MANAGEMENT INFORMATION CIRCULAR

FOR

THE SPECIAL MEETING OF UNITHOLDERS OF

SKYLON GROWTH & INCOME TRUST

TO BE HELD ON

June 7, 2019 at 10:00 a.m. (Toronto time)
at
CI Investments Inc.
2 Queen Street East, Twentieth Floor
Toronto, Ontario
M5C 3G7

ADJOURNED MEETING, IF REQUIRED
TO BE HELD ON

June 17, 2019 at 10:00 a.m. (Toronto time)

SKYLON GROWTH & INCOME TRUST
(the "Fund")

MANAGEMENT INFORMATION CIRCULAR

SPECIAL NOTE REGARDING FORWARD-LOOKING INFORMATION

This Management Information Circular (the "**Circular**") contains or refers to certain forward-looking information relating, but not limited to, the expectations, intentions, plans and assumptions of CI Investments Inc. ("**CI**" or the "**Fund Manager**"), as manager of the Fund and First Asset Investment Management Inc. ("**First Asset**" or "**ETF Manager**"), as manager of the ETF (as defined herein).

Forward-looking information can often be identified by forward-looking words such as "anticipate", "believe", "expect", "plan", "intend", "estimate", "may", "potential", and "will" or similar words suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. Forward-looking information is not historical fact but reflects, as applicable, the Fund's, CI's and First Asset's current expectations regarding future results or events. Forward-looking information is subject to risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking information expressed herein. Although the Fund, CI and First Asset believe that the assumptions inherent in their respective forward-looking information are reasonable, forward-looking information is not a guarantee of future events or performance and, accordingly, readers are cautioned not to place undue reliance on such information due to the inherent uncertainty therein. By its nature, forward-looking information involves numerous assumptions, inherent risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and various future events will not occur. There is no obligation to update forward-looking information, except as required by law.

GENERAL PROXY INFORMATION, VOTING RIGHTS, RECORD DATE AND QUORUM

Solicitation of Proxies

This Circular is furnished in connection with the solicitation of proxies by CI for use at the special meeting (the "**Meeting**") of holders (the "**Unitholders**") of the units of the Fund (the "**Units**"), or any adjournment thereof. All Unitholders will vote on the proposed resolutions as a single class. The Meeting will be held at CI's offices at 2 Queen Street East, 20th Floor, Toronto, Ontario M5C 3G7 on June 7, 2019 at 10:00 a.m. (Toronto time), for the purposes set forth in the Notice of Availability of Meeting Materials (the "**Notice-and-Access Document**") that was sent to you in respect of the Meeting. If the Meeting is adjourned, the Notice-and-Access Document shall constitute notice of the adjourned Meeting, which will be held at the same location and time on June 17, 2019.

Pursuant to exemptive relief, the Fund Manager has opted to use a notice-and-access procedure for sending proxy-related materials to Unitholders. The costs of soliciting proxies for the Meeting will be paid for by the Fund Manager. While it is expected that solicitation will be primarily by mail, proxies may also be solicited personally or by telephone by directors, officers and employees of the Fund Manager. The Fund Manager will pay for the delivery of the Notice-and-Access Document and the Circular to Unitholders if a copy of it is requested following receipt of the Notice-and-Access Document.

<u>Appointment and Revocation of Proxies</u>

The individuals named in the form of proxy for the Meeting are directors and officers of the Fund Manager.

A Unitholder has the right to appoint a person (who need not be a Unitholder) other than the persons named in the form of proxy to represent him or her at the Meeting, either by inserting such person's name in the blank space provided in the form of proxy and striking out the other names or by completing another proper form of proxy. A form of proxy will not be valid unless it is properly executed and received by Computershare Investor Services Inc. ("**Computershare**"), 8th Floor, Proxy Department, 100 University Avenue, Toronto, Ontario, M5J 2Y1, fax number 416-263-9524 or 1-866-249-7775, not later than June 5, 2019 at 10:00 a.m. (Toronto time) or, in the case of an adjournment of a Meeting, not less than 48 hours (excluding Saturdays, Sundays and civic or statutory holidays in the City of Toronto, Ontario) prior to the time of adjournment.

The form of proxy must be signed by the Unitholder or by the Unitholder's attorney duly authorized in writing or, if the Unitholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized. Persons signing as executors, administrators, trustees or in any other representative capacity should so indicate and give their full title as such. A partnership should sign in the partnership's name and such signature should be executed by an authorized person(s).

Proxies given by Unitholders for use at the Meeting may be revoked at any time prior to their use. In addition to revocation in any other manner permitted by law, a proxy may be revoked by depositing an instrument in writing executed by the Unitholder or his or her attorney authorized in writing, or where the Unitholder is a corporation, by a duly authorized officer or attorney of the corporation, to the registered office of the Fund, at any time up to and including the last business day (being any day other than a Saturday, Sunday or civic or statutory holiday in the City of Toronto, Ontario) preceding the day of the Meeting (or any adjournment thereof), at which the proxy is to be used, or with the chair of the Meeting on the day of the Meeting (or any adjournment thereof) prior to the commencement of such Meeting. Upon either of such deposits, the proxy is revoked. Any such revocation will have effect only in respect of those matters upon which a vote has not already been cast pursuant to the authority conferred by the revoked proxy. See also "*Non-Registered Unitholders*" below.

<u>Voting and Discretion of Proxies</u>

Proxy-related materials are being sent to both registered and non-registered Unitholders of the Fund. If you are a non-registered Unitholder and these materials were sent directly to you, your name, address and information about your securities holdings have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding Units on your behalf.

By choosing to send these materials to you directly, the Fund (and not the intermediary holding Units on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

On any ballot that may be called for, Units represented by proxies which are hereby solicited (if properly executed and deposited) will be voted for or against the matters identified in the form of proxy, in each case in accordance with the instructions of the Unitholder.

In the absence of any instructions on the form of proxy, it is the intention of the persons named in the form of proxy to vote the Units represented by proxies in favour of the proposed resolutions. The form of proxy confers discretionary authority upon the persons named therein with respect to amendments to or variations of the matters set out in the Notice-and-Access Document and with respect to other matters that may properly come before the Meeting.

As of the date of this Circular, CI knows of no matters that may properly come before the Meeting other than the matters referred to in the Notice-and-Access Document. If any such amendments, variations or other matters are properly brought before the Meeting, the persons named in the form of proxy will vote thereon in accordance with their best judgment.

Non-Registered Unitholders

The Fund has issued Units in book-entry only form through CDS Clearing and Depository Services Inc. ("**CDS**"). Participants in the CDS book-entry only system ("**CDS Participants**") include securities brokers and dealers, banks and trust companies. Indirect access to the CDS book-entry only system is also available to other institutions that maintain custodial relationships with a CDS Participant, either directly or indirectly ("**Indirect Participants**").

As a result of the Fund issuing Units in book-entry only form, a nominee of CDS is the sole registered holder of the Units. Only registered Unitholders or the persons they appoint as proxies are permitted to vote at the Meeting. All of the beneficial holders of Units (the "**Non-Registered Holders**") hold their Units through either CDS Participants or Indirect Participants (collectively, "**Intermediaries**"). CI has caused copies of the Notice-and-Access Document and form of proxy to be delivered to CDS and the Intermediaries for onward distribution to Non-Registered Holders.

Generally, Non-Registered Holders will either:

(a) be provided with a proxy executed by the Intermediary as the registered holder, but otherwise uncompleted. The Non-Registered Holder may complete the proxy and return it in accordance with the instructions of the intermediary; or

(b) be provided with a request for voting instructions from the Intermediary. The Non-Registered Holder may complete and sign the proxy to provide the voting instructions and return it in accordance with the instructions of the Intermediary.

Every Intermediary has its own mailing procedures and provides its own return instructions, which should be carefully followed by Non-Registered Unitholders in order to ensure that their Units are voted at the Meeting.

A Non-Registered Unitholder receiving a voting instruction form cannot use that form to vote its Units directly at the Meeting. Rather, the voting instruction form must be returned to his or her Intermediary well in advance of the Meeting to have the Units voted. If you are a Non-Registered Unitholder and wish to vote in person at the Meeting, please contact your Intermediary well in advance of the Meeting to determine how you can do so.

Only registered Unitholders have the right to revoke a proxy. Non-Registered Holders who wish to change their vote must make arrangements with their Intermediary well in advance of the Meeting.

Voting Rights, Record Date and Quorum

Each whole Unit entitles the Unitholder thereof to one vote on all matters properly coming before the Meeting. Only Unitholders of record at the close of business on April 18, 2019 (the "**Record Date**") will be entitled to vote their Units in respect of the matters to be voted on at the Meeting. No person acquiring Units after such date shall be entitled to receive notice of or vote at the Meeting, or any adjournment thereof.

The affirmative vote of at least two-thirds (66 2/3%) of the votes cast at the Meeting is required for approval of the proposed resolutions referred to in the Notice-and-Access Document and as discussed herein. All Unitholders will vote on the proposed resolution as a single class.

In accordance with the Fund's amended and restated declaration of trust dated January 30, 2004, as amended (the "**Declaration of Trust**"), the presence of two or more Unitholders present in person or by proxy and representing not less than 25% of the outstanding Units constitutes a quorum, for purposes of an extraordinary resolution at the Meeting.

In the event that a quorum is not present within one-half hour after the time fixed for the holding of the Meeting, the Meeting shall stand adjourned to June 17, 2019 at 10:00 a.m. at the place of the original Meeting. Unitholders present in person or by proxy at any adjourned meeting will constitute a quorum.

THE FUND

The Fund is a closed-end fund established under the laws of the province of Ontario on January 30, 2004 pursuant to the Declaration of Trust, as amended from time to time. The Fund's principal office is 2 Queen Street East, Twentieth Floor, Toronto, Ontario, M5C 3G7. CI is the trustee, manager and portfolio advisor of the Fund.

The Fund has one class of redeemable, transferable units which trade on the Toronto Stock Exchange ("**TSX**") under the ticker symbol "SKG.UN". Unless otherwise extended in accordance with the Declaration of Trust, the Fund is currently scheduled to terminate on June 30, 2019. For additional information relating to the Fund, see the annual information form of the Fund dated March 28, 2019.

BUSINESS OF THE MEETING

At the Meeting, Unitholders are being asked to consider and, if thought fit, to adopt,

1. **Declaration of Trust:** an extraordinary resolution substantially in the form set out in Schedule A of this Circular authorizing certain amendments (the **"DOT Amendments**") to the Declaration of Trust, including (i) amendments to the fundamental investment objectives, strategies and restrictions of the Fund, (ii) the extension of the Fund's termination date (the "**Termination Date**") from June 30, 2019 to December 31, 2024 and (iii) all such consequential amendments to the Declaration of Trust and such other steps as may be necessary or desirable, in the opinion of the Fund Manager, to give effect to the foregoing (the "**DOT Amendment Resolution**"), all as more particularly described herein.

2. **Merger**: if the DOT Amendment Resolution is approved, an extraordinary resolution substantially in the form set out in Schedule B to this Circular authorizing the Fund Manager to effect a merger (the "**Merger**") of the Fund into a new, actively managed, exchange-traded fund that is being established by First Asset, a subsidiary of the Fund Manager, to be named "CI First Asset Global

> Asset Allocation ETF" or such other name as First Asset may determine in its discretion (the "**ETF**"), including all amendments to the Declaration of Trust considered necessary or desirable, in the opinion of CI, to facilitate and implement the Merger, all as more particularly described herein (the "**Merger Resolution**").

If the DOT Amendment Resolution is approved by Unitholders, the Fund Manager will implement the DOT Amendments prior to the Fund's currently scheduled Termination Date of June 30, 2019. If the Merger Resolution is approved by Unitholders, the Fund Manager anticipates implementing the Merger in July 2019, subject to obtaining a receipt for the final prospectus of the ETF and any third party or regulatory approvals required (if any) in order to effect the Merger.

If the DOT Amendment Resolution or the Merger Resolution is not approved, or if either is approved but the Fund Manager exercises its discretion not to implement the DOT Amendments or the Merger, as applicable, the Fund Manager currently intends to terminate the Fund on or about June 30, 2019 in accordance with the terms of the Declaration of Trust.

Unitholders of the Fund who do not wish to participate in the Merger or remain invested in the Fund may redeem all, or a portion of, their Units at a redemption price equal to the net asset value ("**NAV**") **of the Units determined on June 28, 2019, the last trading day before the Termination Date, less any costs associated with funding the redemption, including commissions and other such costs, if any. See "Extension of the Currently Scheduled Termination Date and Corresponding Redemption" for more details.**

DOT AMENDMENT RESOLUTION

The Fund Manager believes that the DOT Amendments offer benefits to investors, by expanding the universe of securities in which the Fund may invest to a combination of equity and fixed-income securities of countries and companies located anywhere in the world and by reducing the fees payable by the Fund, which are currently borne by Unitholders.

Proposed Investment Objectives, Strategies and Restrictions

In connection with the DOT Amendments, Unitholders are being asked to approve amendments to the Fund's investment objectives, strategies and restrictions. The current and proposed amendments to the investment objectives, strategies and restrictions of the Fund are summarized in Schedule A.

Investment Objectives

The Fund's current investment objectives are to: (i) provide Unitholders with monthly distributions; (ii) endeavour to preserve capital throughout the life of the Fund; and (iii) enhance the long-term total return of the Fund's portfolio.

If the DOT Amendments are approved, the investment objectives will be substantially amended to the following:

> "The Fund's investment objective is to generate income and long-term capital growth by investing in a combination of equity and fixed-income securities of countries and companies located anywhere in the world."

Investment Strategies

If the DOT Amendments are approved, the Fund's investment strategies will be substantially amended to the following:

> "The Fund will invest, directly or indirectly, in a combination of equity and fixed-income securities of companies located anywhere in the world and is not limited to how much it invests in any single country or asset class. This will vary according to market conditions.
>
> To the extent the Fund invests in equity securities, these will include preferred and common shares that are diversified by sector and style.
>
> Investments in fixed-income securities may consist of high-yielding government and corporate bonds, debentures, loans and notes. This may include securities that are unrated or have a credit rating below investment grade. The term to maturity of these securities will vary depending on the portfolio advisor's outlook for interest rates.
>
> Indirect investments may include convertible securities, derivatives, equity-related securities and securities of other mutual funds.
>
> The Fund's equity portfolio is both focused and concentrated and the overall portfolio currency exposure may be tactically hedged.
>
> In selecting investments for the Fund, the portfolio advisor uses a combination of top-down macro analysis and fundamental analysis for bottom-up security selections. When deciding whether to buy or sell an investment, the portfolio advisor also considers whether the investment is a good value relative to its current price.
>
> The Fund may also:
>
> - use warrants and derivatives such as options, futures, forward contracts and swaps to:
>   - hedge against losses from changes in the prices of the Fund's investments and from exposure to foreign currencies;
>   - gain exposure to individual securities and markets instead of buying the securities directly to generate additional returns; and/or
>   - write covered call options;
> - enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, to the extent permitted by applicable securities laws and regulations, to earn additional income for the Fund; and/or
> - hold cash and cash-equivalent securities for strategic reasons or in the event of adverse market, economic and/or political conditions.
>
> The Fund will only use derivatives as permitted by applicable securities laws and regulations.

