation. The Manager or issuers of securities may experience business interruptions including suspended or reduced operations, expenses and delays relating to COVID-19 and other such events outside of their control which could have a material adverse impact on business, operating results, financial condition and the market for securities. As at the date of this document, the duration of the business disruptions internationally and related financial impact of COVID-19 cannot be reasonably estimated. It is unknown whether and how the Manager or issuers may be affected if such an epidemic persists for an extended period of time, including as a result of variants of the original strain of the virus.

Real estate issuer risk

The assets, earnings and share values of companies involved in the real estate industry are influenced by a number of different factors, including economic cycles, the level of interest rates, consumer confidence, the policies of various levels of government and the economic well-being of various industries. In addition, underlying real estate investments may be difficult to trade, resulting in greater price volatility for companies that manage real estate assets like real estate investment trusts ("**REITs**").

Investments in real estate issuers are subject to the general risks associated with real property investments, which include changes in general economic conditions, the availability of financing, changes in local conditions (such as oversupply of space or a reduction in demand for real estate in the area), the attractiveness of the properties to tenants, competition from other available space and various other factors. In addition, real property is typically illiquid and, as a result, real estate issuers have a limited ability to adjust their portfolios in response to changes in economic or other conditions.

The yields available from investments in real estate depend upon the amount of revenues generated and expenses incurred. These risks include changes in general economic conditions (such as the availability and cost of mortgage funds), local conditions (such as an oversupply of space or a reduction in demand for real estate in the area), government regulations, the attractiveness of properties to tenants, and the ability of the owner to provide adequate maintenance at an economic cost. The performance of the economy in each of the areas in which properties are located affects occupancy, market rental rates and expenses. As a result, these factors can have an impact on revenues from the properties and their underlying values. The financial results and labour decisions of major local employers may also have an impact on the revenues from and value of certain properties.

Regulatory, business, legal and tax risk

Legal, tax and regulatory changes to laws or administrative practice could occur during the term of a Fund which may adversely affect the Funds. Interpretation of the law or administrative practice may affect the characterization of the Fund's earnings as capital gains or income which may increase the level of tax borne by investors as a result of increased taxable distributions from the Fund. There can be no assurance that Canadian federal income tax laws and administrative policies and assessing practices of the Canada Revenue Agency will not be changed in a manner that adversely affects the Unitholders of the Fund.

Reliance on management risk

Unitholders of the Funds will be primarily dependent on the business judgment and expertise of the Manager and key personnel employed by the Manager. There is no assurance that the Manager will not be terminated as manager of a Fund, or that any key personnel will not leave the employ of the Manager.

Retail industry risk

The retail industry is influenced by a number of external factors which affect customer demand, and over which retail issuers exercise no influence, including but not limited to, general economic growth, inflation, interest rates, personal debt levels, unemployment rates and levels of personal disposable income. In an economic downturn, discounting by retail issuers may result in more out-shopping by consumers from the retail market which may negatively impact sales and gross profit. Changes in inflation rates are unpredictable and may impact the cost of merchandise and the prices charged to consumers which in turn could negatively impact sales and net earnings. A significant and prolonged decline in consumer spending could have an adverse effect on the financial condition and results of a retail issuer's operations. Changes in consumer behaviour over time, including a shift towards online shopping, can also be expected to negatively impact retail issuers.

Sector and industry risk

A Fund may concentrate its investments in certain sectors or industries in the economy. This allows the Fund to focus on that sector or industry's potential, but such concentration can mean the Fund is riskier than mutual funds with broader diversification. Because securities in the same sector or industry tend to be affected by the same factors, sector and industry specific funds tend to experience greater fluctuations in price when their target sector and industries are impacted by such factors. These funds must continue to follow their investment objectives by investing in their particular sector or industry, even during periods when that sector or industry is performing poorly.

