



**Fund Details**

**Assets:** \$24.5 million  
**NAV:** \$11.36  
**TSX Symbol:** HCS.UN  
**Market Price:** \$10.99  
**Current Yield:** 7.10%  
**Distribution:** \$0.065 per unit monthly  
**Subadvisor:** Highstreet Asset Management

**Portfolio Holdings (%)**

Royal Bank of Canada	7.3
Canadian Oil Sands Limited	7.0
Enbridge Inc.	6.9
BCE Inc.	6.7
The Bank of Nova Scotia	6.7
Rogers Communications Inc., Class B	6.7
Telus Corporation	6.6
RioCan Real Estate Investment Trust	6.6
Canadian Imperial Bank of Commerce	6.5
Cenovus Energy Inc.	6.5
Shaw Communications Inc., Class B	6.4
Great-West Lifeco Inc.	6.4
Thomson Reuters Corporation	6.3
Bank of Montreal	6.1
Shoppers Drug Mart Corporation	6.0
Cash	1.3
<b>Total</b>	<b>100.0</b>

**Investment Objectives**

The investment objectives of the Fund are to provide targeted monthly cash distributions, the opportunity for capital appreciation and lower overall volatility of portfolio returns than would otherwise be experienced from owning the equity securities on a stand-alone basis.

The Fund maintains an equally weighted diversified portfolio of 15 Canadian equity securities, each with a market capitalization of at least \$1 billion, selected and rebalanced semi-annually.

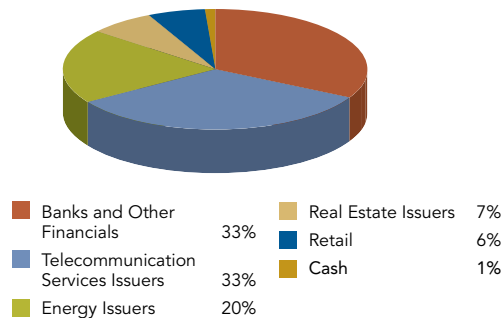
**Management Discussion**

The Fund was invested in securities chosen from the S&P TSX Composite Dividend Index, each requiring a positive indicated annual dividend yield. The Fund implements an option overlay strategy that involves selling call options on up to, but not more than, 33% of each of the underlying holdings of the Fund. This strategy assists in maintaining the monthly income levels.

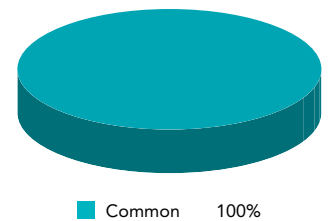
The Fund's inception date was November 17, 2011 and, at that time, call options expiring in January 2012 were sold on each of the Fund's holdings. The percentage written was approximately 24% on average across all holdings with the average strike price of the calls being 102%. The performance for each of the 15 stocks since inception was positive with the exception of Bank of Montreal, Great-West Lifeco, Shoppers and Thomson Reuters.

The average level of volatility for the portfolio was 21% on December 31, 2011, somewhat lower than the 24.7% that existed at the beginning of the quarter. Current levels of volatility combined with market values are sufficient to achieve the investment and income objectives of the Fund. The Fund continues to maintain the original 15 Canadian equities.

**Sector Allocation (%)**



**Investment Allocation (%)**



<b>Portfolio Geographic Allocation</b>	Canada 100%
<b>Distributions (per trust unit)</b>	\$0.065 since inception (November 17, 2011)

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The risks associated with investing in investment funds 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 Fund under normal market conditions when considering the Fund'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. Commissions, trailing commissions, management fees and expenses may be associated with investment fund investments. Please read the prospectus before investing. Investment 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.