The Fund may obtain exposure, on some or all of its assets, to securities of other funds.

The Fund may also engage in short selling as permitted by applicable securities laws and regulations, selling as a complement to the Fund's current primary discipline of buying securities with the expectation that they will appreciate in market value. In determining whether securities of a particular issuer should be sold short, the portfolio advisor uses the same analysis that is described above for deciding whether to purchase the securities.

Pursuant to exemptive relief from Canadian securities regulatory authorities, the Fund may, subject to certain restrictions:

- purchase silver and specified derivatives, the underlying interest of which is silver on an unlevered basis, in a similar manner as currently permitted by applicable securities laws and regulations for gold; and/or
- purchase securities of exchange-traded funds that seek to:
  - provide daily results that replicate the daily performance of a specified widely-quoted market index (the "**Underlying Index**") on a leveraged basis (a multiple of 200% or an inverse multiple of 100% or 200%);
  - provide daily results that replicate the daily performance of their Underlying Index;
  - seek to replicate the performance of silver, or the value of a specified derivative the underlying interest of which is silver, on an unlevered basis; and/or
  - seek to replicate the performance of gold, or the value of a specified derivative the underlying interest of which is gold, on a leveraged (a multiple of 200%) basis.

Investment Restrictions

The Fund's current investment restrictions are set out in the Fund's Declaration of Trust and Schedule "A" to this Circular.

If the DOT Amendments are approved, the Fund will amend its investment restrictions to the following:

Subject to exemptive relief that has been obtained or will be obtained or has been applied, the Fund is subject to certain investment restrictions and practices contained in Canadian securities legislation, including National Instrument 81-102 *Investment Funds* ("**NI 81-102**"), which are designed in part to ensure that the investments of the Fund are diversified and relatively liquid and to ensure its proper administration. The investment restrictions and practices applicable to the Fund which are contained in Canadian securities legislation, including NI 81-102, may not be deviated from without an exemption from the Canadian securities regulatory authorities having jurisdiction over the Fund.

The foregoing requirements would prevent the Fund from employing leverage for investment purposes.

Tax-related Investment Restrictions

If the DOT Amendments are approved, the Fund will amend its tax related investment restrictions to the following:

The Fund will not make an investment or conduct any activity that would result in the Fund (i) failing to qualify as a "unit trust" or "mutual fund trust" within the meaning of the *Income Tax Act* (Canada) (the "**Tax Act**") or (ii) being subject to the tax for "SIFT trusts" for purposes of the Tax Act. In addition, the Fund will not (i) make or hold any investment in property that would be "taxable Canadian property" (if the definition of such term in the Tax Act were read without reference to paragraph (b) thereof) if more than 10% of the Fund's property consisted of such property.

In addition, the Fund will not (i) invest in or hold (a) securities of or an interest in any non-resident entity, an interest in or a right or option to acquire such property, or an interest in a partnership which holds any such property if the Fund (or the partnership) would be required to include significant amounts in income pursuant to section 94.1 of the Tax Act, (b) an interest in a trust (or a partnership which holds such an interest) which would require the Fund (or the partnership) to report significant amounts of income in connection with such interest pursuant to the rules in section 94.2 of the Tax Act, or (c) any interest in a non-resident trust other than an "exempt foreign trust" for the purposes of section 94 of the Tax Act (or a partnership which holds such an interest); (ii) invest in any security that would be a "tax shelter investment" within the meaning of section 143.2 of the Tax Act; or (iii) invest in any security of an issuer that would be a "foreign affiliate" of the Fund for purposes of the Tax Act.

Extension of the Currently Scheduled Termination Date and Corresponding Redemption

The Fund currently has a scheduled Termination Date of June 30, 2019. At the Meeting, as part of the DOT Amendment Resolution, Unitholders are being asked to approve the extension of the Termination Date to December 31, 2024 in accordance with the Declaration of Trust.

Under the terms of the Declaration of Trust, upon an extension of the Termination Date as set forth above, a Unitholder may require the Trustee to redeem his or her Units on the currently scheduled Termination Date (i.e., June 30, 2019) at a price per Unit equal to the NAV per Unit on such date. **Accordingly, Unitholders will have the right to redeem all, or a portion of, their Units on June 30, 2019 at a redemption price equal to the NAV per Unit, regardless of whether they vote "FOR" or "AGAINST" the DOT Amendments or if they abstain from voting.**

Units so redeemed will be redeemed at a redemption price equal to the NAV determined on June 28, 2019, the last trading day before the Termination Date, less any costs associated with funding the redemption, including commissions and other such costs, if any. Unitholders who wish to redeem their Units must give notice to the Manager prior to 5:00 p.m. (Toronto time) on June 21, 2019. Such Unitholders must inform their advisor or other intermediary sufficiently in advance of June 21, 2019 of their desire to redeem their units, as their advisor or other intermediary may have an earlier redemption notice deadline. Payment of the proceeds of redemption will be made on or before the 15th business day of the following month.

In connection with the extension of the Termination Date and as part of the DOT Amendments, the Declaration of Trust will also be amended to permit the Fund to distribute, allocate and designate as payable any capital gains realized by the Fund as a result of any disposition of property of the Fund undertaken to permit or facilitate the redemption of Units to a Unitholder whose Units are being redeemed. In addition, the Declaration of Trust will be further amended to permit the Fund to distribute, allocate and to designate any capital gains of the Fund to a Unitholder who has redeemed Units during a year in an amount equal to the Unitholder's share, at the time of redemption, of the Fund's capital gains for the year. Any such allocation and designation will reduce the redemption price otherwise payable to the redeeming Unitholder. Provided that certain Tax Proposals (as defined below) contained in the March 19, 2019 Canadian federal budget are enacted as proposed, commencing in the Fund's first taxation year beginning after March 19, 2019, an amount so allocated and designated to a redeeming Unitholder will only be deductible to the Fund to the extent of the gain that would otherwise be realized by the Unitholder on the redemption of Units.

MERGER RESOLUTION

An Overview of the Merger

If the DOT Amendment Resolution is approved by Unitholders, the Fund Manager will also ask Unitholders to consider the Merger of the Fund, following the implementation of the DOT Amendments, into a new, actively managed, exchange-traded fund that is being established by First Asset, an affiliate of the Fund Manager, to be named "CI First Asset Global Asset Allocation ETF" or such other name as First Asset may determine in its discretion. Following the implementation of the DOT Amendments, the ETF will have the same or substantially similar fundamental investment objectives, strategies and restrictions as the Fund.

If the Merger Resolution is approved, Unitholders of the Fund will not be required to take any action and will automatically become holders of the units of the ETF ("**ETF Units**") on the effective date of the Merger.

Procedure for the Merger

The specific steps to implement the Merger are expected to be as follows:

(a) prior to the effective date of the Merger, substantially all of the Fund's assets will be liquidated such that substantially all of its portfolio will be cash.

(b) prior to the Merger, each of the Fund and the ETF will distribute any net income and net realized capital gains for its current taxation year to the extent necessary to eliminate its liability for non-refundable income tax;

(c) the exchange ratio will be calculated by dividing the NAV of the Units by the NAV of the ETF Units, each as determined at the close of business on the business day prior to the effective date of the Merger;

(d) prior to the effective time of the Merger, the Fund will transfer all of its assets to the ETF in consideration for an amount (the "**Purchase Price**"), equal to the fair market value of the assets transferred to the ETF at the effective time of the Merger on the effective date of the Merger;

(e) the ETF will satisfy the Purchase Price by assuming the Fund's liabilities and by issuing to the Fund that number of ETF Units equal to the number of Units then outstanding, multiplied by the exchange ratio**.** Such issued ETF Units will be listed on the TSX at all times while they are held by the Fund;

(f) immediately thereafter, all of the Units that are listed on the TSX will be redeemed and the redemption price therefor will be paid by delivering the applicable number of ETF Units to Unitholders based on the number of Units then held, with each Unitholder of the Fund receiving that number of ETF Units (rounded down to the nearest whole ETF Units) as is equal to the exchange ratio multiplied by the number of Units held by such Unitholder prior to the completion of the Merger;

(g) the Fund and the ETF will file a joint tax election in respect of the transfer to the ETF of all of the assets of the Fund;

(h) the Units will be de-listed from the TSX and the Fund will cease to be a reporting issuer in each of the provinces and territories of Canada; and

(i) the Fund will be terminated within 30 days following the Merger.

Tax Basis of the Merger

The Merger will be effected on a tax-deferred "rollover" basis. This will allow Unitholders to defer any capital gain on their Units at the time of the Merger. It is currently anticipated that the Fund will not have any material non-capital loss carryforwards, net capital loss carryforwards or unamortized issue expenses that it will not be able to deduct as a result of the Merger.

The Fund is expected to make distributions prior to the Merger. Having regard to the intention of the Manager to liquidate substantially all of the assets of the Fund prior to the Merger, the Manager currently anticipates that the Fund will not be required to make a special distribution of net income for the Stub Year (as defined under ("Certain Canadian Federal Income Tax Consideration – Tax Considerations Applicable to the Merger – Tax Considerations for the Fund") and will be required to make a special distribution of approximately $600,000 of net realized capital gains for the Stub Year.

About the ETF

Continuous Distribution

The "ETF" will be a stock exchange-listed, continuously offered, open-ended mutual fund to be established under the laws of the province of Ontario pursuant to a declaration of trust. Units of the ETF will be offered, exchanged and redeemed daily for baskets of portfolio securities and/or cash primarily through designated brokers and dealers appointed by the ETF Manager on behalf of the ETF. From time to time, and as may be agreed between the ETF and the designated brokers and dealers, such designated brokers and dealers may deliver a group of securities and/or assets determined by First Asset from time to time representing the constituents of the ETF (a "**Basket of Securities**") and/or cash as payment for ETF Units. Concurrently with, or as soon as reasonably practicable following, the mailing of the Notice-and-Access Document, First Asset will file a preliminary prospectus qualifying the ETF Units, which preliminary prospectus may be accessed at www.sedar.com.

The ETF Units will be offered for sale on a continuous basis and there is no maximum number of ETF Units that may be issued. The ETF Units shall be offered for sale to designated brokers and dealers at a price equal to the NAV of the ETF Units determined at the valuation time on the effective date of a subscription order.

CI believes that Unitholders will benefit from the Merger for the following reasons:

1. **Potential Benefit from Economies of Scale** – As the ETF will be in continuous distribution (unlike the Fund), the ETF's asset base may increase over time, providing Unitholders with the potential to achieve the benefits of economies of scale by spreading the ETF's operating costs over more units;

2. **Greater Market Liquidity and Efficient Trading** – The ETF will maintain its stock exchange listing (similar to the Fund) and will therefore offer intra-day market liquidity for its ETF units, but with the added benefit of posted two-way markets as a result of the market-making function provided by designated brokers and dealers. Accordingly, ETF Units can be expected to trade at a market price approximately equal to their intrinsic NAV; and

3. **Lower Fees** – The annual management fee payable by the ETF (and thus indirectly borne by its Unitholders) in respect of each outstanding ETF Unit is 0.60% of the NAV per ETF Unit, compared with the current annual management fee payable by the Fund (and thus indirectly borne by its Unitholders) of 1.10% of NAV. In addition, the Fund currently pays to the Fund Manager an amount equal to the service fee of 0.40% of NAV that is paid by the Fund Manager to registered dealers of the Fund. The ETF does not pay any service or trailing fees.

Currently, Units trade daily on the TSX and are redeemable monthly at a redemption price per Unit based on the market price of a Unit, and annually at the NAV per Unit. However, as a closed-end fund, there is no formal posted two-way market that operates like the market for units of an ETF where designated brokers and dealers can facilitate better trading. Accordingly, as a closed-end fund, the trading price per Unit can often differ from NAV per Unit, sometimes materially.

As at April 18, 2019 the NAV of the Fund was $32,902,591.88 and the NAV per Unit was $7.46. The following table shows the average NAV per Unit and the average trading price per Unit, for the previous 12 months:

	Average NAV per Unit	**Average Trading Price per Unit (TSX)**	**Average Trading Price discount to NAV**
April, 2018	$7.92	$7.75	2.1%
May, 2018	$8.06	$7.20	10.7%
June, 2018	$7.33	$6.80	7.2%
July, 2018	$8.05	$7.58	5.8%
August, 2018	$7.98	$7.53	5.6%
September, 2018	$7.88	$6.49	17.6%
October, 2018	$7.54	$6.78	10.1%
November, 2018	$7.35	$6.89	6.3%
December, 2018	$7.04	$6.75	4.1%
January, 2019	$7.11	$6.90	3.0%
February, 2019	$7.28	$7.06	3.0%
March, 2019	$7.35	$7.19	2.2%

Under the ETF structure, Unitholders may achieve market prices that are trading intra-day closer to NAV through the TSX as a result of the market-making services performed by the ETF's designated broker and dealers. As a result, CI expects that holders of ETF Units will generally be able to buy and sell their ETF Units at a price closer to the NAV per ETF Unit and without materially affecting the market price.

Investment Objective and Investment Strategies of the ETF

If the DOT Amendment Resolution is approved, the DOT Amendments will be implemented prior to the Merger. As a result, if the Merger is approved, the ETF and the Fund will have the same or substantially similar investment objectives, strategies and restrictions at the time the proposed Merger is effected.

Subject to First Asset filing and obtaining a receipt for a final prospectus qualifying the continuous distribution of the ETF Units, if the Merger is approved and implemented, CI and First Asset currently anticipate that the Merger will be implemented in July 2019, subject to obtaining all other required regulatory and other approvals.

With respect to the Merger, CI will provide portfolio management and investment advisory services and First Asset will be the investment fund manager and trustee and will be responsible for the administration of the ETF. As at March 31, 2019, First Asset is the investment fund manager of 43 TSX-listed exchange-traded funds.

<u>Fees and Expenses Before and After the Merger</u>

Lower Annual Management Fee and Elimination of Service Fee

The annual management fee payable by the ETF (and thus indirectly borne by its Unitholders) in respect of each outstanding ETF Unit will be 0.60% of the NAV per ETF Unit, which is lower than the current annual management fee payable by the Fund (and thus indirectly borne by its Unitholders) of 1.10%. Further, the Fund pays to the Fund Manager an amount equal to the service fee of 0.40% of the NAV per Unit that is paid by the Fund Manager to registered dealers of the Fund for each Unit held by clients of the sales representatives of the registered dealers. The ETF does not pay any service or trailing fees.

Management Fee Distributions

The Fund does not currently pay any management fee distributions.

