

March 26, 2018

Dear Investor,

We are the independent review committee (“IRC”) for the investment funds listed at Schedule A to this report (the “Funds”), which includes all of the investment funds managed by Return On Innovation Advisors Ltd. (“ROI Capital”). We are pleased to present this report to investors of the Funds for the year ended December 31, 2017. This report is made in accordance with the reporting requirements set out in *National Instrument 81-107 – Independent Review Committee for Investment Funds*.

The IRC’s mandate is to review all conflicts of interest referred to it by ROI Capital, including the policies and procedures ROI Capital proposes to manage these conflicts. The IRC provides ROI Capital with its recommendation on whether ROI Capital’s policies resolve the various conflicts in a way which achieves a fair and reasonable result for the Funds.

Annually, we assess ROI Capital’s policies and procedures and also review and report on independence of IRC members and compensation.

### ***Members of the IRC***

<b>Name</b>	<b>Other Funds on whose IRC Member Serves</b>
John Langs (Chair) Toronto, Ontario	None
William J. Saunderson Toronto, Ontario	None
Alan Hutton Toronto, Ontario	Natixis Global Asset Management (formerly Nexgen Financial LP)

John Langs and William Saunderson have served as members of the IRC since its inception in September 2007.

Alan Hutton has served as a member of the IRC since November 29, 2012.

The IRC has concluded that none of the members has any relationship that would cause a reasonable person to question the independence of any of the IRC members.

### ***Ownership of Securities***

As of December 31, 2017, the members of the IRC did not beneficially own, directly or indirectly in aggregate, any class or series of voting or equity securities of ROI Capital. As of December 31, 2017, the members of the IRC did not beneficially own, directly or indirectly, in aggregate any class or series of voting or equity securities in any person or company that provides services to the Funds or ROI Capital. As of December 31, 2017, the members of the IRC did not beneficially own, directly or indirectly in aggregate, in excess of 10% of the outstanding units of any series of any Fund.

### ***Compensation of the IRC***

The total cost of the IRC during 2017, which was set by the IRC was approximately \$40,000. No indemnities were paid by the Funds to the members of the IRC during 2017.

At least annually, the IRC reviews its compensation in a manner consistent with good governance practices, giving consideration to, among other facts the IRC considers important, the following factors:

- the best interests of the Funds;
- the number, nature and complexity of the Funds;
- the nature and extent of the workload of each member of the IRC, including the types of conflict of interest matters referred to the IRC and the contribution made by each member;
- compensation paid to independent review committees of comparable fund complexes; and
- the IRC's most recent self-assessment as well any recommendations concerning IRC compensation and expenses made by ROI Capital.
- The compensation of the IRC in 2018 shall remain unchanged.

### ***IRC Approvals and Recommendations***

During the period, ROI Capital relied upon the recommendations and standing instructions of the IRC in respect of the conflict of interest matters addressed by the following policies:

<b>Policy</b>	<b>Description</b>
Governance and Business Conduct	This policy includes governance in relation to outside business activities, provision and acceptance of gifts and entertainment.
Personal Trading	This policy governs the personal investing of employees including co-investing in a private investment.
Trading	This policy governs the participation of the Funds in and allocation of investment opportunities. This policy also governs the quality of trade execution, broker selection, and use of soft dollars.
Calculation of NAVs and Valuation of Securities	This policy governs the calculation of a Fund's net asset value (NAV) including the fair valuation of private investments by ROI Capital. This policy also governs the correction of errors made in calculating a Fund's NAV.
Proxy Voting	This policy governs the voting of proxies for portfolio securities.
Investment Fund Expense Allocation	This policy governs expenses that are permitted

	to be charged to the Funds and the allocation of operating expenses.
Sales Practices	This policy governs the payment of permitted compensation to dealers.
Outsourcing & Supervision of Service Providers	This policy governs the oversight of 3 <sup>rd</sup> party service providers (e.g. transfer agent) and the correction of errors in investor transactions in units of the Funds.
Portfolio Management	This policy governs the collection of work fees in relation to a private investment and the allocation to the Funds.

The IRC is not aware of any instance in 2017 where ROI Capital acted in a conflict of interest matter referred to the IRC for which the IRC did not give a positive recommendation or where ROI Capital did not meet a condition imposed by the IRC in its recommendation or approval.

A Unitholder in any of the Funds may request a copy of this report free of charge by emailing [info@roicapital.ca](mailto:info@roicapital.ca) or by visiting [www.roicapital.ca](http://www.roicapital.ca) or [www.sedar.com](http://www.sedar.com).

John Langs  
Chair of the Independent Review Committee  
March 26, 2018

**ROI Investment Funds**

Return On Innovation Fund Inc.