

# HARVEST Sustainable Income Fund

June 30, 2011

TSX symbol: HSI.UN

## Investment Objectives

The investment objectives are to provide Unitholders with monthly distributions and the long term preservation of capital while reducing volatility by investing in a diversified portfolio of securities of primarily publicly-traded Canadian Sustainable Issuers.

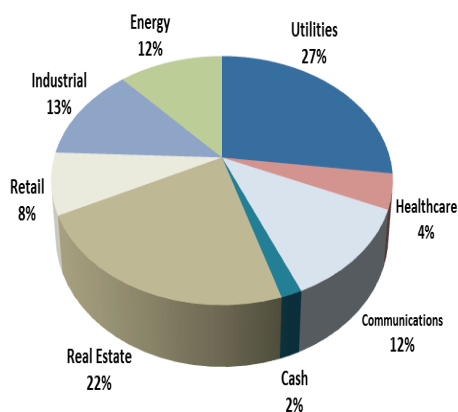
## Fund Details

Sub Advisor	Avenue Investment Management
Assets	\$32.0 million
NAV	\$11.74
Market Price	\$11.25
Current Yield	6.93%
Distribution	.065 cents per unit monthly

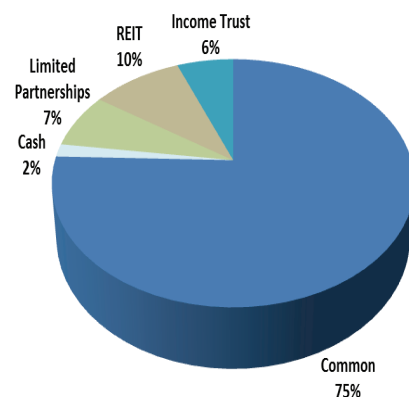
## Top 25 Holdings

Annaly Capital Management	5.32%
Aecon Group Inc.	4.92%
Liquor Stores N.A. Ltd.	4.61%
Inter Pipeline Fund LP	4.55%
Medical Facilities Corporation	4.52%
Manitoba Telecom	4.29%
Bell Aliant Inc.	4.29%
Veresen Inc.	3.98%
Peyto Exploration & Development Corp.	3.65%
NAL Energy Corporation	3.42%
Artis Real Estate Investment Trust	3.34%
Enerplus Corporation	3.34%
Leisureworld Senior Care Corporation	3.28%
Rogers Sugar Inc.	3.27%
Whiterock Real Estate Investment	3.15%
BTB Real Estate Investment	3.07%
K Bro Linen Inc.	2.78%
Capital Power Income LP	2.71%
Northland Power Inc.	2.61%
Telefonica S.A.	2.41%
Timbercreek Mortgage Investments	2.41%
Crescent Point Energy	2.37%
Just Energy Group Inc.	2.34%
Boralex Inc.	2.34%
Keyera Corporation	1.95%
<b>Total</b>	<b>84.92%</b>

## Sector Allocation



## Investment Allocation



## Portfolio Geographic Allocation

Canadian 90%      US 10%

## Distributions (per trust unit)

Since Inception, December 17, 2010      \$0.39

## Mutual Fund Conversion

Date      December 12, 2012

## Manager Discussion

During the second quarter markets encountered a number of issues ranging from the restructuring of Greek debt, to China's attempts at lowering inflation by raising interest rates, to the growing debate over the US debt ceiling limits. These issues continued to create uncertainty in the minds of investors, resulting generally in higher levels of volatility in stock markets.

Historic low interest rates in Canada continue to attracting investors to purchase higher dividend paying investments such as utilities and real estate companies. We believe the capital flows for these types of investments should remain strong as these companies continue to meet profitability and cash flow expectations. These factors should assist the fund in outperforming the more volatile sectors. We believe that the capital flows for these types of investments should remain strong as these companies continue to meet profitability and cash flow expectations.

The fund continues to benefit from the ongoing desire for yield and stability. A number of the holdings are high yielding dividend paying companies that have converted from Income Trusts. The yields from many of these equities did not change noticeably; however, their payout ratios declined which has led to improved investment profiles.

At the end of the second quarter, the fund was 90% invested in Canadian securities which we believe will continue to benefit from the low interest rate environment as investors seek higher yielding investments in dividend paying equities with lower volatility.

The risks associated with investing in Investment Trusts are outlined in each Fund's prospectus, specifically in the section entitled "Risk Factors". These risks are based upon the Fund's investment objectives and strategies and describe the material risks of investing in that Trust under normal market conditions when considering the Trust's portfolio as a whole, not each individual investment within the portfolio. You should discuss the risks of investing in the Fund with your financial advisor before making an investment in the Fund. Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments and/or the use of an asset allocation service. Please read the prospectus before investing including the prospectus of any mutual funds that may be in an asset allocation service. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. Certain statements included herein constitute forward-looking statements and are not historical facts, but reflect on the Investment Management's current expectations regarding future results or events and are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations.



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