As manager of the ETF, First Asset may, at its discretion, agree to charge a reduced fee as compared to the fee it would otherwise be entitled to receive from the ETF with respect to large investments in the ETF by Unitholders. Such a reduction will be dependent upon several factors, including the amount invested, the total assets of the ETF under administration and the expected amount of account activity. In such cases, an amount equal to the difference between the fee otherwise chargeable and the reduced fee will be distributed to the applicable Unitholders as management fee distributions. Management fee distributions will be paid first out of net income of the ETF then out of capital gains of the ETF and thereafter out of capital.

Operating Costs and Expenses

Historically, in addition to the management fee, the Fund has paid all ordinary expenses incurred in connection with its operation and administration. The ETF will pay for all ordinary expenses incurred in connection with its operation and administration. These expenses (which are described below in more detail) are expected to be similar to those expenses paid by the Fund prior to the Merger, except for any expenses associated with the continuous offering of ETF Units, which includes prospectus renewal costs and incremental costs associated with the issuance of additional ETF Units, unless otherwise waived or reimbursed by First Asset as manager.

Unless otherwise waived or reimbursed by First Asset, and subject to compliance with NI 81-102, it is expected that the expenses for the ETF will include, as applicable, without limitation: all costs of portfolio transactions; audit fees; fees payable to third party service providers; trustee and custodial expenses; valuation, accounting and record keeping costs; legal expenses; permitted prospectus preparation and filing expenses; costs associated with delivering documents to Unitholders; listing fees and expenses and other administrative expenses and costs incurred in connection with the continuous public filing requirements; costs and expenses of preparing financial and other reports, costs and expenses arising as a result of complying with all applicable laws, regulations and policies; CDS fees; bank related fees and interest charges; extraordinary expenses; Unitholder reports and servicing costs; registrar and transfer agent fees; fees and expenses of the members of the ETF's Independent Review Committee ("**IRC**"); expenses related to compliance with National Instrument 81-107 *Independent Review Committee for Investment Funds* ("**NI 81-107**"); fees and expenses relating to the voting of proxies by a third party; premiums for directors' and officers' insurance coverage for the members of the IRC; income taxes; any applicable provincial and federal sales, value added or goods and services taxes including taxes exigible under Part IX of the *Excise Tax Act* (Canada) and the regulations made thereunder; brokerage expenses and commissions; and withholding taxes. Such expenses will also include expenses for any action, suit or other proceeding in which, or in relation to which the ETF Manager, the custodian, the IRC and/or any of their respective officers, directors, employees, consultants or agents is entitled to indemnity by the ETF.

Costs and expenses payable by First Asset or an affiliate of First Asset include the initial organization costs of the ETF and costs of preparing and filing the preliminary prospectus and initial prospectus.

Apart from the initial organizational costs of the ETF, including the costs of implementing the Merger, all expenses related to the issuance of ETF Units shall be borne by the ETF unless otherwise waived or reimbursed by First Asset.

Other Transaction-Specific Charges Applicable to the ETF

In order to compensate the ETF for transaction costs that it may incur in fulfilling certain subscription, exchange or redemption requests by Unitholders, the ETF may, from time to time, charge the following, all of which will accrue to the ETF:

- on the issuance of Units, First Asset may, at its discretion, charge an administrative fee to a dealer or designated broker to offset any expenses (including any applicable TSX additional listing fees) incurred in issuing the ETF Units;

- at First Asset's discretion and consistent with the First Asset's and industry practice, First Asset may charge exchanging or redeeming Unitholders an administration fee to offset certain transaction costs associated with the exchange or redemption of ETF Units;

- in circumstances where the ETF accepts a cash-only subscription from a Unitholder for a prescribed number of units ("**PNU**")[1], First Asset may, in its discretion, charge a cash creation fee

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[1] A PNU (or prescribed number of units) is a block of ETF Units, typically 50,000.

representing, as applicable, brokerage expenses, commissions, transaction costs and other costs or expenses that the ETF incurs or expects to incur in purchasing securities on the market with such cash proceeds;

- in circumstances where the ETF accepts a request from a Unitholder to effect a cash-only payment for exchange of a PNU, First Asset may, in its discretion, charge a cash exchange fee representing, as applicable, brokerage expenses, commissions, transaction costs and other costs or expenses that the ETF incurs or expects to incur in selling securities on the market to obtain the necessary cash for the exchange.

The administrative fee, administration fee, cash creation fee and cash exchange fee are published on First Asset's website, www.firstasset.com.

Trustee and Manager of the ETF

The Fund's current trustee and manager is CI. First Asset will be the trustee and manager of the ETF, pursuant to the terms of the ETF's declaration of trust. First Asset will not be paid to serve as trustee of the ETF. See *"Investment Fund Manager – First Asset".*

Portfolio Advisor of the ETF

CI Investments Inc. is the portfolio advisor of the Fund and will also be the portfolio advisor of the ETF. See *"Portfolio Advisor – CI"*. CI Investments Inc. currently indirectly owns all the issued and outstanding shares of the ETF Manager.

Auditor of the ETF

The Fund's auditor is PricewaterhouseCoopers LLP. Ernst & Young LLP will be the auditor of the ETF. Ernst & Young LLP currently audits the family of First Asset exchange-traded funds.

Other Changes Affecting Unitholder Rights Resulting from the Merger

The material changes affecting the Fund and Unitholder rights as a result of the Merger are set forth in Schedule C hereto.

Redemptions as a Closed-End Fund

Currently, as a closed-end fund, Units may be surrendered at any time for a redemption on the last business day of each month (a "**Monthly Valuation Date**") by giving notice thereof to CI, subject to the Fund's right to suspend redemptions in certain circumstances. Units surrendered for monthly redemption are redeemed at a redemption price per Unit equal to the lesser of (a) 94% of the "market price" per Unit on the applicable Monthly Valuation Date (10-day average trading price); and (b) the "closing market price" per Unit on the applicable Monthly Valuation Date.

In addition, Unitholders are entitled to surrender units for redemption not more than 60 days, and at least 30 days prior to December 31 of each year (the "**Annual Redemption Date**"). The redemption price per Unit for Annual Redemptions is equal to the NAV per Unit determined as at such Annual Redemption Date.

Redemptions as an ETF

On any trading day, Unitholders may redeem (i) ETF Units for cash at a redemption price per unit equal to 95% of the closing price for the ETF Units on the TSX on the effective day of the redemption less any applicable redemption fee determined by First Asset, in its sole discretion, from time to time, or (ii) a PNU or a multiple PNU for cash equal to the NAV of that number of ETF Units less any applicable redemption fee determined by First Asset, in its sole discretion from time to time.

Because Unitholders will generally be able to sell ETF Units at the market price on the TSX through a registered broker or dealer subject only to customary brokerage commissions, Unitholders are advised to consult their brokers, dealers or investment advisors before redeeming such ETF Units for cash. No fees or expenses are paid by Unitholders to First Asset or the ETF in connection with selling ETF Units on the TSX.

In order for a cash redemption to be effective on a trading day, a cash redemption request must be delivered to First Asset in the form and at the location prescribed by First Asset from time to time at or before 9:00 a.m. (Toronto time) on such trading day. Any cash redemption request received after such time will be effective only on the next trading day. Where possible, payment of the redemption price will be made by no later than the third trading day after the effective day of the redemption. The cash redemption request forms may be obtained from any registered broker or dealer.

Unitholders who have delivered a redemption request prior to the distribution record date for any distribution will not be entitled to receive that distribution.

Distributions as a Closed-end Fund

The Fund currently pays monthly cash distributions equal to $0.05833 per Unit, which will continue until May 2019. If the Merger Resolution is approved by Unitholders and the Fund Manager decides to implement the Merger, the Fund will cease paying monthly cash distributions after May 2019 until such time as the Merger is completed and it has become an ETF.

Distributions as an ETF

The ETF will pay monthly distributions. However, the ETF will not have a fixed distribution amount. The amount of ordinary cash distributions, if any, will be based on First Asset's assessment of anticipated cash flow and anticipated expenses of the ETF from time to time. The date of any ordinary cash distribution of the ETF will be announced in advance through the issuance of a press release. Any such distributions will be paid to Unitholders of record as of the second last business day of each month.

Distributions on the ETF Units are expected to consist of ordinary income, including foreign source income, taxable dividends from taxable Canadian corporations, interest and other distributions received by the Fund but may also include net realized capital gains, in any case, less the expenses of the ETF and may include returns of capital. The level of distributions paid by the ETF to Unitholders will depend upon the distributions received from the securities included in ETF Portfolio and therefore may fluctuate from month to month.

Following the Merger, at any time, a Unitholder may elect to participate in the ETF's reinvestment plan by contacting the CDS Participant through which the Unitholder holds its ETF Units. Under the reinvestment plan, cash distributions (net of any required withholding tax) will be used to acquire additional ETF Units in the market and will be credited to the account of the Unitholder through CDS.

Risk Factors Associated with the ETF

The risk factors that may apply to the ETF are as follows:

Absence of an Active Market for the Securities and Lack of Operating History Risk. The ETF will have limited operating history as an exchange-traded mutual fund. Although the ETF Units will be listed on the TSX, there can be no assurance that an active public market for the ETF Units will develop or be sustained.

Capital Depreciation Risk. The ETF may make distributions comprised in whole or in part, of return of capital. A return of capital distribution is a return of a portion of an investor's original investment and may, over time, result in the return of the entire amount of the original investment to the investor. This distribution should not be confused with yield or income generated by the ETF. Return of capital distributions will reduce the ETF's NAV, which could reduce the ETF's ability to generate future income.

Cease Trading of Securities Risk. If the securities of an issuer included in the portfolio of the ETF are cease-traded by order of the relevant Canadian securities regulatory authority or are halted from trading by the relevant stock exchange, the ETF may halt trading in its securities. Accordingly, securities of the ETF bears the risk of cease trading orders against all issuers whose securities are included in its portfolio, not just one. If portfolio securities of the ETF are cease-traded by order of a Canadian securities regulatory authority, if normal trading of such securities is suspended on the relevant exchange, or if for any reason it is likely there will be no closing bid price for such securities, the ETF may suspend the right to redeem securities for cash, subject to any required prior regulatory approval. If the right to redeem securities for cash is suspended, the ETF may return redemption requests to Unitholders who have submitted them. If securities are cease-traded, they may not be delivered on an exchange of a PNU for a Basket of Securities until such time as the cease-trade order is lifted.

Commodity Risk. The ETF may invest directly or indirectly in commodities, or gain exposure to commodities by investing in companies engaged in commodity-focused industries or by using exchange-traded funds. Commodity prices can fluctuate significantly in short time periods, which will have a direct or indirect impact on the value of the ETF. Commodity prices can change as a result of a number of factors including supply and demand, government and regulatory matters, speculation, international monetary and political factors, central bank activity and changes in interest rates and currency values. Direct investments in bullion may generate higher transaction and custody costs.

Concentration and Sector Risk. To the extent that the ETF's investments are concentrated in a small number of issuers, the ETF may be susceptible to loss due to adverse occurrences affecting those issuers.

To the extent that the ETF concentrates its investments in a certain sector, geographic area or industry in the economy, this will allow the ETF to focus on that sector's potential, but it also means that the ETF would become riskier than investment funds with broader diversification. Because securities in the same industry or geographic area tend to be affected by the same factors, sector-specific and country-specific funds tend to experience greater fluctuations in price. Such industry- and country-based risks, any of which may adversely affect the issuers in which the ETF invests, may include, but are not limited to, the following: general economic conditions or cyclical market patterns that could negatively affect credit quality or supply and demand in a particular industry or country; competition for resources, adverse labour relations, political or world events; obsolescence of technologies; loan growth; regulatory environment; and increased competition or new product introductions that may affect the profitability or viability of companies in an industry or geographic area. In addition, at times, such industry, geographic area or sector may be out of favor and underperform other industries, geographic locations or the market as a whole.

Corresponding NAV Risk. The ETF Units may trade below, at, or above their NAV per ETF Unit, and the closing trading price of the ETF Units may differ from their NAV. The NAV per ETF Unit will fluctuate with changes in the market value of the ETF's holdings. Whether Unitholders of the ETF will realize gains or losses upon a sale of ETF Units will depend not upon the NAV but entirely upon whether the market price of ETF Units at the time of sale is above or below the Unitholder's purchase price for the ETF Units. The market price of the ETF Units will be determined by factors in addition to NAV such as relative supply of and demand for the ETF Units in the market, general market and economic conditions, and other factors. However, given that Dealers may subscribe for or exchange a PNS of an ETF at the applicable NAV per ETF Unit, the ETF Manager expects that large discounts or premiums to the NAV per ETF Unit should not be sustained.

Credit Risk. Credit risk is dependent upon a company's financial strength and reflects the possibility that a borrower, or the counterparty to a derivatives contract, is unable or unwilling to repay the loan or obligation, either on time or at all. Companies and governments that borrow money, and the debt securities they issue, are rated by specialized rating agencies. Securities that have a low credit rating have high credit risk. Credit rating downgrades and defaults (failure to make interest or principal payments) may potentially reduce the ETF's income and ETF Unit price. A deterioration of an issuer's financial strength may also affect the issuer's ability to make dividend payments.

An issuer of debt instruments to which the ETF may be exposed may be unable to make interest payments or repay principal. Changes in an issuer's financial strength or in an instrument's credit rating may affect an instrument's value and, thus, impact the performance of the ETF.

Currency Exposure Risk. As a portion of the ETF's portfolio may be invested in securities traded in currencies other than the Canadian dollar ("**foreign currencies**"), the NAV of the ETF Units, when measured in Canadian dollars, will, to the extent this has not been hedged against, be affected by changes in the value of the foreign currencies relative to the Canadian dollar. Accordingly, no assurance can be given that the ETF's portfolio will not be adversely impacted by changes in foreign exchange rates or other factors.

Currency Hedging Risk. The use of currency hedges by the ETF, if used, involves special risks, including the possible default by the other party to the transaction, illiquidity and, to the extent the applicable portfolio manager's assessment of certain market movements is incorrect, the risk that the use of hedges could result in losses greater than if the hedging had not been used. Hedging arrangements may have the effect of limiting or reducing the total returns to the ETF if the applicable ETF's portfolio manager's expectations concerning future events or market conditions prove to be incorrect. In addition, the costs associated with a hedging program may outweigh the benefits of the arrangements in such circumstances.

Cyber Security Risk. With the increased use of technologies, such as the Internet, to conduct business, the ETF is susceptible to operational, information security, and related risks through breaches in cyber security. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber-attacks include, but are not limited to, gaining unauthorized access to digital systems (e.g., through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cyber-attacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e. efforts to make network services unavailable to intended users). Cyber incidents affecting the ETF, First Asset or the ETF's service providers (including, but not limited to, the ETF's custodian) have the ability to cause disruptions and impact each of their respective business operations, potentially resulting in financial losses, interference with the calculation of the NAV of the ETF, impediments to trading the portfolio securities of the ETF, the inability to process transactions in ETF Units, including redemptions of ETF Units, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs associated with the implementation of any corrective measures. Similar adverse consequences could result from cyber incidents affecting the issuers of securities in which the ETF invests and counterparties with which the ETF engages in transactions.