Series risk

The Funds are available in more than one series of Units and each series of Units has its own fees and expenses which the Funds track separately. An expense item that can be specifically attributed to a series will be borne by that series. If a Fund cannot pay the expenses of one series using that series' share of the Fund's assets, the Fund will be required to pay those expenses out of the other series' share of the Fund's assets. This could lower the investment return of the other series. The Funds may, without notice to, or approval of, Unitholders, issue additional series in the future.

Small capitalization risk

If the Funds invest in companies with small capitalization, they will be sensitive to small capitalization risk. Capitalization is a measure of the value of a company represented by the current price of a company's stock, multiplied by the number of shares of the company that are outstanding. Companies with small capitalization may not have a well-developed market for their securities. As a result, these securities may be difficult to trade, making their prices more volatile than those of large capitalization companies.

Specific issuer risk

The value of securities will vary positively and negatively with developments within the specific companies or governments that issue the securities. If a Fund has a significant portion of its assets in or exposed to any one issuer, it is possible that the Fund may experience reduced liquidity and diversification. Additionally, if the Fund holds significant investments in a few companies, changes in the value of the securities of those companies may increase the volatility of the net asset value of the Fund. The Funds are subject to certain concentration restrictions under applicable securities laws.

Tax risk

If a Fund experiences a "loss restriction event", the Fund (i) will be deemed to have a year-end for tax purposes (which, if the Fund has not paid or made payable sufficient net income and net realized capital gains, if any, for such taxation year, would result in the Fund being liable for income tax on such amounts under Part I of the Tax Act), and (ii) will become subject to the loss restriction rules generally applicable to a corporation that experiences an acquisition of control, including a deemed realization of any unrealized capital losses and restrictions on its ability to carry forward losses. Generally, a Fund will be subject to a loss restriction event when a person becomes a "majority-interest beneficiary" of the Fund, or a group of persons becomes a "majority-interest group of beneficiaries" of the Fund, as those terms are defined in the affiliated persons rules contained in the Tax Act, with appropriate modifications. Generally, a majority-interest beneficiary of the Fund will be a beneficiary whose interest, together with the beneficial interests of persons and partnerships with whom the beneficiary is affiliated, has a fair market value that is greater than 50% of the fair market value of all the interests in the income or capital, as the case may be, of the Fund. Generally, a person is deemed not to become a majority-interest beneficiary, and a group of persons is deemed not to become a majority-interest group of beneficiaries, of the Fund if the Fund meets certain investment requirements and qualifies as an "investment fund" under the rules.

Utility issuer risk

The value of investments in utility issuers (and the dividends they pay) can be significantly affected by changes in supply of, or demand for, various natural resources, changes in energy prices, international political and economic developments, energy conservation, the success of exploration projects, changes in commodity prices, and tax and other government regulations.

Investment Restrictions

Each Fund is subject to certain standard investment restrictions and requirements contained in securities legislation, including NI 81-102. This helps to ensure that the investments of the Fund are diversified and relatively liquid and helps to ensure the proper administration of the Fund. Each Fund adheres to, and is managed in accordance with, the standard investment restrictions and practices. Please see *"Exemptions and Approvals"* for a description of all exemptions from, or approvals in relation to, NI 81-102, obtained by the Funds or the Manager that continue to be relied on by the Funds or the Manager.

The Fund is also subject to certain other requirements and restrictions contained in securities legislation, including National Instrument 81-106 *Investment Fund Continuous Disclosure* which governs the continuous disclosure obligations of investment funds, such as the Funds.

The fundamental investment objectives of the Funds are set out below. Any change to the investment objectives of a Fund requires the approval of a majority of Unitholder votes cast at a meeting called for that purpose. The Trustee may change a Fund's investment strategies from time to time at its discretion.

Eligibility for Investment

Each Fund is expected to qualify as a mutual fund trust for the purposes of the Tax Act at all times. Provided that a Fund qualifies as a mutual fund trust under the Tax Act at all relevant times, Units of the Fund will be qualified investments within the meaning of the Tax Act for Registered Plans. The Funds have not deviated in the last year from the rules under the Tax Act that apply to the status of their Units as qualified investments within the meaning of the Tax Act for Registered Plans.

