

barometer

March 26, 2018

Dear Unitholder:

On behalf of the members of the Independent Review Committee (the "IRC") of the Barometer Group of Funds (the "Funds"), I am pleased to provide you with the IRC's annual report to investors of the Funds. This report is provided to you in accordance with National Instrument 81-107 ("NI 81-107"), the securities rule governing Independent Review Committees in Canada.

Pursuant to NI 81-107, the IRC is required to review mutual fund conflict of interest matters identified and referred to the IRC by Barometer Capital Management Inc. (the "Manager"), and provide, as applicable, the IRC's approval or recommendation for each matter referred. A conflict of interest matter is defined as a situation where a reasonable person would consider the Manager or related entity, to have an interest which may conflict with the ability of the Manager to act in good faith and in the best interest of the Funds. In addition, securities regulators have also specified that "the Manager's proposed action in a conflict of interest matter, achieves a fair and reasonable result for the Fund(s)."

This report provides information regarding the activities of the IRC for the period from January 1, 2017 to December 31, 2017.

At least once a year, the IRC reviews and assesses the adequacy and effectiveness of the policies relating to conflict of interest matters in respect of the Funds, and conducts a self-assessment of the IRC's independence, compensation, and effectiveness. The IRC conducted its most recent annual assessment at its March 28, 2017 meeting. Following this review, the IRC confirmed each of its members' independence, and that the committee was functioning in a positive and effective manner.

The IRC looks forward to continuing to serve the best interests of the unitholders of the Funds in the future, and to working effectively with the Manager of the Funds.



Paul Duffy
Chair of the Independent Review Committee