First Asset has established risk management systems designed to reduce the risks to the ETF associated with cyber security. However, there is no guarantee that such efforts will succeed. Furthermore, First Asset and the ETF cannot control the cyber security plans and systems of the ETF's service providers, the issuers of securities in which the ETF invests, the counterparties with which the ETF engages in transactions, or any other third parties whose operations may affect the ETF or its Unitholders.

Derivatives Risk. The ETF may use various hedging transactions and may purchase and sell derivative instruments. The ETF's use of derivative instruments involves risks different from, and possibly greater than, the risks associated with investing directly in loans and other traditional investments. Hedging with derivatives may not always be successful and could limit the ETF's ability to participate in increases in the value of the ETF's portfolio assets that are being hedged.

Amounts paid by the ETF as premiums and cash or other assets held in margin accounts are not otherwise available to the ETF for investment purposes and the ETF will incur trading costs, including trading commissions and option premiums in connection with transactions in derivatives.

The use of derivatives does not guarantee that there will not be a loss or that there will be a gain. Further, when an ETF invests in a derivative instrument, it could lose more than the principal amount invested. The following are some examples of the risks associated with the use of derivatives by the ETF:

- in the case of over-the-counter options and forward contracts, there is no guarantee that a market will exist for these investments when the ETF wants to close out its position; in the case of exchange-traded options and futures contracts, there may be a risk of a lack of liquidity when the ETF wants to close out its position;
- futures exchanges may impose daily trading limits on certain derivatives, which could prevent the ETF from closing out its position;
- if the other party to the derivative, in the case of over-the-counter transactions, is unable to fulfil its obligations, the ETF could experience a loss or fail to realize a gain;
- if the ETF has an open position in an options, futures or forward contract with a dealer who goes bankrupt, the ETF could experience a loss and, for an open futures contract, a loss of margin deposits with that dealer;
- if a derivative is based on a market index and trading is halted on a substantial number of securities in the index, or if there is a change in the composition of the index, it could have an adverse effect on the derivative; and
- there may be mispricing or improper valuation and changes in the value of a derivative may not correlate perfectly with the underlying asset, rate or index.

In addition, the use of futures contracts and options is a highly specialized activity which involves investment strategies and risks different from those associated with ordinary portfolio securities transactions, and there can be no guarantee that their use will increase the ETF's return or successfully hedge its currency exposure. While the use of these instruments by the ETF may reduce certain risks associated with owning its portfolio securities, these techniques themselves entail certain other risks including lowering the ETF's return. Certain strategies limit the ETF's possibilities to realize gains, as well as its exposure to losses. The ETF could also experience losses if the prices of its options and futures positions were poorly correlated with the currencies being hedged, or if it could not close out its positions because of an illiquid secondary market. In addition, the ETF will incur transaction costs, including trading commissions and option premiums, in connection with its futures and options transactions. Futures markets are highly volatile and are influenced by numerous factors, such as changing supply and demand relationships, governmental programs and policies, national and international political and economic events, and changes in rates and prices. In addition, because of the low margin deposits required in futures trading, a high degree of leverage is typical of a futures trading account. As a result, a relatively small price movement in a futures contract may result in substantial losses to the trader. Futures trading may also be illiquid. Certain futures exchanges do not permit trading in particular contracts at prices that represent a fluctuation in price during a single day's trading beyond certain specified limits. If prices fluctuate during a single day's trading beyond those limits (which conditions have in the past sometimes lasted for several days in certain contracts) the trader could be prevented from promptly liquidating unfavourable positions and thus be subject to substantial losses.

Designated Broker/Dealer Risk. As the ETF will only issue ETF Units directly to the designated broker and to dealers, in the event that the purchasing designated broker or dealer is unable to meet its settlement obligations, the resulting costs and losses incurred will be borne by the ETF.

Early Closing Risk. Unanticipated early closings of a stock exchange on which securities held by the ETF are listed may result in the ETF being unable to sell or buy securities on that day. If the TSX closes early on a day when the ETF needs to execute a high volume of securities trades late in the day on which a session of the TSX is held, the ETF may incur substantial trading losses.

Equity Risk. The ETF may invest in equities. Equities such as common shares give the holder part ownership in a company. The value of equity securities change with the fortunes of the company that issued them. General market conditions and the health of the economy as a whole can also affect equity prices. Equity related securities that provide indirect exposure to the equity securities of an issuer can also be affected by equity risk.

Exchange Risk. In the event that the TSX closes on any day that it is normally open for trading, Unitholders of the ETF will be unable to purchase or sell ETF Units on the TSX until it reopens and there is a possibility that, at the same time and for the same reason, the exchange and redemption of ETF Units may be suspended until the TSX reopens.

Foreign Investment Risk. Investments in the ETF's portfolio may, at any time, include investments in issuers established in jurisdictions outside Canada and the United States. Although most of such issuers will be subject to uniform accounting, auditing and financial reporting standards comparable to those applicable to Canadian and U.S. companies, some issuers may not be subject to such standards and, as a result, there may be less publicly available information about such issuers than a Canadian or U.S. company. Volume and liquidity in some foreign markets may be less than in Canada and the United States and, at times, volatility of price may be greater than in Canada or the United States. As a result, the price of such securities may be affected by conditions in the market of the jurisdiction in which the issuer is located or its securities are traded.

Generally, investments in foreign markets are subject to certain risks and the ETF may be adversely affected by, among other things, political upheaval, financial troubles, natural disasters, reduced government oversight as compared to Canada, difficulty in enforcing contractual obligations, currency volatility and government intervention in markets. The value of the ETF's portfolio that may be exposed to Russian securities (if any) involves certain risks associated with the settlement of portfolio transactions and loss of the ETF's ownership rights in its portfolio securities, as a result of the system of share registration and custody in Russia. Canada, the United States and the European Union have imposed economic sanctions on certain Russian individuals and institutions, and could also institute broader sanctions on Russia. These sanctions, or even the threat of further sanctions, may result in the decline of the value and liquidity of Russian securities, a weakening of the ruble or other adverse consequences of the Russian economy. These sanctions could also result in the immediate freeze of Russian securities, impairing the ability of the ETF to buy, sell, receive or deliver those securities. Sanctions could also result in Russia taking counter measures or retaliatory actions which may further impair the value and liquidity of Russian securities.

Foreign Markets Risk. Participation in transactions by the ETF may involve the execution and clearing of trades on or subject to the rules of a foreign market. None of the Canadian securities regulatory authorities or Canadian exchanges regulates activities of any foreign markets, including the execution, delivery and clearing of transactions, or has the power to compel enforcement of any rule of a foreign market or any applicable foreign law. Generally, any foreign transaction will be governed by applicable foreign laws. This is true even if the foreign market is formally linked to a Canadian market so that a position taken on a market may be liquidated by a transaction on another market. Moreover, such laws or regulations will vary depending on the foreign country in which the transaction occurs. For these reasons, entities such as the ETF may not be afforded certain of the protective measures provided by Canadian legislation or Canadian exchanges. In particular, funds received from investors for transactions by the ETF on foreign exchanges may not be provided the same protection as funds received in respect of transactions by the ETF on Canadian exchanges.

Fund of Funds Investment Risk. As permitted by applicable securities legislation or an exemption therefrom, the ETF may invest in other exchange-traded funds, mutual funds, closed-end funds or public investment funds as part of its investment strategy. If the ETF invests in such underlying funds, its investment performance may largely depend on the investment performance of the underlying funds in which it invests.

If the ETF invests in an investment fund that seeks to provide returns similar to the performance of a particular market index or industry sector index, there is a risk that such investment fund may not achieve the same return as its benchmark market or industry sector index due to differences in the actual weightings of securities held in the fund versus the weightings in the relevant index and due to the operating and administrative expenses of the fund. In addition, any such fund may not attempt to take defensive positions in declining markets. Accordingly, the adverse financial condition of an issuer represented in the portfolio of such fund will not necessarily result in the fund ceasing to hold the issuer's securities, unless such securities are removed from the portfolio through the application of the fund's investment methodology.

Additionally, if an underlying fund suspends redemptions, the ETF may be unable to accurately value part of its investment portfolio and may be unable to redeem its ETF Units. Underlying funds in which the ETF may invest can be expected to incur fees and expenses for operations, such as investment advisory and administration fees, which would be in addition to those incurred by the ETF.

Global Economic Conditions and Market Dislocation Risk. General global economic conditions may affect the ETF's activities. Interest rates, general levels of economic activity, fluctuations in the market prices of securities and other financial assets, and participation by other investors in the financial markets may affect the value of investments made by the ETF. Instability in the securities markets may increase the risks inherent in portfolio investments made by the ETF. Ongoing events in the fixed income markets have caused, and could cause, significant dislocations, illiquidity and volatility in the high-yield bond, leveraged loan and structured credit markets, as well as in the wider global financial markets. In addition, adverse economic events may impact the availability of credit to businesses generally and could lead to an overall weakening of the U.S. and global economies. Any resulting economic downturn could adversely affect the financial resources of the borrowers and their ability to make principal and interest payments on, or refinance, outstanding debt when due. In the event of borrower defaults, the ETF could incur losses.

In addition, global economic conditions may materially and adversely affect (i) the ability of the ETF, the borrowers or their respective affiliates to access the credit markets on favorable terms or at all in connection with the financing or refinancing of investments; (ii) the ability or willingness of certain counterparties to do business with the ETF or its affiliates; (iii) the ETF's exposure to the credit risk of others in its dealings with various counterparties (for example, in connection with loan syndicates or the maintenance with financial institutions of reserves in cash or cash equivalents); (iv) demand for the products and services offered by the issuers or borrowers; (v) overall prospects of the ETF's investments; and (vi) the ETF's ability to exit its investments at desired times, on favorable terms or at all.

Global Financial Developments Risk. Significant events in foreign markets and economies can have material impacts on other markets worldwide, including Canada and the United States. Such events could, directly or indirectly, have a material effect on the prospects of the ETF and the value of the securities in its portfolio.

Global financial markets have experienced a sharp increase in volatility in the last several years. This has been, in part, the result of the revaluation of assets on the balance sheets of international financial institutions and related securities. This has contributed to a reduction in liquidity among financial institutions and has reduced the availability of credit to those institutions and to the issuers who borrow from them. While central banks as well as global governments are attempting to restore much needed liquidity to the global economies, no assurance can be given that the combined impact of the significant revaluations and constraints on the availability of credit will not continue to materially and adversely affect economies around the world. No assurance can be given that this stimulus will continue or that if it continues, it will be successful or, that these economies will not be adversely affected by the inflationary pressures resulting from such stimulus or central banks' efforts to slow inflation. Further, market concerns about the economies of certain European Union countries and their ability to continue to borrow may adversely impact global equity markets. Some of these economies have experienced significantly diminished growth and some are experiencing or have experienced a recession. These market conditions and further volatility or illiquidity in capital markets may also adversely affect the prospects of the ETF and the value of the ETF's portfolio. A substantial drop in the markets in which the ETF invests could be expected to have a negative effect on the ETF.

High Yield Risk. The ETF may invest in high yield securities and other unrated securities of similar credit quality as a part of its investment strategies. Accordingly, the ETF may be subject to greater levels of credit and liquidity risk than other investment funds that do not make such investments. These types of securities can be considered speculative with respect to an issuer's continuing ability to make principal and interest payments. An economic downturn or period of rising interest rates could adversely affect the market for these securities and reduce the ETF's ability to sell them. If the issuer of a security is in default with respect to interest or principal payments, the ETF may lose its entire investment.

Interest Rate Risk. The value of the securities (especially fixed-income or dividend-paying equity securities) and any cash equivalents in the ETF's portfolio may be affected by changes in the general level of interest rates. If interest rates fall, the value of the ETF Units will tend to rise. If interest rates rise, the value of the ETF Units will tend to fall. Depending on the ETF's holdings, short-term interest rates can have a different influence on the ETF's value than long-term interest rates. If the ETF invests primarily in debt securities with longer-term maturities, the biggest influence on the ETF's value will be changes in the general level of long-term interest rates. If the ETF invests primarily in debt securities with shorter-term maturities, the biggest influence on the ETF's value will be changes in the general level of shorter-term interest rates. Unitholders who wish to sell or redeem their Units may, therefore, be exposed to the risk that the sale or redemption price of the Securities will be negatively affected by interest rate fluctuations.

Investment Trust Investment Risk. The ETF may invest in real estate, royalty, income and other investment trusts, which are investment vehicles in the form of trusts rather than corporations. To the extent that claims, whether in contract, in tort or as a result of tax or statutory liability, against an investment trust are not satisfied by the trust, investors in the investment trust, including the ETF, could be held liable for such obligations. Investment trusts generally seek to make this risk remote in the case of contract by including provisions in their agreements that the obligations of the investment trust will not be binding on investors personally. However, investment trusts could still have exposure to damage claims such as personal injury and environmental claims. Certain jurisdictions have enacted legislation to protect investors in investment trusts from the possibility of such liability.

Legal and Regulatory Risk. Legal and regulatory changes may occur that may adversely affect the ETF and which could make it more difficult, if not impossible, for the ETF to operate or to achieve its investment objectives. To the extent possible, First Asset will attempt to monitor such changes to determine the impact such changes may have on the ETF and what can be done, if anything, to try and limit such impact.

There can be no assurance that applicable laws in Canada or in foreign jurisdictions, or other domestic or foreign legislation, legal and statutory rights will not be changed in a manner which adversely affects the ETF or its Unitholders. There can be no assurance that Canadian and foreign income tax, securities, and other applicable laws or the interpretation and application of such laws by courts or government authorities will not be changed in a manner which adversely affects the ETF, its Unitholders or distributions received by the ETF or by its Unitholders.

Market Disruptions Risk. War and occupation, terrorism and related geopolitical risks may in the future lead to increased short-term market volatility and may have adverse long-term effects on world economies and markets generally, including U.S., Canadian and other economies and securities markets. The effects of future terrorist acts (or threats thereof), military action or similar events on the economies and securities markets of countries cannot be predicted. These events could also have an acute effect on individual issuers or related groups of issuers. These risks could also adversely affect securities markets, inflation and other factors relating to the portfolio securities of the ETF.

Upon the occurrence of a natural disaster such as flood, hurricane, or earthquake, or upon an incident of war, riot or civil unrest, the impacted country may not efficiently and quickly recover from such event, which could have a materially adverse effect on borrowers and other developing economic enterprises in such country.

No Assurances on Achieving Investment Objectives. There is no assurance that the ETF will achieve its investment objectives. There is no assurance that the ETF will be able to pay regular cash distributions on the ETF Units. The funds available for distributions to Unitholders will vary according to, among other things, the interest, dividends and other distributions paid on the portfolio securities of the ETF and the value of the securities comprising the portfolio of the ETF. As the interest, dividends and other distributions received by the ETF may not be sufficient to meet its objectives in respect of the payment of distributions, the ETF may depend on the realization of capital gains to meet those objectives.