Notwithstanding the foregoing, if Units of a Fund are "prohibited investments" for a RRSP, RRIF, TFSA, RDSP, FHSA or RESP that holds the Units, the annuitant of the RRSP or RRIF, the holder of the TFSA, RDSP or FHSA, or the subscriber of the RESP, as the case may be, will be subject to a penalty tax. Generally, Units of a Fund will not be "prohibited investments" for such RRSP, RRIF , TFSA, RDSP, FHSA or RESP provided that the annuitant of the RRSP or RRIF, the holder of the TFSA, RDSP or FHSA, or the subscriber of the RESP, as the case may be, deals at arm's length with the Fund and, together with persons or partnerships with whom the annuitant or holder do not deal at arm's length, owns Units having a fair market value that is less than 10% of all of the Units of the Fund. Unitholders should consult with their own tax adviser with respect to whether Units would be a prohibited investment under the Tax Act in their particular circumstances.

Description of Securities Offered by the Mutual Funds

Each Fund is divided into an unlimited number of Units of each series. Additional series of a Fund may be issued in the future without notice to, or approval of, Unitholders. All Units are issued as fully paid and non-assessable. A Fund is permitted to issue fractional Units and the proportionate interest of each Unitholder in the Fund is expressed by the number of Units and fractions thereof held by that Unitholder. Each Unitholder of a Fund is entitled to one vote for each whole Unit owned at all meetings where Unitholders of the Fund vote together as well as at all meetings where Unitholders of the particular series of the Fund vote separately as a series. Each Unit entitles the holder thereof to participate *pro rata*, in accordance with the provisions of the Master Declaration of Trust, with respect to all distributions of the same series of a Fund (except with respect to any special distributions discussed and defined under "*Fees and Expenses*") and, upon liquidation of a Fund to participate *pro rata* with the other Unitholders of the same series of the Fund in the net asset value of the series of the Fund remaining after satisfaction of outstanding liabilities of the Fund.

All Units are redeemable on the basis described under "*Redemption of Units*" and they are also fully transferable with the consent of the Trustee as provided in the Master Declaration of Trust.

The Funds do not intend to hold annual meetings of Unitholders. However, Unitholders of a Fund are permitted to vote on all matters that require Unitholder approval of a Fund under NI 81-102 or under the Master Declaration of Trust. These matters include, in respect of a Fund:

(a) (i) any change in the basis of the calculation of a fee or expense charged to the Fund or directly to its Unitholders that could result in an increase in charges to the Fund, or (ii) a new fee or expense is introduced that could result in an increase in charges to the Fund or directly to its Unitholders. In either case, Unitholder consent will not be required if the change or new fee or expense is a result of a change made by a third party at arm's length to the Fund. In this case, Unitholders will be sent written notice at least 60 days before the effective date of the change;

(b) a change of the Manager, unless the new manager is an affiliate of the Manager;

(c) a change in the fundamental investment objectives of the Fund;

(d) a decrease in the frequency of the calculation of the net asset value per Unit of the Fund; and

(e) a material reorganization of the Fund.

Unitholders will also be entitled to vote on any modification, amendment, alteration or deletion of rights, privileges or restrictions attaching to the Units of a Fund which would have a material adverse effect on the interests of Unitholders. Approval of these matters, and those listed above, requires an affirmative vote of at least a majority of Unitholder votes cast at a meeting called to consider these matters.

If approved by the IRC established by the Manager for the Harvest Group of Funds that is subject to NI 81-107, a Fund may change its auditor or reorganize or transfer its assets (a "**merger**") to another fund managed by the Manager, or an affiliate of the Manager, by sending you a written notice of any such change at least 60 days before it takes effect provided that in the case of a merger it fulfills the requirements of NI 81-102. In such event, no meeting of Unitholders of the Fund is required to approve the change.

