

Annual Report of the Independent Review Committee of the Soundvest Capital Management Ltd. Group of Funds

March 20, 2017

Dear Unitholders,

In accordance with **National Instrument 81-107 *Independent Review Committee for Investment Funds*** (“NI 81-107”), Soundvest Capital Management Ltd. (the “Manager”) has established an independent review committee (the “IRC”) for each of the following funds (collectively, the “Funds” and each, a “Fund”) listed at the end of this report. The IRC is composed of three members, each of whom is independent of the Funds, the Manager and its affiliates. The IRC was formed effective January 1, 2010, and has functioned in accordance with applicable securities laws since its inception.

Mandate of the IRC

The IRC’s mandate is, among other things, to consider and provide recommendations to the Manager on conflict of interest matters which the Manager refers to the IRC for review. The IRC has adopted a written charter that includes its mandate, responsibilities and functions, and the policies and procedures that it will follow when performing its duties. In respect of any conflict of interest matter referred to the IRC, it seeks to ensure that the Manager’s proposed course of action represents a fair and reasonable result for the relevant Fund(s).

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

The IRC’s responsibility is to represent the best interest of the Funds in any situation where the Manager has referred a conflict of interest matter to the IRC. In those cases, the IRC has endeavoured to ensure that the Manager’s proposed course of action represents a fair and reasonable outcome for the Funds.

The IRC is pleased to publish its annual report to Securityholders and to describe the IRC and its activities during the year ended December 31, 2016 (the “Reporting Period”) on behalf of the Funds.

Composition of the IRC

During 2016 the members of the IRC were as follows:

Name and Municipality of Residence	Term of Office
John P. Barratt (<i>Chair</i>) Mississauga, Ontario	Three (3) years from January 1, 2015
Frank N.C. Lochan Oakville, Ontario	Three (3) years from January 1, 2015
James L.R. Kelly Owen Sound, Ontario	Three (3) years from January 1, 2015

The members of the IRC also serve as the members of the IRC for Partners Value Split Corp., and Brookfield Investment Management (Canada) Inc. group of funds which are affiliates of the Manager. Subject to those engagements, the current IRC members do not sit on the IRC of any other fund family.

Compensation and Indemnification

The initial compensation of the IRC was set by the Manager. At least annually, the IRC reviews its compensation giving consideration to the following:

1. the best interests of the Funds;
2. that compensation paid to the IRC by each Fund should fairly and reasonably reflect the general and specific benefits accruing to the Fund;
3. industry best practices, including surveys on IRC compensation;
4. the number, nature and complexity of the Funds for which the IRC acts; and
5. the nature and extent of the workload of each member of the IRC.

The IRC's compensation is comprised of the following:

Members' Fees

In aggregate the IRC members were paid \$30,000 plus applicable taxes during the Reporting Period.

Proper Expenses

The IRC's proper expenses in 2016 were nominal.

No indemnities were paid to the IRC Members by the Funds or the Manager during the financial year.

Disclosure of IRC Member's Holdings

During the Reporting Period, the IRC members did not beneficially own, directly or indirectly:

- securities of either of the Funds that exceeded an aggregate ownership level of 10 percent;
- any securities of the Manager; and
- any securities of a company or person that provides services to the Manager or any Fund.

Recommendations and Approvals

There has been no conflict of interest matters referred to the IRC for which the IRC did not give a positive recommendation.

The IRC is not aware of any instance in which the Manager acted in a conflict of interest matter but did not meet a condition imposed by the IRC in its recommendation or approval.

During the year ended December 31, 2016 the Manager, to the knowledge of the IRC, followed its policies and procedures and thereby acted in accordance with standing instructions made by the IRC with respect to conflict of interest matters addressed by those policies and procedures.

Standing Instructions Approved

The Standing Instructions deal with a number of conflict of interest matters, including the following:

1. Policy on Allocation of Expenses Among the Funds
2. Policy on Net Asset Value Calculation Errors
3. Policy on Use of Brokerage Services Provided to the Fund by Parties who are Related to the Manager
4. Policy on Trade Allocation
5. Policy on Best Execution
6. Policy on Voting Proxies or Taking Other Corporate Action on Securities Held by the Funds
7. Policy on Personal Trading
8. Policy on Soft Dollars
9. Policy on Inter-Fund Trading by the Funds

Manager's Report on Standing Instructions

In accordance with NI 81-107, the Manager provided an annual written report to the IRC describing instances where it relied on the Standing Instructions.

Funds Served by the IRC

Soundvest Equity Fund
Soundvest Split Trust

This report to Securityholders is available on the Manager's website at www.brookfieldsoundvest.com or you may request a copy, at no cost to you, by contacting the fund at 1-888-777-4019. This document and other information about the Funds are also available on www.sedar.com.

Yours truly,

A handwritten signature in black ink, appearing to read "John P. Barratt". The signature is fluid and cursive, with a small dot at the end.

John P. Barratt, Chair