Potential Conflicts of Interest. First Asset, CI, and their respective directors and officers and their respective affiliates and associates may engage in the promotion, management or investment management of other accounts, funds or trusts that invest primarily in the securities held by the ETF.

Although officers, directors and professional staff of First Asset and CI will devote as much time to the ETF as is deemed appropriate to perform their respective duties, the staff of First Asset and CI may have conflicts in allocating their time and services among the ETF and the other funds managed by them.

Reliance on Historical Data Risk. Past trends may not be repeated in the future. The accuracy of the historical data used by First Asset and CI and those individuals who are principally responsible for providing administration and portfolio management services to the ETF for research and development, which is often provided by third parties, cannot be guaranteed. First Asset and CI only seek to obtain such data from companies that it believes to be highly reliable and of high reputation.

Reliance on Key Personnel Risk. Unitholders of the ETF will be dependent on the abilities of First Asset and CI to effectively manage the ETF and its portfolio in a manner consistent with its investment objectives, investment strategies and investment restrictions.

The investment portfolio of the ETF will be actively managed by CI. CI will apply investment techniques and risk analyses in making investment decisions for the ETF, but there can be no guarantee that these decisions will produce the desired results.

There is no certainty that the individuals who are principally responsible for providing administration and portfolio management services to the ETF will continue to be employed by First Asset or CI, as applicable.

Restrictions on Trading Due to Status Risk. The ETF's portfolio manager seeks to avoid the risks associated with creating information barriers that would allow it to simultaneously have public and private information about a single issuer. If CI or any of its personnel were to receive material non-public information about a particular obligor or asset, or have an interest in causing the ETF to transact a particular asset, CI may be prevented from causing the ETF to transact such asset due to internal restrictions imposed on CI. Notwithstanding the maintenance of certain internal controls relating to the management of material non-public information, it is possible that such controls could fail and result in CI, or one of its investment professionals, buying or selling an asset while, at least constructively, in possession of material non-public information. Inadvertent trading on material non-public information could have adverse effects on CI's reputation, result in the imposition of regulatory or financial sanctions, and as a consequence, negatively impact CI's ability to perform its investment management services to the ETF.

Securities Lending, Repurchase and Reverse Repurchase Transaction Risk. The ETF is authorized to enter into securities lending, repurchase and reverse repurchase transactions in accordance with NI 81-102. In a securities lending transaction, the ETF lends its portfolio securities through an authorized agent to another party (often called a "**counterparty**") in exchange for a fee and a form of acceptable collateral. In a repurchase transaction, the ETF sells its portfolio securities for cash through an authorized agent while at the same time assuming an obligation to repurchase the same securities for cash (usually at a lower price) at a later date. In a reverse repurchase transaction, the ETF buys portfolio securities for cash while at the same time agreeing to resell the same securities for cash (usually at a higher price) at a later date. The following are some examples of the risks associated with securities lending, repurchase and reverse repurchase transactions:

- when entering into securities lending, repurchase and reverse repurchase transactions, the ETF is subject to the credit risk that the counterparty may default under the agreement and the ETF would be forced to make a claim in order to recover its investment;
- when recovering its investment on default, the ETF could incur a loss if the value of the portfolio securities loaned (in a securities lending transaction) or sold (in a repurchase transaction) has increased in value relative to the value of the collateral held by the ETF; and
- similarly, the ETF could incur a loss if the value of the portfolio securities it has purchased (in a reverse repurchase transaction) decreases below the amount of cash paid by the ETF to the counterparty.

The ETF may engage in securities lending from time to time. When engaging in securities lending, the ETF will receive collateral in excess of the value of the securities loaned, and although such collateral is marked to market, the ETF may be exposed to the risk of loss should a borrower default on its obligation to return the borrowed securities and the collateral is insufficient to reconstitute the portfolio of loaned securities.

Securities Market Risk. The value of most securities, including the ETF's portfolio securities, changes with securities market conditions. These conditions are affected by general economic and market conditions.

Short Selling Risk. The ETF may engage in short-selling transactions, as permitted by applicable securities legislation. Generally speaking, short selling is a way of realizing a gain when the portfolio manager expects the price of a security to fall.

A short sale involves borrowing securities from a lender, which are then sold in the open market. At a future date, the same securities are bought back by the ETF from another seller and returned to the lender. Until the securities are returned by the ETF, assets of the ETF are deposited with the securities lender as collateral, and the ETF pays interest to the lender on the borrowed securities. During this time, the ETF also pays any dividends or distributions paid out on the borrowed securities to the lender. If the value of the securities falls between the time that the ETF borrows the securities and sells them, and the time it buys them back and returns them to the lender, the ETF makes a profit on the difference (minus the interest paid to the lender and any other expenses). Short selling involves certain risks. There is no assurance that securities will decline in value during the period of the short sale sufficient to offset the interest paid by the ETF and to make a profit for the ETF, and securities sold short may instead appreciate in value. The ETF may also experience difficulties repurchasing and returning the borrowed securities if a liquid market for the securities does not exist. The lender from whom the ETF has borrowed securities may become bankrupt and the ETF may lose the collateral it has deposited with the lender. If the ETF engages in short selling, it will adhere to controls and restrictions that are intended to help offset these risks as set out in NI 81-102.

Specific Issuer Risk. The value of securities will vary positively or negatively with developments within the specific companies or governments that issue such securities.

Tax Risk. If the Merger is approved, it is anticipated that ETF will qualify as a "mutual fund trust" within the meaning of the Tax Act immediately following the Merger and will elect to be deemed to be a mutual fund trust from its inception. If the ETF does not qualify, or ceases to qualify, as a mutual fund trust, the ETF will not be deemed to be a mutual fund trust from its inception and the income tax considerations described under the heading "Certain Canadian Federal Income Tax Considerations" would be materially and adversely different in certain respects, including the fact that the Merger would not occur on a tax-deferred basis to Unitholders under the Tax Act.

For the ETF to qualify as a "mutual fund trust", it must comply on a continuous basis with certain requirements relating to the qualification of the ETF Units for distribution to the public, the number of Unitholders of a particular class of ETF Units and the dispersal of ownership of that class of ETF Units.

Currently, a trust will be deemed not to be a mutual fund trust if it is established or maintained primarily for the benefit of non-residents unless, at that time, all or substantially all of its property is property other than property that would be "taxable Canadian property" (if the definition of such term in the Tax Act were read without reference to paragraph (b) thereof). The current law does not provide any means of rectifying a loss of mutual fund trust status if this requirement is not met.

Provided the ETF complies with its investment restrictions set forth under the heading "*Investment Restrictions*", no more than 10% of the fair market value of the ETF's assets will at any time consist of property that would be "taxable Canadian property" (if the definition of such term in the Tax Act were read without reference to paragraph (b) thereof). The Declaration of Trust of the ETF will also contain a restriction on the number of permitted non-resident Unitholders of the ETF.

There can be no assurance that Canadian federal and provincial income tax laws respecting the treatment of mutual fund trusts will not be changed in a manner that adversely affects the Unitholders of the ETF.

In determining its income for tax purposes, the ETF intends to treat gains and losses on dispositions of securities in the portfolio as capital gains and losses. Generally, the ETF will include gains and deduct losses on income account in connection with investments made through certain derivatives, including short sales of securities other than Canadian securities if the ETF has made an election under subsection 39(4) of the Tax Act, except where such derivatives are used to hedge portfolio securities held on capital account provided there is sufficient linkage and will recognize such gains or losses for tax purposes at the time they are realized by the ETF. In addition, gains or losses in respect of foreign currency hedges entered into in respect of amounts invested in the Funds' portfolio should constitute capital gains and capital losses to an ETF if the portfolio securities are capital property to the ETF and there is sufficient linkage. Designations with respect to the ETF's income and capital gains will be made and reported to Unitholders of the ETF on the foregoing basis. The practice of the Canada Revenue Agency (the "**CRA**") is not to grant advance income tax rulings on the characterization of items as capital gains or income and no advance income tax ruling is expected to be requested or obtained. If some or all of the transactions undertaken by the ETF in respect of such dispositions or transactions were treated on income rather than capital account, the net income of the ETF for tax purposes and the taxable component of distributions to Unitholders could increase. Any such redetermination by the CRA may result in the ETF being liable for unremitted withholding taxes on prior distributions made to Unitholders of the ETF who were not resident in Canada for the purposes of the Tax Act at the time of the distribution. Such potential liability may reduce the NAV of, or trading prices of, the ETF Units.

Pursuant to rules in the Tax Act, if the ETF experiences a "loss restriction event" it (i) will be deemed to have a year-end for tax purposes (which would result in an unscheduled distribution of the ETF's net income and net realized capital gains, if any, at such time to its Unitholders so that the ETF is not liable for non-refundable income tax on such amounts under Part I of the Tax Act), and (ii) will become subject to the loss restriction rules generally applicable to a corporation that experiences an acquisition of control, including a deemed realization of any unrealized capital losses and restrictions on its ability to carry forward losses. Generally, the ETF will be subject to a loss restriction event if a person becomes a "majority-interest beneficiary", or a group of persons becomes a "majority-interest group of beneficiaries", of the ETF, as those terms are defined in the affiliated persons rules contained in the Tax Act, with certain modifications. Generally, a majority-interest beneficiary of the ETF is a beneficiary in the income or capital, as the case may be, of the ETF whose beneficial interests, together with the beneficial interests of persons and partnerships with whom the beneficiary is affiliated, have a fair market value that is greater than 50% of the fair market value of all the interests in the income or capital, as the case may be, of the ETF. Trusts that qualify as "investment funds" as defined in the rules in the Tax Act relating to "loss restriction events" are generally excepted from the application of such rules (the "**Investment Fund Exception**"). An "investment fund" for this purpose includes a trust that meets certain conditions, including satisfying certain of the conditions necessary to qualify as a "mutual fund trust" for purposes of the Tax Act, not using any property in the course of carrying on a business and complying with certain asset diversification requirements. If the ETF were not to qualify as an "investment fund", it could potentially have a "loss restriction event" and thereby become subject to the related tax consequences described above.

The Tax Act contains rules concerning the taxation of publicly traded Canadian trusts and partnerships that own certain types of property defined as "non-portfolio property". A trust that is subject to these rules is subject to trust level taxation, at rates comparable to those that apply to corporations, on the trust's income earned from "non-portfolio property" to the extent that such income is distributed to its unitholders. The ETF will not be subject to tax under these rules as long as the ETF complies with its investment restrictions in this regard. If the ETF is subject to tax under these rules, the after-tax return to its Unitholders could be reduced, particularly in the case of a Unitholder who is exempt from tax under the Tax Act or is a non-resident of Canada.

Changes in the interpretation and administration of the 5% federal goods and services tax ("**GST**") and federal harmonized sales tax (of up to 15%) applicable in Ontario, Nova Scotia, New Brunswick, Newfoundland and Labrador and Prince Edward Island ("**HST**") may result in the ETF being required to pay increased amounts of GST or HST.

Withholding Tax Risk. The ETF may invest in global debt or equity securities. While the ETF intends to make investments in such a manner as to minimize the amount of foreign taxes incurred under foreign tax laws and subject to any applicable tax conventions with respect to taxes on income and on capital, investments in global debt or equity securities may subject the ETF to foreign taxes on interest or dividends paid or credited to it or any gains realized on the disposition of such securities. The return on the ETF's portfolio will be net of such foreign withholding tax, unless the terms of the securities in such portfolio require the issuers of such securities to "gross-up" payments so that a holder of such securities receives the amount that it would have received in the absence of such withholding tax. There can be no assurances that (i) interest, dividends and gains on securities held the ETF's portfolio will not be subject to foreign withholding tax, or (ii) the terms of securities held in the ETF's portfolio will provide for the gross-up referred to above. See "Income Tax Considerations" for a discussion of certain Canadian federal income tax considerations relating to foreign withholdings taxes paid by the ETF.

Organization and Management of the ETF

Portfolio Advisor - CI

CI will provide portfolio management and investment advisory services to the ETF pursuant to a portfolio management agreement between CI and First Asset. The following representatives of CI will be primarily responsible for the management of the ETF's portfolio:

Name	*Position with CI*	*Length of Service with CI*
ERIC B. BUSHELL	Chief Investment Officer and Senior Vice-President, Signature Global Asset Management, CI Investments Inc.	24 years
GEOFREY MARSHALL	Senior Vice-President and Portfolio Manager, Signature Global Asset Management, CI Investments Inc.	11 years
JOHN P. SHAW	Vice-President and Portfolio Manager, Signature Global Asset Management	15 years

During the past five years, all the individuals named above have been employed with CI Investments in different capacities.

Investment Fund Manager – First Asset

First Asset will be the investment fund manager of the ETF pursuant to the terms of declaration of trust establishing the ETF. Accordingly, First Asset will be responsible for the ongoing management and administration of the ETF. As at March 31, 2019, First Asset is the investment fund manager of 43 TSX-listed exchange-traded funds. First Asset's principal office is located at 2 Queen Street East, Suite 1200, Toronto, Ontario M5C 3G7. First Asset is an indirect, wholly-owned subsidiary of CI Financial Corp. (TSX: CIX) and of the Fund Manager.

The name and municipality of residence of each of the directors and executive officers of First Asset and their principal occupations are as follows:

Name and Municipality of Residence	***Date Individual became a Director***	***Position with the Manager***	***Principal Occupation***
ROHIT D. MEHTA Toronto, Ontario	May 1, 2017	Director and President (acting as Chief Executive Officer)	President, First Asset (since May 2017); Executive Vice-President, CI Financial Corp. (since December 2017)
DOUGLAS J. JAMIESON Toronto, Ontario	November 30, 2015	Director and Chief Financial Officer	Chief Financial Officer, First Asset (since May 2017); Executive Vice-President and Chief Financial Officer, CI Financial Corp. (since 2008)
EDWARD KELTERBORN Toronto, Ontario	May 1, 2017	Director	Senior Vice-President and Chief Legal Officer, CI Financial Corp. (since September 2018); Senior Vice-President and General Counsel, CI Investments (since March 2017)
Z. EDWARD AKKAWI Toronto, Ontario	N/A	Chief Operating Officer, General Counsel and Corporate Secretary	Chief Operating Officer, General Counsel and Corporate Secretary, First Asset (since 2000)
SHERYL J. CHIDDENTON Campbellville, Ontario	N/A	Chief Compliance Officer	Chief Compliance Officer, First Asset (since 2013)

Where a person has held multiple positions within a company, the above table generally sets out only the current or most recently-held position or positions held at that company, while the start dates generally refer to the date of the first position held at that company or the first of the listed positions held by the person at that company. Each director will hold his position until the next annual general meeting of the Manager at which time he or she may be re-elected. All companies listed above are or were principally engaged in the business of investment fund management.