Name, Formation and History of the Mutual Funds

The registered office of the Funds is located at the head office of the Manager at 610 Chartwell Road, Suite 204, Oakville, Ontario, L6J 4A5.

<u>Harvest Banks & Buildings Income Fund</u>

The Fund was originally established as a closed-end investment trust under the laws of the Province of Ontario pursuant to a declaration of trust dated September 25, 2009, as amended and restated on October 2, 2009, October 22, 2009, October 18, 2011 and June 20, 2012 (the "**HBBIF Declaration of Trust**"). The initial Units of the Fund, each subsequently redesignated as Series R Units, were delisted from the TSX on October 5, 2011 and the Fund was converted to an open-end mutual fund trust on October 18, 2011, in accordance with the provisions of the HBBIF Declaration of Trust.

The HBBIF Declaration of Trust was amended and restated on October 18, 2011 (i) to reflect the conversion of the Fund to an open-end mutual fund; (ii) to redesignate the outstanding Units as Series R Units; (iii) to create the Series A and Series F Units; and (iv) to delete any provisions which applied to the Fund only prior to the conversion.

The HBBIF Declaration of Trust was superseded by a master declaration of trust, as amended on June 20, 2012 (the "**2012 Master Declaration of Trust**") to facilitate the administration of the Funds. The 2012 Master Declaration of Trust was amended and restated on November 6, 2013 and on June 20, 2014 (see "*Harvest Canadian Income & Growth Fund*" below).

On January 16, 2017, Harvest assumed the investment management function for the Fund from Avenue Investment Management Inc.

<u>Harvest Canadian Income & Growth Fund</u>

The Fund was originally established as a closed-end investment trust under the laws of the Province of Ontario pursuant to a declaration of trust dated May 31, 2010, as amended, (the "**HCIGF Declaration of Trust**"). The initial units of the Fund, each subsequently redesignated as Series R Units of the Fund, were delisted from the TSX on June 7, 2012 and the Fund was converted to an open-end mutual fund trust on June 20, 2012, in accordance with the provisions of the HCIGF Declaration of Trust.

The HCIGF Declaration of Trust was superseded by the 2012 Master Declaration of Trust, under which (i) the Fund was converted to an open-end mutual fund; (ii) the outstanding Units were redesignated as Series R Units; (iii) Series A and Series F Units were created; and (iv) any provisions which applied to the Fund prior to the conversion were deleted.

On November 6, 2013, the Harvest Sustainable Income Fund completed its merger with the Harvest Canadian Income & Growth Fund on a tax-deferred basis and subsequent to the implementation of the merger, the Harvest Sustainable Income Fund was terminated. The 2012 Master Declaration of Trust was amended and restated on November 6, 2013 (the "**Master Declaration of Trust**") to reflect the termination of the Harvest Sustainable Income Fund pursuant to the merger.

On November 22, 2013, the Canadian Premium Select Income Fund, a TSX-listed, closed-end investment fund managed by Harvest, converted into an open-end mutual fund and such conversion was implemented by way of a tax-deferred merger with the Harvest Canadian Income & Growth Fund. Upon implementation of the merger, the Canadian Premium Select Income Fund was terminated.

On June 20, 2014, the Master Declaration of Trust was amended and restated to add the creation of Series D Units to each of the Funds.

On January 16, 2017, Harvest assumed the investment management function for the Fund from Avenue Investment Management Inc.

Investment Risk Classification Methodology

We assign an investment risk level to each of the Funds as an additional guide to help you decide whether a Fund is right for you. The investment risk level of the Funds is required to be determined in accordance with a standardized risk classification methodology that is based on each Fund's historical volatility as measured by the 10-year standard deviation of the returns of the Fund, assuming the reinvestment of all income and capital gains distributions in additional unit of the

Fund. Standard deviation is used to quantify the historical dispersion of returns around the average returns over a recent 10-year period. In this context, it can provide an indication of the amount of variability of returns that occurred relative to the average return over the 10-year measurement period. The higher the standard deviation of a Fund, the greater the range of returns it experienced in the past. In general, the greater the range of observed or possible returns, the higher the risk.

