

May 11, 2020

Dear Investor:

**Re: REPORT TO INVESTORS BY THE INDEPENDENT REVIEW COMMITTEE OF MUTUAL FUNDS MANAGED BY STARLIGHT CAPITAL INVESTMENTS LP FOR THE PERIOD FROM APRIL 1, 2019 TO MARCH 31, 2020**

As Chair of the Independent Review Committee, I am pleased to provide you with the Committee's annual report to Investors of the Mutual funds managed by Starlight Capital Investments LP (the "Manager").

The Independent Review Committee serves the interests of the Funds managed by the Manager by reviewing potential conflict of interest matters referred to the Independent Review Committee by the Manager, as required under National instrument 81-107 *Independent Review Committee for Investment Funds* ("NI 81-107").

In such conflict of interest matters, the focus of the Independent Review Committee is on whether the Manager's proposed action achieves a fair and reasonable result for the Fund or Funds.

Merri Jones  
Chair of the Independent Review Committee

**REPORT TO INVESTORS BY THE INDEPENDENT REVIEW COMMITTEE OF MUTUAL FUNDS MANAGED BY STARLIGHT CAPITAL INVESTMENTS LP FOR THE PERIOD FROM APRIL 1, 2019 TO MARCH 31, 2020**

**REPORTING PERIOD**

The information disclosed in this report covers the period beginning April 1, 2019 and ending on March 31, 2020 (the “Reporting Period”), the financial year-end for the Funds listed in Schedule A (the “Funds”).

**MEMBERS OF THE INDEPENDENT REVIEW COMMITTEE**

NAME	RESIDENCE	TERM <sup>1</sup>
Merri Jones, Chair <sup>2</sup>	Toronto, ON	Two years from October 1, 2018
Heather-Anne Irwin	Toronto, ON	Two years from October 1, 2018
Paul Spagnolo	Toronto, ON	Two years from March 22, 2019

<sup>1</sup> IRC was created in advance of the launch of the Funds with initial members appointed on October 1, 2018.

<sup>2</sup> Merri Jones’s initial appointment was as a member on October 1, 2018 and was subsequently appointed Chair on November 30, 2018.

Each member of the IRC is independent of the Funds, the Manager and other entities related to the Manager. IRC members had no other relationships to the Manager or the Manager’s service providers that would cause a reasonable person to question a member’s independence.

**HOLDINGS OF SECURITIES**

(a) Funds

As at March 31, 2020, the percentage of securities of the Funds or, if applicable, each series of the Funds, beneficially owned, directly or indirectly, in aggregate, by all members of the IRC did not exceed the 10% threshold referred to in NI 81-107.

(b) Manager

As at March 31, 2020, no member of the IRC beneficially owned, directly or indirectly, securities of any class or series of voting or equity securities of the Manager.

(c) Service Providers

As at March 31, 2020, 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 a service provider to the Manager or the Funds.

**MANDATE OF THE INDEPENDENT REVIEW COMMITTEE**

NI 81-107 requires the IRC to review all conflict of interest matters identified and referred to it by the Manager, and to give its approval or recommendation, depending on the nature of the conflict of interest matter. The IRC also reviews and assesses each of the written Policies and Procedures that the Manager has established to deal with conflict of interest matters and may issue Standing Instructions to the Manager that allow the Manager to act in accordance with the respective Policy and Procedure on a continuing basis.

A “conflict of interest matter” is defined as a situation where a reasonable person would consider a Manager, or an entity related to the Manager, to have an interest that may conflict with the Manager’s ability to act in good faith and in the best interests of the investment fund.

The IRC has no power, authority or responsibility for the operations of the Funds or the operations of the Manager. The IRC only considers matters referred to it by the Manager that in the Manager's opinion, involve or may be perceived to involve a potential conflict of interest, or such matters that the IRC is required to consider by applicable securities legislation.

### **POLICIES AND PROCEDURES AND STANDING INSTRUCTIONS TO MANAGE CONFLICTS OF INTEREST**

During the Reporting Period, the Manager followed the recommendations and relied on the Standing Instructions of the IRC for the Policies and Procedures noted below. In each case, the standing instructions required the Manager to comply with its related Policies and Procedures and to report either quarterly, semi-annually, or annually, to the IRC. Matters that require approval by the IRC, or that do not have standing instructions, are duly noted.

- a) Brokerage Commissions
- b) Business Entertainment and Gift
- c) Conflict of Interest\*
- d) Corrections of Errors in Investor Accounts
- e) Corrections of Investment Fund NAV
- f) Inter-Fund Trades
- g) Investment Fund Expense Allocation
- h) Investment Funds Invested in Related Entities
- i) Investment Fund Launch, Merger and Termination
- j) Investor Activity
- k) Personal Trading
- l) Proxy Voting
- m) Trade Aggregation & Investment Allocation
- n) Trade Error
- o) Underlying Mutual Fund Investment
- p) Valuation

\*Policy has no Standing Instructions; therefore, each potential conflict or conflict of interest referred to in this Policy must be reviewed by the IRC individually as they arise.

Under NI 81-107, it is the responsibility of the manager of a fund to identify conflicts of interest for consideration by the IRC and to establish written policies and procedures that the manager must follow for any such conflict of interest matter.

The IRC will review these 16 Policies, Procedures and related Standing Instructions at least annually, and deal with any other conflict of interest matters presented to it by the Manager.

### **CONFLICT OF INTEREST MATTERS REQUIRING IRC APPROVAL**

The Manager has not notified the IRC, nor has the IRC become aware of, any matter in which the Manager acted in a conflict of interest but did not meet a condition imposed by the IRC in its recommendation or approval. The Manager has an obligation to notify the IRC of any such matters.

Over the Reporting Period, the IRC may also, from time to time, consider other potential conflict of interest matters and other ongoing conflict of interest matters which may continue into the next Reporting Period before being resolved.

## **COMPENSATION AND INDEMNITIES**

The members of the IRC are entitled to be compensated and indemnified by the Funds.

The initial compensation of the IRC was set by the Manager at the time the IRC was appointed on October 1, 2018. Thereafter, under the Instrument, the IRC has the authority to set its own compensation after considering the Manager's recommendation.

At least annually and consistent with good corporate governance practice, the IRC reviews the compensation paid to the members of the IRC. In its review of compensation matters, the IRC considered among other factors, the following:

- a) the best interest of the Funds
- b) the number, nature and complexity of the Funds
- c) the most recent annual self-assessment of the IRC
- d) recommendations regarding compensation and expenses of the IRC made by the Manager
- e) industry best practices and relevant compensation surveys of other independent review committees
- f) the nature and extent of the workload of each member of the IRC including the expected time commitment

The aggregate compensation paid by the Funds to the members of the IRC for the Reporting Period was \$100,000 (\$61,662 was paid by the Funds and \$38,338 was absorbed by the Manager).

No amounts were paid to the members of the IRC by the Funds pursuant to indemnities given by the Funds to the IRC during the Reporting Period.

This report is respectfully submitted by the IRC of the investment funds managed by Starlight Capital Investments LP this 11<sup>th</sup> day of May, 2020.

Merri Jones, Chair

Heather-Anne Irwin, Member

Paul Spagnolo, Member

**SCHEDULE "A"**

**INVESTMENT FUNDS COVERED BY THIS REPORT**

**Fund Name**

Starlight Global Infrastructure Fund

Starlight Global Real Estate Fund