Independent Review Committee of the ETF

The fees and expenses of the IRC are borne and shared by all of the investment funds in the First Asset family. Each investment fund is also responsible for all expenses associated with insuring and indemnifying the IRC members.

The investment funds in the First Asset family all share the same IRC. Accordingly, if the Merger is implemented, the members of the ETF's IRC will be as follows:

Douglas A.S. Mills, CPA, C.A. - Mr. Mills is the current Chair of the IRC. Mr. Mills brings over 40 years of experience in the finance and wealth management industry. He is Chairman of The Glencreggan Limited, a consulting firm engaged in corporate advisory and change implementation. Mr. Mills has played leading roles in the financial services industry including Chief Executive of a major Chartered Bank's Investment Management subsidiary and Vice-President of Barclays Bank Canada and Barclays PLC. Mr. Mills is a Chartered Professional Accountant, Chartered Accountant, sits on several boards and committees, and is an Executive-in-Residence at the Ivey School of Business.

John Reucassel, CFA - Since March 2014, Mr. Reucassel has been President of The International Group, a privately owned specialty chemicals manufacturer located in Toronto. Prior to this appointment, Mr. Reucassel worked at BMO Capital Markets for 16 years and was a top-ranked sell-side equity analyst covering the financial services industry, including banks, insurers, and asset managers. He was appointed to the Board of Governors of CI Investments in March 2015. Mr. Reucassel has a master's degree in economics from McGill University, earned a BA in economics from Queen's University and holds the Chartered Financial Analyst (CFA) designation.

Stuart Hensman, BSc, MSc – Mr. Hensman is currently a member of the Board of Governors of CI Investments. Prior to 2003, Mr. Hensman was Chairman and Chief Executive Officer of Scotia Capital (USA) Inc. Mr. Hensman was a Managing Director at Scotia Capital Inc. (London) from 1987 to 1999. Prior to this, he held a number of analytical and portfolio management positions at the Sun Life Assurance Co. of Canada from 1981 to 1986. Mr. Hensman holds a BA from the University of Winnipeg and a MSc from Loughborough University in the United Kingdom.

Custodian

The Fund's current custodian is RBC Investor Services Trust. If the Merger Resolution is approved and the Merger is implemented, CIBC Mellon Trust Company will be the custodian of the ETF.

Registrar and Transfer Agent

The Fund's current registrar and transfer agent is Computershare Investor Services Inc. Computershare will also be the transfer agent of the ETF.

OTHER BUSINESS

CI knows of no other business to be presented at the Meeting. If any additional matters should be properly presented, it is intended that the enclosed proxy will be voted in accordance with the judgment of the persons named in the proxy.

REQUIRED UNITHOLDER APPROVAL

The full text of the resolution approving the DOT Amendments is set out in Schedule A. The full text of the resolution approving the Merger is set out in Schedule B. Unitholders are entitled to one vote each for each whole Unit held with respect to each resolution. Each resolution requires the affirmative vote of at least two-thirds of the votes cast by Unitholders, present in person or by proxy at the Meeting.

If the DOT Amendment Resolution is approved by Unitholders, the Fund Manager will implement the DOT Amendments prior to the Fund's currently scheduled Termination Date of June 30, 2019. If the DOT Amendment Resolution is not approved, or if it is approved but the Fund Manager exercises its discretion not to implement the DOT Amendments, the Fund Manager currently intends to initiate the termination of the Fund on June 30, 2019 in accordance with the terms of the Declaration of Trust.

Subject to First Asset filing and obtaining a receipt for a final prospectus qualifying the continuous distribution of the ETF units, if the Merger is approved, CI and First Asset currently anticipate that the Merger will be implemented in July 2019, subject to obtaining all other required regulatory and other approvals.

CI is authorized, in its sole discretion, not to proceed with the DOT Amendments or Merger, even if Unitholders approve such resolutions. If the Merger is approved but subsequently not implemented for any reason, including if, in the opinion of CI, it would no longer be practicable to implement such Merger, then the Fund will be terminated on June 30, 2019 in accordance with the Declaration of Trust.

Independent Review Committee

CI presented the proposed DOT Amendments and Merger to the IRC for a recommendation pursuant to NI 81-107. The IRC reviewed the proposal and recommended that the DOT Amendments and Merger be presented to Unitholders for their consideration on the basis that the Merger, if approved and implemented, would achieve a fair and reasonable result for the Fund.

While the IRC has considered the proposed DOT Amendments and Merger from a "conflict of interest" perspective, it is not the role of the IRC to recommend that Unitholders vote in favour of the resolutions. Unitholders should, therefore, review the information in this Circular and make their own decision.

Management's Recommendation

The DOT Amendments

For the reasons provided in this Circular, the Fund Manager believes that the DOT Amendments are in the best interests of the Unitholders. Accordingly, the Fund Manager recommends that Unitholders vote **IN FAVOUR (FOR**) the DOT Amendment Resolution.

The Merger Resolution

For the reasons provided in this Circular, the Fund Manager believes that the Merger is in the best interests of the Unitholders. Accordingly, the Fund Manager recommends that Unitholders vote **IN FAVOUR (FOR**) the Merger Resolution.

The management appointees of CI named in the form of proxy intend to vote in favour of the two proposed resolutions, unless otherwise specified by a Unitholder on a properly executed and validly deposited proxy.

Any or all of the matters contained in the proposed resolutions may, at any time before or after the holding of the Meeting be delayed or revoked by CI for any reason whatsoever without further notice to, or action on the part of Unitholders, if CI determines, in its sole and absolute discretion, that it would be necessary or desirable.

CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is a summary of the principal Canadian federal income tax considerations applicable to a holder of Units of the Fund, and to a holder of ETF Units acquired pursuant to the Merger (in either case, a "**Holder**"), (a) in the case of a Holder of Units of the Fund, after adoption of the DOT Amendments, and relating to the termination of the Fund in the event the DOT Amendment Resolution is not approved or as otherwise described under "Business of the Meeting" (the "**Termination**"), and (b) in the case of a Holder of ETF Units, relating to and following the Merger. This summary applies to Holders who, for purposes of the Tax Act, are resident in Canada, deal at arm's length with the Fund, the ETF, and the designated broker or dealer and are not affiliated with the Fund, the ETF or the designated broker or dealer, and hold their Units and will hold their ETF Units as capital property.

Generally, Units and ETF Units will be considered to be capital property to a Holder provided that the Holder does not hold such units in the course of carrying on a business of buying and selling securities and has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade. Certain Holders to whom units might not otherwise qualify as capital property may be entitled to make the irrevocable election in the circumstances permitted by subsection 39(4) of the Tax Act to deem such units (and all other "Canadian securities," as defined in the Tax Act, owned by the Holder) to be capital property. Such election will be applicable to ETF Units only if, as intended, the ETF qualifies as a mutual fund trust under the Tax Act, as discussed below.

This summary does not apply to a Holder (i) that is a "financial institution" as defined in the Tax Act for purposes of the "mark-to-market" rules, (ii) that is a "specified financial institution" as defined in the Tax Act, (iii) an interest in which would be a "tax shelter investment" as defined in the Tax Act, (iv) that makes the functional currency reporting election in accordance with the provisions of the Tax Act in that regard, or (v) who has entered or will enter into a "derivative forward agreement" as that term is defined in the Tax Act with respect to their Units or ETF Units. This summary assumes that neither the Fund nor the ETF will at any time be subject to the tax for "SIFT trusts" for purposes of the Tax Act.

This summary is based on the current provisions of the Tax Act and the regulations thereunder (the "**Tax Regulations**"), all specific proposals to amend the Tax Act and the Tax Regulations that have been publicly announced by the Minister of Finance (Canada) prior to the date hereof (the "**Tax Proposals**") and an understanding of the current administrative policies and assessing practices of the CRA made publicly available prior to the date hereof. There can be no assurance that the Tax Proposals will be implemented in their current form, or at all.

This summary is not exhaustive of all possible federal income tax considerations and does not take into account or anticipate any changes in law, whether by legislative, governmental or judicial action, other than the Tax Proposals. This summary does not address foreign, provincial or territorial income tax considerations, which may differ from the federal considerations considered herein. The income and other tax consequences of investing in Units and ETF Units will vary depending on an investor's particular circumstances including the province or territory in which the investor resides or carries on business. Accordingly, this summary is of a general nature only and is not intended to be, nor should it be treated as, legal or tax advice to any particular Holder. Holders should consult their own tax advisors for advice having regard to their specific circumstances.

Status of the Fund and the ETF

This summary is based on the assumption that the Fund and the ETF will each qualify or be deemed to qualify at all times as a "mutual fund trust" within the meaning of the Tax Act, that the ETF will validly elect under the Tax Act to be a mutual fund trust from the date it was established, and that the Fund has not been and the ETF will not be established and that neither has been nor will be maintained primarily for the benefit of non-residents unless, at that time, substantially all of its property consists of property other than property that would be "taxable Canadian property" within the meaning of the Tax Act (if the definition of such term were read without reference to paragraph (b) of that definition).

In order for either the Fund or the ETF, as applicable, to qualify as a mutual fund trust (i) it must be a Canadian resident "unit trust" for purposes of the Tax Act, (ii) its only undertaking of must be (a) the investing of its funds in property (other than real property or interests in real property or an immovable or a real right in an immovable), (b) the acquiring, holding, maintaining, improving, leasing or managing of any real property (or interest in real property) or of any immovable (or real right in immovables) that is capital property of the Fund or the ETF (as the case may be), or (c) any combination of the activities described in (a) and (b), and (iii) it must comply with certain minimum requirements respecting the ownership and dispersal of units of a particular class (the "**minimum distribution requirements**"). In this connection, (i) the Fund Manager and ETF Manager, as applicable, intend to cause each of the Fund and the ETF to qualify as a unit trust throughout its life, (ii) the undertaking of the Fund conforms (and the ETF Manager intends that the undertaking of the ETF will conform) with the restrictions for mutual fund trusts, and (iii) the Fund Manager has no reason to believe that the Fund will not comply with the minimum distribution requirements at all relevant times. The ETF Manager intends to cause the ETF to file the necessary election so that the ETF will qualify as a mutual fund trust from its inception and has no reason to believe that the ETF will not comply with the minimum distribution requirements before the 91st day after the end of its first taxation year (determined without regard to any taxation year-end that may be deemed to occur for other purposes under the rules in the Tax Act relating to "loss restriction events") and at all times thereafter, thereby permitting it to file such election.

If the Fund or the ETF were not to qualify or be deemed to qualify as a mutual fund trust at all relevant times, the income tax considerations described below would, in some respects, be materially and adversely different.

Tax Considerations in Respect of the DOT Amendments

The adoption of the DOT Amendments will not result in a disposition of Units of the Fund by Holders.

In connection with the extension of the termination date contemplated in the DOT Amendments, a Unitholder may require the Trustee to redeem his or her Units on the currently scheduled Termination Date (i.e., June 30, 2019) at a price per Unit equal to the NAV per Unit on such date. Any Holder who so redeems his or her Units will generally be required to include in computing their income the amount of any net income and net realized capital gains (including any such net income or net realized capital gains distributed by the Fund in connection with the liquidation of the assets of the Fund as described above) as is paid or becomes payable to the Holder in connection with the redemption for the taxation year of the Holder in which the redemption occurs. The Manager currently anticipates that the Fund will not make any special distributions of net income in connection with any such redemption, but the Manager currently anticipates that the Fund may distribute, allocate and designate any capital gains of the Fund to a Holder who has redeemed Units in an amount equal to the Holder's share, at the time of redemption, of the Fund's capital gains for the year. Any such allocation and designation will reduce the redemption price otherwise payable to the redeeming Holder and therefore the redeeming Holder's proceeds of disposition.

A Holder whose Units of the Fund are redeemed at NAV will generally realize a capital gain (or capital loss) for tax purposes equal to the amount by which the proceeds of disposition of the Units (adjusted as described above), net of any reasonable costs of disposition, exceed (or are less than) the Holder's adjusted cost base of his or her Units. A Holder must include one-half of any such capital gain (a "taxable capital gain") in income and may deduct one-half of any such capital loss (an "allowable capital loss") against taxable capital gains subject to and in accordance with the detailed rules in the Tax Act. Allowable capital losses for a taxation year in excess of taxable capital gains for that taxation year may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against taxable capital gains in accordance with the provisions of the Tax Act.

A Holder that is throughout the relevant taxation year a “Canadian-controlled private corporation” (as defined in the Tax Act) may be liable to pay an additional refundable tax on its “aggregate investment income” (as defined in the Tax Act) for the year, including taxable capital gains.

Capital gains realized by a Holder who is an individual (other than certain trusts) may result in such Holder being liable for alternative minimum tax under the Tax Act.

For a summary of the tax considerations generally applicable to the acquisition, holding or disposition of Units by a Holder that is an individual (other than certain trusts) in the event the Merger is not implemented, please see the Annual Information Form of the Fund.

Tax Considerations Following the Merger

This portion of the summary applies to the acquisition, holding or disposition of ETF Units by a Holder who is an individual (other than a trust which is not governed by a Plan, as defined below) after the Merger.

This summary does not address the tax considerations applicable to a Holder who borrows funds in connection with the acquisition or holding of ETF Units. This summary assumes that at all times the ETF will comply with its investment restrictions, that the ETF will not hold securities of issuers that would be foreign affiliates of the ETF or of any Holder, and that none of the securities in the portfolio of the ETF will be a “tax shelter investment” within the meaning of section 143.2 of the Tax Act.

Further, this summary assumes that none of the securities in the portfolio of the ETF will be an “offshore investment fund property” (or an interest in a partnership that holds such property) that would require the ETF (or the partnership) to include significant amounts in income pursuant to section 94.1 of the Tax Act, or an interest in a trust (or a partnership which holds such an interest) which would require the ETF (or the partnership) to report significant amounts of income in connection with such interest pursuant to the rules in section 94.2 of the Tax Act, or an interest in a non-resident trust other than an “exempt foreign trust” as defined in section 94 of the Tax Act (or a partnership which holds such an interest).

Taxation of the ETF

The Manager intends that the ETF will elect to have a taxation year that ends on December 15 of each calendar year beginning in 2019.

The ETF must pay tax on its net income (including net realized taxable capital gains) for each taxation year, less the portion thereof that it deducts in respect of the amount paid or payable to its Holders in the calendar year in which the taxation year-end falls. An amount will be considered to be payable to a Holder in a calendar year if it is paid to the Holder in that year by the ETF or if the Holder is entitled in that year to enforce payment of the amount. The Declaration of Trust of the ETF will require that sufficient amounts be paid or made payable each year so that the ETF will not be liable for any non-refundable income tax under Part I of the Tax Act.

The ETF will be required to include in its income for each taxation year any dividends received (or deemed to be received) by it in such year on a security held in its portfolio.