The Manager recognizes that other types of risk, both measurable and non-measurable, may exist. We remind you that a Fund's historical performance may not be indicative of future returns and that a Fund's historical volatility may not be indicative of its future volatility. There may be times when the methodology produces a result that the Manager believes is inappropriate in which case the Manager may re-classify a Fund to a higher risk level, if doing so is reasonable in the circumstances by taking into account other qualitative factors, including, but not limited to, economic climate, portfolio management types, sector concentration and types of investments made by a Fund and the liquidity of those investments.

Each Fund is assigned an investment risk level in one of the following categories:

Low – for Funds with a standard deviation range of 0 to less than 6;

Low to Medium – for Funds with a standard deviation range of 6 to less than 11;

Medium – for Funds with a standard deviation range of 11 to less than 16;

Medium to High – for Funds with a standard deviation range of 16 to less than 20; and

High – for Funds with a standard deviation range of 20 or greater.

Although monitored on a monthly basis, we review the risk rating for each Fund on an annual basis as well as when there is a material change in a Fund's risk profile that may affect its classification, or a change in the Fund's investment objective or investment strategy.

The methodology that we use to identify the investment risk level of a Fund is available on request, at no cost, by calling us at 1-866-998-8298 or by sending an email to info@harvestportfolios.com.

Explanatory Information

Fund Details

The following summary of information is provided in the chart under the heading "Fund Details":

The chart tells you:

- **Type of Fund**: the type of mutual fund;
- **Inception Date**: the date each series of Units was first offered to the public;
- **Registered Tax Plan Status**: whether Units of a Fund are a qualified investment for Registered Plans.

What does the fund invest in?

This section includes information on the Fund's fundamental investment objectives and strategies.

- **Investment objectives**: the goals of the Fund, including any specific focus it has, and the kinds of securities it may invest in; and
- **Investment strategies**: how the Manager tries to meet the Fund's investment objectives.

What are the risks of investing in the fund?

This section sets out the specific risks associated with an investment in a Fund.

Distribution policy

This section tells you how often you will receive distributions and how they are paid.

We may change the distribution policy at our discretion. There can be no assurance that a Fund will be able to achieve its monthly distribution objective. For more information about distributions, see "*Income Tax Considerations*" in Part A of this document.

HARVEST BANKS & BUILDINGS INCOME FUND

Fund Details

Fund Type:	Financial Services Equity Fund
Inception Date:	Series A Units: October 18, 2011 Series D Units: June 20, 2014 Series F Units: October 18, 2011 Series R Units: October 18, 2011*
Eligibility for Registered Plans:	Qualified investment for Registered Plans

* The Fund was originally established as a closed-end investment fund on September 25, 2009 and was converted to an open-end mutual fund (Series R Units) on October 18, 2011.

What does the Fund invest in?

Investment objectives

The Fund's investment objectives are to generate monthly income and to maximize total return by investing primarily in a portfolio of banking issuers, other financial issuers and real estate related companies and/or REITs listed on a recognized stock exchange in North America.

Before a change is made to the fundamental investment objectives of the Fund, the prior approval of a majority of votes cast at a duly called meeting of Unitholders of the Fund is required.

Investment strategies

To achieve its investment objectives, the Fund's investment strategies emphasize investments in an actively managed portfolio that consists primarily of Canadian banking issuers, other financial issuers and real estate related companies and/or REITs.

The Manager may invest up to 10% of the total value of the Fund's portfolio in securities of publicly-traded financial services issuers listed on a recognized stock exchange in North America other than banking issuers, other financial issuers or real estate issuers. The Manager may invest up to 25% of the total value of the Fund in securities outside of Canada.

