



March 2, 2022

Dear Securityholder:

The Independent Review Committee (the “IRC”) of the Mulvihill Funds (the “Funds”), listed in Appendix A of the attached report, was established pursuant to National Instrument 81-107 - *Independent Review Committee for Investment Funds* on April 23, 2007.

The primary role of the IRC is to review conflict of interest matters (the “Conflicts”) identified and referred to it by the manager, Mulvihill Capital Management Inc. (the “Manager” or “Mulvihill”). A Conflict is a situation where a reasonable person would consider the Manager, or an entity related to it, to have an interest that may conflict with the Manager’s ability to act in good faith and in the best interests of the Company and Securityholders.

In most circumstances, the Manager is required to establish policies and procedures (the “Policies”) that will ensure that any potential Conflicts will be appropriately resolved so that the Manager will act in the best interests of the Company and Securityholders. In such circumstances, the Manager is required to refer the Conflict and the Policies to the IRC, which is then responsible for reviewing the Policies to determine if they will achieve a fair and reasonable result for the Company and Securityholders. If the IRC determines that such a result will be achieved, it can issue standing instructions (“Standing Instructions”) to the Manager. The Manager is not required to refer Conflicts covered by Standing Instructions to the IRC each time the Conflict arises, so long as it complies with the terms of Standing Instructions that are then in effect.

In other circumstances, an unanticipated Conflict may arise for which the Manager has no Policy. In these circumstances, the Manager must present details of the Conflict to the IRC along with the action(s) the Manager proposes to take in order to achieve a fair and reasonable result for the Company and Securityholders. The IRC’s responsibility is to provide a positive or negative recommendation or approval or disapproval, depending on the nature of the Conflict, in respect of the Manager’s proposed action in resolving the Conflict.

The IRC conducted its annual assessment in February 2022 (the “Annual Assessment”), at which time the IRC reviewed its independence, compensation and effectiveness. After its review, the IRC confirmed that each of its members was still independent and concluded that the committee as a whole, and each of its members, was functioning in a positive and effective manner. After reviewing various factors, the IRC determined that its compensation should not change. At the Annual Assessment, the IRC also reviewed the written charter it had previously adopted and approved it without any changes. As noted above, NI 81-107 allows the IRC to provide Standing Instructions to the Manager so that the Manager is not required to refer a Conflict to the IRC for its review and recommendation or approval each and every time it arises. The IRC has previously provided the Manager with Standing Instructions, allowing the Manager to act in respect of Conflicts as long as it complied with its Policies. At its Annual Assessment, the IRC reviewed

both the Standing Instructions that it had previously provided to the Manager, as well as reports provided by the Manager describing instances when it acted in reliance on the Standing Instructions. After reviewing the Standing Instructions and related reports, the IRC agreed to reaffirm its Standing Instructions.

The following represents our report to securityholders for the year ended December 31, 2021 and is respectfully submitted by your IRC.

A handwritten signature in black ink, appearing to read "R. G. Bertram", with a horizontal line extending to the right from the end of the signature.

Robert G. Bertram
Chair of the Independent Review Committee

Independent Review Committee **Report to Securityholders**

Reporting Period

The original members of the Independent Review Committee (the “IRC”) for the Funds were appointed by Mulvihill Fund Services Inc., the predecessor manager of the Company. The IRC became operational on November 1, 2007. Mr. P. Gillin, the most recent member, was appointed to the IRC on January 18, 2021. Unless otherwise stated, the information in this report covers the year ended December 31, 2022.

Members of the IRC

The following individuals are members of the IRC:

<u>Name</u>	<u>Residence</u>	<u>Commencement of Service</u>
Robert G. Bertram ¹	Aurora, Ontario	January 1, 2009
R. Peter Gillin	Toronto, Ontario	January 18, 2021
Michael M. Koerner	Toronto, Ontario	November 1, 2007

¹ Chair of the IRC

Each member of the IRC is independent of the Company, the Manager and other companies related to the Manager. None of the members of the IRC serves on the independent review committee of another investment fund.

Holdings of Securities

Muvihill Funds

As at December 31, 2021, the percentage of securities of the Company beneficially owned, directly or indirectly, in aggregate, by all members of the IRC did not exceed 10 percent.

Mulvihill Capital Management Inc.