With respect to indebtedness, the ETF will be required to include in its income for a taxation year all interest thereon that accrues (or is deemed to accrue) to it to the end of that year (or until the disposition of the indebtedness in the year) or that has become receivable or is received by the ETF before the end of that year, including on a redemption or repayment on maturity, except to the extent that such interest was included in computing the ETF's income for a preceding taxation year and excluding any interest that accrued prior to the time of the acquisition of the indebtedness by the ETF.

In general, the ETF will realize a capital gain (or capital loss) upon the actual or deemed disposition of a security included in its portfolio to the extent the proceeds of disposition net of any amounts included as interest on the disposition of the security and net of any reasonable costs of disposition exceed (or are less than) the adjusted cost base of such security unless the ETF is considered to be trading or dealing in securities or otherwise carrying on a business of buying and selling securities or the ETF has acquired the security in a transaction or transactions considered to be an adventure or concern in the nature of trade. The ETF intends to purchase the securities in its portfolio with the objective of receiving distributions and income thereon and intends to take the position that gains and losses realized on the disposition of its securities are capital gains and capital losses. The Manager also intends that the ETF will make an election under subsection 39(4) of the Tax Act, so that all securities held by it that are "Canadian securities" (as defined in the Tax Act, including Canadian securities acquired on a short sale) are deemed to be capital property.

One-half of the amount of any capital gain (a "**taxable capital gain**") realized by the ETF in a taxation year on the disposition of securities that are capital property of the ETF must be included in computing the ETF's income for the year, and one-half of the amount of any capital loss (an "**allowable capital loss**") realized by the ETF in a taxation year must be deducted against any taxable capital gains realized by the ETF in the year. Any excess of allowable capital losses over taxable capital gains for a taxation year may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized by the ETF to the extent and under the circumstances described in the Tax Act.

The ETF will be entitled for each taxation year throughout which it is a mutual fund trust for purposes of the Tax Act to reduce (or receive a refund in respect of) its liability, if any, for tax on its net realized capital gains by an amount determined under the Tax Act based on the redemptions of ETF Units during the year (the "**Capital Gains Refund**"). The Capital Gains Refund in a particular taxation year may not completely offset the tax liability of the ETF for such taxation year which may arise upon the sale or other disposition of securities included in the portfolio in connection with the redemption of ETF Units.

In general, gains and losses realized by the ETF from derivative transactions, including short sales of securities, other than Canadian securities, will be on income account except where such derivatives are used to hedge portfolio securities held on capital account provided there is sufficient linkage, subject to the DFA Rules discussed below, and will be recognized for tax purposes at the time they are realized by the ETF.

A loss realized by the ETF on a disposition of capital property will be a suspended loss for purposes of the Tax Act if the ETF, or a person affiliated with the ETF, acquires a property (a "**substituted property**") that is the same as or identical to the property disposed of, within 30 days before and 30 days after the disposition and the ETF, or a person affiliated with the ETF, owns the substituted property 30 days after the original disposition. If a loss is suspended, the ETF cannot deduct the loss from the ETF's capital gains until the substituted property is disposed of and is not reacquired by the ETF, or a person affiliated with the ETF, within 30 days before and after the disposition.

The ETF may enter into transactions denominated in currencies other than the Canadian dollar. The cost and proceeds of disposition of securities, interest, dividends and all other amounts will be determined for the purposes of the Tax Act in Canadian dollars using the appropriate exchange rates determined in accordance with the detailed rules in the Tax Act in that regard. The amount of income, gains and losses realized by the ETF may be affected by fluctuations in the value of foreign currencies relative to the Canadian dollar. Gains or losses in respect of currency hedges entered into in respect of amounts invested in the portfolio of the ETF should constitute capital gains and capital losses to the ETF if the securities in the ETF's portfolio are capital property to the ETF and provided there is sufficient linkage.

The Tax Act contains rules (the "**DFA Rules**") that target certain financial arrangements (described in the DFA Rules as "derivative forward agreements") that seek to reduce tax by converting, through the use of derivative contracts, the return on an investment that would have the character of ordinary income to capital gains. The DFA Rules are broad in scope and could apply to other agreements or transactions (including certain options). If the DFA Rules were to apply in respect of derivatives to be utilized by the ETF, gains realized in respect of the property underlying such derivatives could be treated as ordinary income rather than capital gains.

The ETF may derive income or gains from investments in countries other than Canada, and as a result, may be liable to pay income or profits tax to such countries. To the extent that such foreign tax paid by the ETF exceeds 15% of the amount included in the ETF's income from such investments, such excess may generally be deducted by the ETF in computing its net income for the purposes of the Tax Act. To the extent that such foreign tax paid does not exceed 15% of such amount and has not been deducted in computing the ETF's income, the ETF may designate in respect of a Holder a portion of its foreign source income that can reasonably be considered to be part of the ETF's income distributed to such Holder so that such income and a portion of the foreign tax paid by the ETF may be regarded as foreign source income of, and foreign tax paid by, the Holder for the purposes of the foreign tax credit provisions of the Tax Act.

The ETF will be entitled to deduct an amount equal to the reasonable expenses that it incurs in the course of issuing ETF Units. Such issue expenses paid by the ETF and not reimbursed will be deductible by the ETF rateably over a five-year period subject to reduction in any taxation year which is less than 365 days. In computing its income under the Tax Act, the ETF may deduct reasonable administrative and other expenses incurred to earn income.

Losses incurred by the ETF in a taxation year cannot be allocated to Holders, but may be deducted by the ETF in future years in accordance with the Tax Act.

Taxation of Holders

A Holder will generally be required to include in computing income for a particular taxation year of the Holder such portion of the net income of the ETF, including the taxable portion of any net realized capital gains, as is paid or becomes payable to the Holder in that particular taxation year (whether in cash or in ETF Units, whether such amount is automatically reinvested in additional ETF Units or whether as a management fee distribution). Provided that an election is made by the ETF to have a taxation year that ends on December 15 of each taxation year, amounts paid or payable by the ETF to a Holder after December 15 and before the end of the calendar year will be deemed to have been paid or become payable to the Holder on December 15.

Under the Tax Act, the ETF will be permitted to deduct in computing its income for a taxation year an amount that is less than the amount of its distributions of income for the year, to the extent necessary to enable the ETF to use, in that year, losses from prior years without affecting the ability of the ETF to distribute its income annually. In such circumstances, the amount distributed to a Holder of the ETF but not deducted by the ETF will not be included in the Holder's income. However, the adjusted cost base of the Holder's ETF Units will be reduced by such amount. The non-taxable portion of the ETF's net realized capital gains for a taxation year, the taxable portion of which was designated in respect of a Holder in the calendar year in which that taxation year ends, that is paid or becomes payable to the Holder in the calendar year in which that taxation year ends will not be included in computing the Holder's income for the year. Any other amount in excess of a Holder's share of the net income of the ETF for a taxation year that is paid or becomes payable to the Holder in the calendar year in which that taxation year ends (i.e. returns of capital) will not generally be included in the Holder's income for the year, but will reduce the adjusted cost base of the Holder's ETF Units. To the extent that the adjusted cost base of an ETF Unit to a Holder would otherwise be a negative amount, the negative amount will be deemed to be a capital gain and the adjusted cost base of the ETF Unit to the Holder will be increased by the amount of such deemed capital gain to nil.

Provided that appropriate designations are made by the ETF, such portion of the net realized taxable capital gains of the ETF, the taxable dividends received or deemed to be received by the ETF on shares of taxable Canadian corporations and foreign source income that is paid or becomes payable to a Holder will effectively retain its character and be treated as such in the hands of the Holder for purposes of the Tax Act. To the extent that amounts are designated as taxable dividends from taxable Canadian corporations, the gross-up and dividend tax credit rules in the Tax Act will apply.

Any loss of the ETF for purposes of the Tax Act cannot be allocated to, and cannot be treated as a loss of, a Holder.

On the disposition or deemed disposition of an ETF Unit, including on a redemption, a Holder will realize a capital gain (or capital loss) to the extent that the Holder's proceeds of disposition (which do not include any amount of capital gains payable by the ETF to the Holder which represents capital gains realized by the ETF in connection with dispositions to fund the redemption), net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of the ETF Unit. For the purpose of determining the adjusted cost base of a Holder's ETF Units of a particular class, when additional ETF Units of that class are acquired by the Holder on an automatic reinvestment of a distribution in ETF Units, or otherwise, the cost of the newly acquired ETF Units of that class will be averaged with the adjusted cost base of all ETF Units of the same class owned by the Holder as capital property immediately before that time. For this purpose, the cost of ETF Units that have been issued on a distribution will generally be equal to the amount of the distribution. A consolidation of ETF Units following a distribution paid in the form of additional ETF Units will not be regarded as a disposition of ETF Units and will not affect the aggregate adjusted cost base to a Holder.

In the case of an exchange of ETF Units for a Basket of Securities, a Holder's proceeds of disposition of ETF Units would generally be equal to the aggregate of the fair market value of the distributed property and the amount of any cash received, less any capital gain realized by the ETF on the disposition of such distributed property. The cost to a Holder of any property received from the ETF upon the exchange will generally be equal to the fair market value of such property at the time of the distribution, less any amount that is deductible as interest accrued on such property to the date of distribution and not yet due. In the case of an exchange of ETF Units for a Basket of Securities, the investor may receive securities that may or may not be qualified investments under the Tax Act for Plans (as defined below). If such securities are not qualified investments for Plans, such Plans (and, in the case of certain Plans, the annuitants, beneficiaries or subscribers thereunder or holders thereof) may be subject to adverse tax consequences.

Investors should consult their own tax counsel for advice on whether or not such securities would be qualified investments for Plans.

The Declaration of Trust of the ETF will permit the ETF to allocate and designate as payable any capital gains realized by the ETF as a result of any disposition of property of the ETF undertaken to permit or facilitate the redemption or exchange of ETF Units to a Holder whose ETF Units are being redeemed. Any such allocations and designations will reduce the redemption price otherwise payable to the Holder and therefore the Holder's proceeds of disposition. Provided that certain Tax Proposals contained in the March 19, 2019 Canadian federal budget are enacted as proposed, an amount so allocated and designated to a redeeming Holder will only be deductible to the ETF to the extent of the gain that would otherwise be realized by the Holder on the redemption of ETF Units.

In general, one-half of any capital gain (a "**taxable capital gain**") realized by a Holder on the disposition of ETF Units or a taxable capital gain designated by the ETF in respect of the Holder in a taxation year will be included in computing the Holder's income for that year and one-half of any capital loss (an "**allowable capital loss**") realized by the Holder in a taxation year of the Holder must be deducted from taxable capital gains realized by the Holder in the taxation year or designated by the ETF in respect of the Holder in the taxation year in accordance with the detailed provisions of the Tax Act. Allowable capital losses for a taxation year in excess of taxable capital gains for that taxation year may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against taxable capital gains in accordance with the provisions of the Tax Act.

Amounts designated by the ETF to a Holder of the ETF as taxable capital gains or dividends from taxable Canadian corporations, and taxable capital gains realized on the disposition of ETF Units may increase the Holder's liability for alternative minimum tax.

Taxation of Registered Plans

Amounts of income and capital gains included in the income of a trust governed by a registered retirement savings plan ("**RRSP**"), a registered retirement income fund ("**RRIF**"), a deferred profit sharing plan ("**DPSP**"), a registered education savings plan ("**RESP**"), a registered disability savings plan ("**RDSP**") or a tax-free savings account ("**TFSA**" and together with an RRSP, RRIF, DPSP, RESP and RDSP each, a "**Plan**"), each as defined in the Tax Act, will generally not be taxable under Part I of the Tax Act provided the ETF Units are "qualified investments" for the Plan for purposes of the Tax Act (see "Eligibility for Investment").

Holders should consult with their own advisors regarding the tax implications of establishing, amending, terminating or withdrawing amounts from a Plan.

ETF Units will not be a "prohibited investment" for trusts governed by a TFSA, RDSP, RRSP, RRIF or RESP unless the holder of the TFSA or RDSP, the annuitant under the RRSP or RRIF or the subscriber of the RESP, as applicable, (i) does not deal at arm's length with the ETF for purposes of the Tax Act; or (ii) has a "significant interest" as defined in the Tax Act in the ETF. Generally, a holder, annuitant or subscriber, as the case may be, will not have a significant interest in the ETF unless the holder, annuitant or subscriber, as the case may be, owns interests as a beneficiary under the ETF that have a fair market value of 10% or more of the fair market value of the interests of all beneficiaries under the ETF, either alone or together with persons and partnerships with which the holder, annuitant or subscriber, as the case may be, does not deal at arm's length. In addition, the ETF Units will not be a "prohibited investment" if the ETF Units are "excluded property" as defined in the Tax Act for trusts governed by a Plan.

Holders, annuitants and subscribers should consult their own tax advisors with respect to whether ETF Units would be prohibited investments, including with respect to whether such ETF Units would be excluded property.

Tax Implications of the ETF's Distribution Policy

The net asset value per ETF Unit will, in part, reflect any income and gains of the ETF that have been earned or realized, but have not been made payable at the time ETF Units were acquired. Accordingly, a Holder who acquires ETF Units, including on a reinvestment of distributions or a distribution of ETF Units, may become taxable on the Holder's share of such income and gains of the ETF. In particular, an investor who acquires ETF Units at any time in the year but prior to a distribution being paid or made payable will have to pay tax on the entire distribution (to the extent it is a taxable distribution) notwithstanding that such amounts may have been reflected in the price paid by the Holder for ETF Units. Further, provided the ETF validly elects to have a December 15 year-end, where a Holder acquires ETF Units in a calendar year after December 15 of such year, such Holder may become taxable on income earned or capital gains realized in the taxation year ending on December 15 of such calendar year but that had not been made payable before the ETF Units were acquired.

Tax Considerations Applicable to the Merger

The Merger is intended to be, and this summary assumes that it will be, a "qualifying exchange" under the Tax Act.

Tax Considerations for the Fund

The Merger is intended to take place on a tax-deferred basis and will involve the subsequent wind-up of the Fund. The Fund and the ETF will jointly elect to have the "qualifying exchange" provisions of the Tax Act apply to the Merger. In order for the Merger to take place on a tax-deferred basis, each of the Fund and ETF must qualify or be deemed to qualify as a mutual fund trust for purposes of the Tax Act on the effective date of the Merger. The Fund Manager intends to manage the Fund in such a manner as results in the Fund qualifying as a mutual fund trust for purposes of the Tax Act throughout the Stub Year (as defined below). Further, the ETF Manager intends to file the necessary election such that the ETF will qualify as a mutual fund trust from its inception.

Prior to the Merger, the Manager intends to liquidate substantially all of the assets of the Fund, such that on the Merger, the Fund's assets will be substantially comprised of cash. Upon the disposition by the Fund of any asset in its portfolio held as capital property prior to the Merger, the Fund will generally realize a capital gain (or capital loss) to the extent that the proceeds of disposition in respect of such asset exceed (or are exceeded by) the aggregate of the adjusted cost base of such asset and any reasonable costs of disposition.