The Manager will use a combination of top-down, macro analysis to evaluate and identify the most attractive companies and types of securities in the sectors mentioned above. The Manager will also employ a value-based, bottom-up fundamental analysis to identify issuers based on the quality of their assets and the strength of their balance sheets and cash flows. Generally, each company or investment held in the Fund will have consistent dividend payout history and offer a yield component that will help aid the objective of the Fund. The Manager will seek to acquire securities that it believes have strong free cash flow metrics and will not defer future dividend or interest payments.

The capital structure will be considered when investing in any issuer. The Manager will focus not only on yield potential but look at risk adjusted rates of returns. At times, the issuer's debt instruments will be purchased with the intent of receiving equity-like returns with the benefits of lower price volatility due to the nature of the bond market.

The Fund may choose to deviate from its investment strategies by temporarily investing most or all of its assets in cash or fixed income securities when it believes that there is greater than usual risk of market downturn or for other reasons.

What are the risks of investing in the Fund?

The principal risks associated with investing in the Fund are as follows:

- Banking and financial issuer risk;
- Capital depreciation risk;
- Concentration risk;
- Conflicts of interest risk;
- Credit risk;
- Currency risk;
- Cyber security risk;
- Foreign investment risk;
- Global financial developments risk;
- Inflation risk;
- Interest rate risk;
- Investment trust risk;
- Large transaction risk;
- Liquidity risk;
- Market disruptions;
- Market risk;
- North American economic risk;
- Portfolio management risk;
- Prepayment risk;
- Public health crisis risk;
- Real estate issuer risk;
- Regulatory, business, legal and tax risk;
- Reliance on management risk;

- Sector and industry risk;
- Series risk;
- Small capitalization risk;
- Specific issuer risk; and
- Tax risk.

For an explanation of the above risks, see "*What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund*".

Distribution policy

The Fund will endeavour to provide Unitholders with monthly distributions on the last business day of each month. If the portfolio earns more income and capital gains in a year than the amount distributed, it will distribute the excess in December. If the portfolio earns less than the amount distributed, the difference is a return of capital. A return of capital means a portion of the cash flow distributed to you is generally money that was invested in the Fund, as opposed to the returns generated by the investment. Such distributions are automatically reinvested in additional Units of the same series of the Fund unless a Unitholder advises the Manager and/or their Dealer that they desire to receive distributions in the form of cash.

Returns of capital do not necessarily reflect the Fund's investment performance and should not be confused with "yield" or "income". You should not draw any conclusions about the Fund's investment performance from the amount of this distribution. **Any distributions made in excess of the Fund's annual net income generated since the Fund's inception represent a return of the investors' capital back to the investors.** For more information about distributions, see "*Income Tax Considerations*" in Part A of this document.

HARVEST CANADIAN INCOME & GROWTH FUND

Fund Details

Fund Type:	Canadian Focused Small/Mid Cap Equity Fund
Inception Date:	Series A Units: June 20, 2012 Series D Units: June 20, 2014 Series F Units: June 20, 2012 Series R Units: June 20, 2012*
Eligibility for Registered Plans:	Qualified investment for Registered Plans

* The Fund was originally established as a closed-end investment fund on May 31, 2010 and was converted to an open-end mutual fund (Series R Units) on June 20, 2012.

What does the Fund invest in?

Investment objectives

The Fund's investment objectives are to provide monthly distributions and to maximize long-term total return by investing primarily in a portfolio of Canadian publicly-traded equity securities of utilities, industrial, communications, real estate and retail issuers while reducing volatility.

Before a change is made to the fundamental investment objectives of the Fund, the prior approval of a majority of the votes cast at a duly called meeting of Unitholders of the Fund is required.

Investment strategies

To achieve its investment objectives, the Fund's investment strategies emphasize investments in an actively managed portfolio that consists primarily of dividend-paying securities of publicly-traded utilities, industrial, communications, real estate and retail issuers domiciled in Canada.

