

Independent Review Committee (IRC) Annual Report to Securityholders
Corton Enhanced Income Fund ETF
For the Year Ended December 31, 2024

Introduction

The Independent Review Committee ("IRC") of the Corton Enhanced Income Fund ETF (the "Fund") is pleased to present this annual report to securityholders in accordance with National Instrument 81-107 ("NI 81-107"). This report summarizes the IRC's responsibilities, activities, decisions, and standing instructions provided to the Manager, Corton Capital Inc. (the "Manager"), for managing conflicts of interest.

IRC Members

MEMBER NAME	LOCATION	DATE FIRST APPOINTED	EXPIRY OF TERM
DAVID STEELE (CHAIR)	[Toronto, Ontario]	August 2024	August 2027
KELLY BURKE	[Toronto, Ontario]	August 2024	August 2027
JOHN CORLEY	[Toronto, Ontario]	August 2024	August 2027

Details on IRC Activities and Meetings

During the reporting period, the IRC held one meeting, during which it reviewed conflict-of-interest matters, discussed standing instructions, and assessed compliance with NI 81-107.

Conflicts of Interest Matters

When a conflict of interest matters (a "Conflict") arises, the Manager must refer the Conflict, along with its proposed action, to the IRC for its review and recommendation or approval, depending on the nature of the Conflict.

Recommendations and Standing Instructions

The Conflicts identified by the Manager that were referred to the IRC for its review, and for which the IRC provided recommendations and standing instructions to the Manager, based on the policies and procedures, where applicable, presented by the Manager, were:

1. Portfolio Management Conflicts of Interest

The IRC reviewed conflicts of interest arising from portfolio management activities, including:

- Fair allocation of securities among funds and clients.
- Broker selection and best execution practices.
- Managing personal trading conflicts and insider trading risks.
- Addressing material errors in trading and portfolio management.
- Accepting gifts and business entertainment from third parties.

The Manager has established policies to mitigate these conflicts, including periodic best execution reviews, personal trading restrictions, and guidelines on trade allocation. The IRC issued a standing instruction requiring the Manager to:

- Follow the established Portfolio Management Conflicts of Interest policies.
- Provide quarterly compliance certifications from sub-advisors.
- Annually assess and report any new conflicts requiring IRC review.

The IRC concluded that these policies would result in fair and reasonable treatment of securityholders.

2. Valuation Policy

The IRC reviewed the Manager's Valuation Policy to address potential conflicts arising from asset valuation. The policy includes:

- Engaging an independent third-party Valuation Agent (CIBC Mellon) to calculate the Fund's NAV.
- Using independent pricing sources where available.
- Documenting and obtaining approvals on any exceptions to valuation procedures.
- Conducting quarterly compliance checks and annual certifications to the IRC.

The IRC issued a standing instruction requiring the Manager to ensure compliance with these valuation procedures and to notify the IRC of any material breaches. The IRC determined that this policy provides fair and consistent valuation outcomes for securityholders.

3. NAV Errors and Adjustments Policy

The IRC reviewed and provided a standing instruction concerning the Manager's policy for identifying and correcting Net Asset Value ("NAV") errors and adjustments. The policy includes:

- Requiring immediate notification to the Chief Compliance Officer ("CCO") upon discovery of an error.
- Ensuring all material NAV errors are corrected at both the fund and securityholder levels.
- Requiring annual certification by the Manager to confirm compliance with the policy.
- Ensuring compliance with NI 31-103 reporting obligations regarding NAV adjustments.

The IRC determined that adherence to this policy would result in a fair and reasonable outcome for the Fund and its securityholders.

Standing Instructions & Reporting

The IRC has provided standing instructions to the Manager on each of the above matters, allowing the Manager to address these conflicts on an ongoing basis without requiring case-by-case approval, provided that:

- The Manager complies with the established policies.
- The Manager certifies annually that policies have been followed.
- Any material breaches are reported to the IRC with a proposed resolution plan.
- Any substantive amendments to policies are reviewed and approved by the IRC.

Assessment of the Manager’s Compliance

At least annually, the IRC is required to review and assess the adequacy and effectiveness of:

1. The Manager’s written policies and procedures.
2. Any standing instructions (“SIs”) the IRC has provided to the Manager.
3. The Manager’s and the investment funds’ compliance with any conditions imposed by the IRC in a recommendation or approval.

The IRC confirms that the Manager has complied with NI 81-107 and followed IRC recommendations.

- **Manager Acting Without Positive Recommendation:** The IRC is not aware of any instance where, during the most recently completed financial year, the Manager acted in a conflict-of-interest matter referred to the IRC without a positive recommendation.
- **Manager Failing to Meet Conditions:** The IRC is not aware of any instance where the Manager failed to meet a condition imposed by the IRC in its recommendation or approval.

No material breaches were reported during the period, and the Manager’s adherence to conflict-of-interest policies was assessed as satisfactory.

Self-Assessment of the IRC’s Effectiveness

The IRC conducted a self-assessment to evaluate its effectiveness and independence. The assessment confirmed compliance with NI 81-107 independence requirements, and no changes were made to IRC policies or composition during the reporting period.

Compensation and Independence

The members of the IRC are entitled to compensation from the Fund and may be indemnified in appropriate circumstances. There was no compensation paid to the IRC during the financial year. No indemnities were paid.

As at December 31, 2024, the members of the IRC did not beneficially own, directly or indirectly, in aggregate:

- Any series or class of the Fund;
- Any securities of the Manager;
- Any securities of an entity that provides services to the Fund or the Manager;
- More than 1% of the common shares of any entity that provides significant services to the Fund.

Future Considerations

The IRC will continue to monitor regulatory developments that may impact its oversight responsibilities. No anticipated changes to the IRC structure, policies, or processes are planned for the next reporting period.

Conclusion

Based on our review, the IRC is satisfied that the Manager has acted in compliance with the standing instructions and that the conflict-of-interest policies in place serve the best interests of the Fund and its securityholders. We will continue to fulfill our oversight responsibilities in accordance with NI 81-107.