

Independent Review Committee

REPORT TO SECURITYHOLDERS OF LEITH WHEELER FUNDS

March 10, 2017

Dear Investor,

The members of the Independent Review Committee (“IRC”) for the publicly offered investment funds (the “Funds”) managed by Leith Wheeler Investment Counsel Ltd. (the “Manager”) are pleased to provide you with the IRC’s annual report to securityholders of the Leith Wheeler Funds. The information contained in this report covers the period beginning January 1, 2016 and ending December 31, 2016.

The mandate of the IRC is to review conflict of interest matters identified and referred to the IRC by the Manger and to provide recommendations, or where required, an approval to the Manager relating to such matters.

The IRC must prepare, for each financial year of the Funds, a report to securityholders that describes the IRC and its activities for the preceding financial year. Included in these activities, the IRC conducts a self-assessment of its independence, compensation and effectiveness.

Sincerely,

“Michael Scott”

Michael Scott
Chair of the Independent Review Committee

Members of the IRC

Name	Residence	Length of Service
Michael M. Ryan, (<i>Former Chair</i>)	Vancouver	May 1, 2007 – June 23, 2016
Michael Scott, Chair	Vancouver	Since May 1, 2007
Leon Getz	Vancouver	Since May 1, 2007
Eric Watt	Vancouver	Since June 23, 2016

On June 23, 2016, Michael Ryan retired from the IRC. Also, on June 23, 2016, the members appointed Eric Watt as a member of the IRC. On the same day, Michael Scott was appointed Chair of the IRC.

Holdings of Securities

(a) Funds

As at December 31, 2016, the percentage of securities of each series of the Funds beneficially owned, directly or indirectly, in aggregate, by all members of the IRC did not exceed 10 per cent.

(b) Manager

As at December 31, 2016, no member of the IRC beneficially owned, directly or indirectly, any class or series of voting or equity securities of Leith Wheeler Investment Counsel Ltd. or its affiliates.

(c) Service providers

As at December 31, 2016, no members owned any of the securities of any service provider to the Leith Wheeler Funds.

Compensation and Indemnities

The aggregate compensation paid to the members of the IRC for the year ended December 31, 2016 was \$18,600. The Manager has the discretion to reimburse the Funds for all or part of the IRC fees and expenses or may absorb these fees and expenses. For the year ended December 31, 2016, no amounts were paid by the Funds. IRC fees and expenses were paid directly by the Manager, Leith Wheeler Investment Counsel Ltd.

No indemnities were paid to the IRC by the Funds during the period.

At least annually, the IRC reviews the compensation giving consideration to the following:

1. the best interests of the Funds;
2. the number, nature and complexity of the Funds for which the IRC acts;
3. the nature and extent of the workload of each member of the IRC; and
4. industry averages for similar fund groups with similar complexity.

The Manager made no recommendation regarding IRC compensation.

Positive Recommendations and Standing Instructions

1. Leith Wheeler received positive recommendations and standing instructions with respect to the conflict of interest matters addressed by the following policies. In each case, the standing instructions required Leith Wheeler to comply with its related policy and procedures and to report periodically to the IRC.
 - a) Policy on Pricing Errors
 - b) Policy on Proxy Voting
 - c) Policy on Employee Personal Trading
 - d) Policy on Allocation of Expenses Between Funds and Series
 - e) Policy on Payments, Gifts and Entertainment
 - f) Policy on Trading (Trade Allocations)
 - g) Policy on Trading (Soft Dollar Usage)
 - h) Policy on Large Unitholders
 - i) Policy on Inter-Fund Trading
 - j) Policy on In-Specie Transactions

Approvals

1. None.

Conflict of Interest Matters

The IRC is not aware of any instance in which Leith Wheeler acted in a conflict of interest matter referred to the IRC by the Manager for which the IRC did not give a positive recommendation.

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

Mutual Funds Served by the IRC

Leith Wheeler Money Market Fund
Leith Wheeler Core Bond Fund (*formerly Leith Wheeler Fixed Income Fund*)
Leith Wheeler Balanced Fund
Leith Wheeler Canadian Equity Fund
Leith Wheeler U.S. Equity Fund
Leith Wheeler International Equity Plus Fund
Leith Wheeler Income Advantage Fund
Leith Wheeler Canadian Dividend Fund
Leith Wheeler Corporate Advantage Fund (*formerly Leith Wheeler Corporate Fixed Income Fund*)
Leith Wheeler High Yield Bond Fund
Leith Wheeler U.S. Dividend Fund
Leith Wheeler U.S. Small/Mid-Cap Equity Fund