

**REPORT OF THE INDEPENDENT REVIEW COMMITTEE
OF
HERITAGE PLANS AND IMPRESSION PLAN
(Fiscal Year 2017)**

This Report to unitholders of Heritage Plans and Impression Plan (registered education savings plans promoted by Heritage Educational Foundation (the **Foundation**)) for the fiscal year ended December 31, 2017 (the **Fiscal Year**) has been prepared by the Independent Review Committee (**IRC**) of Heritage Plans and Impression Plan (collectively the **Plans**). This Report is mandated pursuant to section 4.4 of National Instrument 81-107 of the Canadian Securities Administrators (**NI 81-107**) and describes the IRC and its activities for the Fiscal Year.

Appointment of Committee

The IRC was established as of May 31, 2007. It consists of Bruce D. Day (Chair), Stanley M. Stewart and John G. Haag. Each member of the IRC has served since May 31, 2007.

There were no changes to the composition of the IRC during the Fiscal Year.

None of the members of the IRC hold any units of the Plans, and to their knowledge do not hold any interests in any service provider related to the Plan, the Foundation or to the manager of the Plans, Heritage Education Funds Inc. (the **Manager**) with the exception that IRC members may, from time to time, hold shares in publicly traded financial institutions which may provide services to the Plans.

Compensation and Indemnities

The aggregate compensation paid to IRC members in 2017 was \$56,500.00.

During the Fiscal Year the IRC reviewed its rate of compensation and no changes were made.

No indemnities were paid to, or on behalf of, IRC members during the Fiscal Year.

Activities of IRC for the Fiscal Year

The IRC met on four occasions and one adjournment thereof during the Fiscal Year. The business and industry information, together with the ongoing continuing education provided by the Foundation, help the IRC to maintain high standards and best practices in investment fund governance.

Each meeting of the IRC included a meeting with the Manager and receipt of the Manager's confirmation in respect of each such meeting that either: (i) it had not identified any conflict of interest matters required to be referred to the IRC; or (ii) the Manager had identified a conflict of interest matter.

During the Fiscal Year the IRC also:

- conducted a review of the adequacy and effectiveness of the Foundation's Charter and Conflict of Interest Policies and Procedures;
- completed assessments of its effectiveness as an independent review committee and the effectiveness and contribution of each of its members;

- held an *in camera* meeting of IRC members only at each meeting;
- reviewed its meeting procedures; and
- reviewed the composition of the IRC and the independence of each member.

Conflict of Interest Matters

NI 81-107 requires the IRC to review and approve all conflict of interest matters identified and referred to the IRC by the Manager and to give its approval or recommendation, depending on the nature of the conflict of interest matter.

During the Fiscal Year, the IRC provided recommendations and approvals to the Manager relating to: (i) the allocation of income (interest and dividends) and realized and unrealized capital gains (losses) amongst subscriber plans; (ii) allocation of income and capital gains relating to subscriber plan adjustments; (iii) allocation of income and capital gains in relation to education assistance payments; and (iv) an amendment to the franchise agreement with the Manager relating to the basis of calculation of the administration fee charged to the Plans.

In each case, the IRC has provided the Manager with approval and positive recommendation for the Manager to act in the conflict of interest matters referred to the IRC.

The IRC is not aware of any instance where the Manager: (i) acted in a conflict of interest matter referred to the IRC for which the IRC did not give a positive recommendation; or (ii) acted in a conflict of interest matter but did not meet a condition imposed by the IRC in its recommendation or approval.

We are pleased to publish this tenth annual report to unitholders of the Plans.

Respectfully submitted this 2nd day of January 2018.

Bruce D. Day (Chair)
Stanley M. Stewart
John G. Haag