

**2007 REPORT TO SECURITYHOLDERS OF  
MACCs SUSTAINABLE YIELD TRUST  
(the “Fund”)**

**INDEPENDENT REVIEW COMMITTEE**

Crown Hill Capital Corporation (“Crown Hill”), the manager of the Fund amalgamated with the previous manager of the Fund on February 1, 2008. On that date, Crown Hill established an independent review committee (the “IRC”) for the Fund to review conflict of interest matters in respect of the Fund as required under National Instrument 81-107 (the “Policy”). Each year, the IRC is required to provide a report to securityholders of the Fund describing the IRC and its activities for the year.

Set out below is the IRC report for the fiscal year ended December 31, 2007.

**Members of the IRC**

<u>Name</u>	<u>Residence</u>	<u>First Appointed</u>
John N. Campbell	Oakville, Ontario	February 1, 2008
Andrew Fleming	Toronto, Ontario	February 1, 2008
Mark L. Maxwell <sup>1</sup>	Brampton, Ontario	February 1, 2008

<sup>1</sup> Chairman of IRC

**Holdings of Securities**

**MACCs Sustainable Yield Trust**

As at December 31, 2007, no member of the IRC beneficially owned, directly or indirectly, any units of any class or series of voting or equity securities of the Fund.

**Manager**

As at December 31, 2007, no member of the IRC beneficially owned, directly or indirectly, any units of any class or series of voting or equity securities of MACCs Administrator Inc., the previous manager of the Fund, or of Crown Hill, the current manager of the Fund.

**Service Providers**

As at December 31, 2007, no member of the IRC beneficially owned, directly or indirectly, more than 1% of the securities of any class or series of voting or equity securities of any service provider to the Fund.

## **Compensation and Indemnities**

As at December 31, 2007, the IRC received no compensation. The IRC became active on February 1, 2008.

The compensation paid by Crown Hill to the IRC, on behalf of the funds to which it acts as manager, for the period from January 1, 2008 to December 31, 2008 has been set at \$18,000 per member.

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

The initial compensation of the IRC was set by the Manager. At least annually, the IRC will review compensation giving consideration to the following:

1. the best interests of the Fund;
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, including the commitment of time and energy that is expected from each member;
4. industry best practices, including industry averages and surveys on IRC compensation;
5. the Manager's recommendations, if any; and
6. the IRC's most recent assessment, if any, of its compensation.

## **Conflict of Interest Matters**

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

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

## **Approvals and Standing Instructions**

Approval for the following actions have been obtained from the IRC:

1. Inter-fund trades
2. Related party transactions

## **Positive Recommendations and Standing Instructions**

As at December 31, 2007, the IRC has not encountered any situation which required that standing instructions be provided to the Manager.