As at December 31, 2021, no member of the IRC beneficially owned, directly or indirectly, any voting or equity securities of the Manager.

Service Providers

As at December 31, 2021, no member of the IRC beneficially owned, directly or indirectly, any class or series of voting or equity securities of a person or company providing services to the Company or the Manager with respect to the Company’s business.

IRC Compensation and Indemnities

The Manager set the initial compensation and expense reimbursement policy of the IRC. Each member of the IRC receives \$25,000 per annum as a general retainer for the Mulvihill Family of

Funds and \$300 for each IRC meeting attended. IRC members are also reimbursed for any reasonable costs incurred in connection with the performance of their duties as members of the IRC.

The IRC has set the same compensation for the ensuing year. In concluding that this compensation was appropriate, the IRC considered: the nature and complexity of the Company's operations; the time commitment required and the level of information provided to the IRC members; industry best practices; and the best interest of the Company.

The aggregate compensation paid by the Company to the members of the IRC for the year ended December 31, 2021 was \$47,129.

During the year, no expenses were reimbursed and no indemnities were paid to the members of the IRC by the Company.

Activities during the Year

Since its inception, the IRC has (a) prepared and approved the Charter of the IRC, (b) reviewed conflict of interest policies and procedures prepared by the Manager, and (c) reviewed conflict of interest matters identified and submitted to it by the Manager.

The IRC has also provided standing instructions to the Manager that permit the Manager to act on an ongoing basis in respect of the following conflict of interest matters. Each standing instruction requires the Manager to comply with the applicable policies and procedures of the Manager described below.

1. *Broker Selection and Best Execution Policy* addresses the potential conflicts of interest that may arise when determining which entity should execute trades for a Fund.
2. *Personal Investing Policy* addresses the potential conflicts of interest that may arise when employees, officers and directors of the Manager wish to invest in or divest of securities which are within the investment mandate of a Fund.
3. *Proxy Voting Policy* addresses the potential conflicts of interest that may arise when the Manager is required to vote proxies of securities held by the Funds in instances where the Manager or related entities may have an interest.
4. *Soft Dollar Arrangements Policy* addresses the potential conflicts of interest that may arise when using client brokerage commissions as payment for order execution services or research services.
5. *Trade Allocations Policy* addresses the potential conflict of interest that an advisor could allocate investments in a manner that favours itself rather than its clients or favour one or more clients to the detriment of others.

6. *Allocation of Expenses Policy* addresses the potential conflicts of interest that may arise when the Manager allocates expenses to the Funds. The Manager may be motivated to favour one Fund over another or allocate expenses to Funds that the Manager should bear itself.
7. *NAV Errors Handling Policy* addresses the potential conflicts of interest that may arise when the Manager detects an error in the calculation of portfolio net asset value of a Fund that results from a breach of the standard of care and when making related adjustments to the Fund and investor accounts.
8. *Trade Error Correction Policy* addresses the potential conflicts of interest that may arise when there is an error by the Manager in the execution of a trade of a security held by a Fund.
9. *Short-Term Trading and Excessive Trading Policy* addresses the potential conflicts of interest where short-term trading or excessive trading activity of an investor may affect the remaining securityholders of a Fund.
10. *Gifts and Entertainment Policy* addresses the potential conflicts of interest that may arise when the Manager or its employees accept gifts and entertainment.

The IRC is not aware of any instance in which the Manager acted in a Conflict referred to the IRC for which the IRC did not give a positive recommendation or for which the Manager did not meet a condition imposed by the IRC in its recommendation or approval.

Positive Recommendation

During the year, the Manager referred to the IRC for its review and recommendation, a proposal to merge Core Canadian Dividend Trust (“CDD”), Top 10 Canadian Financial Trust (“TCT”), Canadian Utilities & Telecom Income Fund (“UTE”), and U.S. Financials Income Fund (“USF”) into Mulvihill Premium Yield Fund (“MPY”)

After making reasonable enquiry, the IRC resolved that the proposal would achieve a fair and reasonable result and agreed unanimously to merge the aforementioned funds into Mulvihill Premium Yield Fund.

APPENDIX A

Mulvihill Funds

1. Mulvihill Premium Yield Fund
2. S Split Corp.
3. Top 10 Split Trust
4. World Financial Split Corp.