The Manager will focus on the less cyclical segments of the Canadian equities market with the goal of reducing volatility by diversifying away from the main sectors (financials, energy and materials) that make up approximately 75% of the market capitalization on the TSX.

The Manager will invest primarily in issuers that it believes have: (i) proven long-term histories of earnings; (ii) established and experienced management; and (iii) business models that are not primarily dependent on commodity prices with a view to delivering:

(a) attractive income generation;

(b) opportunity for capital gains; and

(c) lower volatility relative to the overall Solactive Canada Large Cap Index (CA NTR).

The Manager intends to invest in issuers that have had a history of consistent dividends or distributions. The Manager will focus on free cash flow and free cash flow yield, earnings potential, and the investment's intrinsic value in order to assess dividend sustainability and growth in distributions.

The Manager may invest up to 30% of the assets of the Fund in securities of issuers domiciled outside of Canada.

The Fund may choose to deviate from its investment strategies by temporarily investing most or all of its assets in cash or fixed income securities when it believes that there is greater than usual risk of market downturn or for other reasons.

What are the risks of investing in the Fund?

The principal risks associated with investing in the Fund are as follows:

- Capital depreciation risk;
- Concentration risk;
- Conflicts of interest risk;
- Credit risk;
- Currency risk;
- Cyber security risk;
- Energy infrastructure issuer risk;
- Foreign investment risk;
- Global financial developments risk;
- Inflation risk;
- Interest rate risk;
- Investment trust risk;
- Large transaction risk;
- Liquidity risk;
- Market disruptions;
- Market risk;
- North American economic risk;
- Portfolio management risk;
- Prepayment risk;
- Public health crisis risk;
- Real estate issuer risk;
- Regulatory, business, legal and tax risk;

- Reliance on management risk;
- Retail industry risk;
- Sector and industry risk;
- Series risk;
- Small capitalization risk;
- Specific issuer risk;
- Tax risk; and
- Utility issuer risk.

For an explanation of the above risks, see "*What is a Mutual Fund and What Are the Risks of Investing in a Mutual Fund*".

Distribution policy

The Fund will endeavour to provide Unitholders with monthly distributions on the last business day of each month. If the portfolio earns more income and capital gains in a year than the amount distributed, it will distribute the excess in December. If the portfolio earns less than the amount distributed, the difference is a return of capital. A return of capital means a portion of the cash flow distributed to you is generally money that was invested in the Fund, as opposed to the returns generated by the investment. Such distributions are automatically reinvested in additional Units of the same series of the Fund unless a Unitholder advises the Manager and/or their Dealer that they desire to receive distributions in the form of cash.

Returns of capital do not necessarily reflect the Fund's investment performance and should not be confused with "yield" or "income". You should not draw any conclusions about the Fund's investment performance from the amount of this distribution. **Any distributions made in excess of the Fund's annual net income generated since the Fund's inception represents a return of the investors' capital back to the investors.**

For more information about distributions, see "*Income Tax Considerations*" in Part A of this document.

HARVEST BANKS & BUILDINGS INCOME FUND
HARVEST CANADIAN & INCOME GROWTH FUND
(Series A, Series D, Series F and Series R Units)

Additional information about the Funds is available in the Fund Facts document, management reports of fund performance and financial statements. These documents are incorporated by reference into this Simplified Prospectus. That means they legally form part of this document just as if they were printed as part of this document.

You can get a copy of these documents, at your request, and at no cost, by calling (416) 506-8189 or toll-free 1-877-506-8128, by e-mailing info@harvestportfolios.com, or by asking your Dealer. These documents and other information about each Fund, such as information circulars and material contracts, are also available on the Fund's designated website at www.harvestportfolios.com or at www.sedar.com.

Manager of the Funds:

Harvest Portfolios Group Inc.
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