The Fund will transfer its assets to the ETF in exchange for ETF Units of the ETF. For income tax purposes, each transferred asset of the Fund will be deemed to be disposed of for (i) its fair market value, where there is an accrued loss on the asset and (ii) an amount, elected by the Fund and the ETF, between the Fund's cost amount (as defined in the Tax Act) of the asset and the fair market value of the asset, where there is an accrued gain on the asset. To the extent applicable, the Fund intends to elect an amount such that accrued but unrealized gains will be realized on the transferred assets described in (ii) to offset (to the extent possible, and subject to the limitations in the Tax Act) the losses realized on the transfer of the assets described in (i) above and any existing losses in the Fund. For greater certainty, the deemed disposition will not result in further gains or losses for the Fund in respect of any cash received by the Fund in connection with the liquidation of assets in its portfolio prior to the Merger.

The Fund may be required to recognize interest income that has accrued or is received or has become receivable on debt obligations transferred to the ETF to the extent such interest has not already been included in the Fund's income and except to the extent of any portion thereof which accrued prior to the acquisition of the debt obligation by the Fund.

The taxation year of each of the Fund and the ETF during which the Merger would otherwise occur will be deemed to end on the day of the Merger (such taxation year being the "**Stub Year**"), generally resulting in such taxation year being shorter in length than normal. Non-capital losses and net capital losses of the Fund realized in the Stub Year and any such losses carried forward from prior years cannot be deducted by the ETF in taxation years beginning after the Merger. Similarly, unamortized issue expenses incurred by the Fund at any time before the Merger will not be available to be deducted against income and gains in future taxation years of the ETF. The Manager currently anticipates that the Fund will not have a material amount of non-capital or net capital loss carryforwards or unamortized issue expenses that will expire as a result of the Merger and not be utilized to reduce income or gains in the Fund in respect of the liquidation of the Fund's assets prior to the Merger as described above.

To the extent necessary, the Fund will distribute to its Unitholders a sufficient amount of its net income and net realized capital gains (including any net realized capital gains or income realized on the disposition by the Fund of the assets in its portfolio prior to the Merger as described above under "Merger Resolution – Procedure for the Merger") for the Stub Year to ensure that, after taking into account the realization of losses, if any, in the current year, and the carry forward of non-capital and net capital losses from prior years, it will not be required to pay any non-refundable income tax under Part I of the Tax Act for the Stub Year. The Manager currently anticipates that the Fund will not be required to make a special distribution of net income for the Stub Year and will be required to make a special distribution of approximately $600,000 of net realized capital gains for the Stub Year.

ETF Units acquired by the Fund in the course of the Merger will be deemed to have been acquired by the Fund at a cost of nil, and will be deemed to have been disposed of for proceeds of disposition equal to nil, and accordingly the Fund will not be considered to realize a gain or income in respect of the disposition of such ETF Units in the course of the Merger.

In connection with the Merger, the Fund will acquire sufficient ETF Units to cause the Fund to become a "majority-interest beneficiary" (as such term is defined in the rules in the Tax Act relating to "loss restriction events") of the ETF. Accordingly, unless the Investment Fund Exception applies, the ETF will experience a "loss restriction event" in connection with the Merger. However, having regard to the fact that the ETF will be newly established in connection with the Merger, the Fund Manager and ETF Manager, as applicable, do not expect any material adverse tax consequences to the ETF, the Fund or to Holders of Units of the Fund who acquire ETF Units on the Merger as a result of any such loss restriction event.

Tax Considerations for Holders

A Holder of Units of the Fund prior to the Merger will generally be required to include in computing income the amount of any net income and net realized capital gains (including any such net income or net realized capital gains distributed by the Fund in connection with the liquidation of the assets of the Fund prior to the Merger as described above) as is paid or becomes payable to the Holder for the taxation year of the Holder in which the Merger occurs.

If approved, the Merger will be effect on a tax-deferred "rollover basis". The disposition by a Holder of Units of the Fund in exchange for ETF Units will generally not result in the realization of a capital gain or capital loss for such Holder. A Holder will be deemed to acquire the ETF Units under the Merger at a cost equal to the "cost amount" (as such term is defined in the Tax Act) of his or her Units of the Fund. In computing a Holder's adjusted cost base of ETF Units, the Holder must average the cost of any ETF Units acquired under the Merger with the adjusted cost base of any ETF Units then held by the Holder as capital property.

Tax Considerations Applicable to the Termination of the Fund

Tax Considerations for the Fund

Prior to the Termination, the Manager intends to liquidate all of the assets of the Fund, such that on the Termination, the Fund's assets will be completely comprised of cash. Upon the disposition by the Fund of any asset in its portfolio held as capital property prior to the Termination, the Fund will generally realize a capital gain (or capital loss) to the extent that the proceeds of disposition in respect of such asset exceed (or are exceeded by) the aggregate of the adjusted cost base of such asset and any reasonable costs of disposition. The Fund may also be required to recognize interest income that has accrued or is received or has become receivable on debt obligations to the extent such interest has not already been included in the Fund's income and except to the extent of any portion thereof which accrued prior to the acquisition of the debt obligation by the Fund.

The Manager anticipates that any undistributed income and the capital gains realized by the Fund on the disposition of the assets in the Fund's portfolio prior to the Termination will be offset by the carry-forward of non-capital losses, the realization of capital losses in the current year, the carry-forward of net capital losses from prior years, and/or the Capital Gains Refund. As such, the Manager currently anticipates that the Fund will not be required to make a special distribution of net income or net realized capital gains prior to the Termination.

Tax Considerations for Holders

The Termination, if it occurs, will occur on a taxable basis. A Holder of Units of the Fund will generally be required to include in computing income the amount of any net income and net realized capital gains (including any such net income or net realized capital gains distributed by the Fund in connection with the Termination as described above) as is paid or becomes payable to the Holder in connection with the Termination for the taxation year of the Holder in which the Termination occurs.

A Holder whose Units of the Fund are redeemed on the Termination will generally realize a capital gain (or capital loss) for tax purposes equal to the amount by which the proceeds of disposition of the Units, net of any reasonable costs of disposition, exceed (or are less than) the Holder's adjusted cost base of his or her Units. A Holder must include one-half of any such capital gain (a "taxable capital gain") in income and may deduct one-half of any such capital loss (an "allowable capital loss") against taxable capital gains subject to and in accordance with the detailed rules in the Tax Act. Allowable capital losses for a taxation year in excess of taxable capital gains for that taxation year may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against taxable capital gains in accordance with the provisions of the Tax Act.

A Holder that is throughout the relevant taxation year a “Canadian-controlled private corporation” (as defined in the Tax Act) may be liable to pay an additional refundable tax on its “aggregate investment income” (as defined in the Tax Act) for the year, including taxable capital gains.

Capital gains realized by a Holder who is an individual (other than certain trusts) may result in such Holder being liable for alternative minimum tax under the Tax Act.

ELIGIBILITY FOR INVESTMENT

Provided that the Fund (or ETF) qualifies as a mutual fund trust for purposes of the Tax Act , or the Units of the Fund (or the ETF Units, as the case may be) are listed on a “designated stock exchange” for purposes of the Tax Act (which currently includes the TSX), the Units of the Fund (or the ETF Units, as the case may be), if issued on the date hereof, would be on such date qualified investments under the Tax Act for a trust governed a Plan.

DOCUMENTS INCORPORATED BY REFERENCE

Information regarding the Fund has been incorporated by reference into this Circular from documents filed with securities commissions or similar authorities in Canada. The following documents filed with the various provincial securities commissions or similar authorities in Canada in respect of the Fund are specifically incorporated into and form an integral part of this Circular:

- the annual financial statements for the year-ended December 31, 2018;
- the annual management report of fund performance for the year-ended December 31, 2018;
- the annual information form for the year ended December 31, 2018.

Any of the documents of the type referred to above, including any material change report (excluding confidential material change reports) filed by the Fund after the date of the Circular will be deemed to be incorporated by reference into this Circular.

Additional pertinent information concerning the Fund, including information regarding: (i) investment objectives, strategies and guidelines, (ii) distributions, (iii) valuation of units, (iv) redemption of units, (v) material attributes and rights attaching to the units and other Unitholder rights, are set out in the documents incorporated by reference herein. Unitholders can obtain these documents by accessing the SEDAR website at www.sedar.com. These documents may also be obtained upon request, without charge, by calling the Fund Manager at 1-800-792-9355 or by emailing service@ci.com.

INTERESTS IN MATTERS TO BE ACTED UPON

CI receives management fees from the Fund. First Asset, a subsidiary of CI, will receive management fees from the ETF and will pay CI (as portfolio advisor) out of the fees received by it. Neither CI, First Asset, nor any of its directors or senior officers, nor any associate or affiliate of any of them, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting other than as described in this Circular.

VOTING SECURITIES AND PRINCIPAL SECURITYHOLDERS

As of April 18, 2019, the issued and outstanding voting securities of the Fund consisted of 4,409,441 Units. To the knowledge of CI, as of April 18, 2019, there were no persons (other than CDS & Co., as nominee of CDS), who own, beneficially or of record, directly or indirectly, or who exercise control or direction over, 10% or more of the Units.

AUDITORS, CUSTODIAN AND TRANSFER AGENT

The auditor of the Fund is PricewaterhouseCoopers LLP. Ernst & Young LLP will be the auditor of the ETF.

RBC Investor Services Trust is the custodian of the Fund. CIBC Mellon Trust Company will be the custodian of the ETF and CIBC Mellon Global Securities Services Company will be appointed as the valuation agent for the ETF.

Computershare Investor Services Inc. is the registrar and transfer agent for the Fund and will remain the registrar and transfer agent for the ETF.

OTHER INFORMATION

Additional information about the Fund is available on SEDAR at www.sedar.com or at www.firstasset.com, including the preliminary prospectus qualifying the ETF Units. Financial information about the Fund is provided in the Fund's comparative financial statements and Management Report on Fund Performance for the Fund's most recently completed financial year. You may obtain copies of the Fund's financial statements and Management Report on Fund Performance by calling CI at 1-800-563-5181, by writing to CI at 2 Queen Street East, Twentieth Floor, Toronto, Ontario, M5C 3G7, or by visiting www.ci.com. Please also refer to Schedule A for the full text of the DOT Amendment Resolution, Schedule B for the full text of the Merger Resolution, Schedule C for a comparison of the Fund before and after the proposed Merger and Schedule D for the ETF Summary Information Sheet.

APPROVAL AND CERTIFICATES

The contents and the sending of this Circular have been approved by the board of directors of CI. The information given in this Circular is as of April 18, 2019 except where otherwise indicated.

Dated at Toronto, Ontario the 18th day of April, 2019.

BY ORDER OF THE BOARD OF DIRECTORS OF CI INVESTMENTS INC., AS MANAGER OF THE FUND

By: *"Mike Gramegna"*
Mike Gramegna
Senior Vice President, Marketing

Schedule A

SKYLON GROWTH & INCOME TRUST
(the "Fund")

DOT AMENDMENTS

EXTRAORDINARY RESOLUTION

BE IT RESOLVED AS AN EXTRAORDINARY RESOLUTION THAT:

1. CI Investments Inc. (the "**Fund Manager**") is hereby authorized to amend the Fund's declaration of trust (the "**Declaration of Trust**") in order to change the fundamental investment objectives, strategies and restrictions of the Fund in the manner described in the management information circular of the Fund dated April 18, 2019 (the "**Circular**") such that the investment objective of the Fund shall be:

   The ETF's investment objective is to generate income and long-term capital growth by investing in a combination of equity and fixed-income securities of countries and companies located anywhere in the world.

2. The Fund Manager is hereby authorized to amend the Declaration of Trust in order to extend the Fund's termination date of June 30, 2019 to December 31, 2024, and to provide Unitholders with a redemption right on June 30, 2019;

3. The Fund Manager is hereby authorized and directed for and on behalf of the Fund to execute and deliver all such documents and to take such action as may be necessary or advisable in order to carry out the intent of this resolution and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document or the performance of such action by any director or officer of the Fund Manager or trustee.

4. Notwithstanding that this resolution has been passed by the unitholders of the Fund, the Fund Manager is hereby authorized to delay or terminate the changes contemplated by this resolution if the Fund Manager determines in its sole discretion that it would be necessary or desirable.

5. All capitalized terms not otherwise defined in this resolution have the meanings ascribed there-to in the attached management information circular.

Schedule B

SKYLON GROWTH & INCOME TRUST
(the "Fund")

MERGER

EXTRAORDINARY RESOLUTION

BE IT RESOLVED AS AN EXTRAORDINARY RESOLUTION THAT:

1. CI Investments Inc. ("**CI**" or the "**Fund Manager**") is hereby authorized to effect a merger (the "**Merger**") of the Fund into a new, actively managed, exchange-traded mutual fund that is being established by First Asset Investment Management Inc. ("**First Asset**"), an affiliate of the Fund Manager, to be named "CI First Asset Global Asset Allocation ETF" or such other name as First Asset may determine in its discretion (the "**ETF**") including, without limitation, making all amendments to the declaration of trust of the Fund considered necessary or desirable, in the opinion of CI, to facilitate and implement the Merger, all as described more particularly in the management information circular dated April 18, 2019 (the "**Circular**").

2. CI is hereby authorized and directed for and on behalf of the Fund to execute and deliver all such documents and to take such action as may be necessary or advisable in order to carry out the intent of this resolution and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document or the performance of such action by any director or officer of CI or the trustee.

3. Notwithstanding that this resolution has been passed by the Unitholders of the Fund, CI is hereby authorized to delay or terminate the Merger or effect such other changes contemplated by this resolution if CI determines in its sole discretion that it would be necessary or desirable.

4. All capitalized terms not otherwise defined in this resolution have the meanings ascribed thereto in the Circular.

Schedule C

Comparison of Fund
Before and After the Merger

	Current Fund	ETF (Post-Merger)
Name	Skylon Growth & Income Trust	CI First Asset Global Asset Allocation ETF
Structure	Closed-end fund	Open-end exchange-traded fund
Termination Date	June 30, 2019, unless extended in accordance with the Declaration of Trust. ***If DOT Amendment is approved: December 31, 2024.*** ***See "DOT Amendment Resolution – Proposed Investment Objectives, Strategies and Restrictions – Investment Objectives" in the Circular for a description of the proposed investment objectives as part of the DOT Amendments.***	No fixed termination date
MANAGEMENT		
Trustee	CI Investments Inc.	First Asset Investment Management Inc.
Investment Fund Manager	CI Investments Inc.	First Asset Investment Management Inc.
Portfolio Advisor	CI Investments Inc.	CI Investments Inc.
Independent Review Committee	Independent Review Committee of Investment Funds managed by CI Investments Inc.	Independent Review Committee of Investment Funds managed by First Asset Investment Management Inc.
Custodian	RBC Investor Services Trust	CIBC Mellon Trust Company
Valuation Agent	RBC Investor Services Trust	CIBC Mellon Trust Company
Registrar and Transfer Agent	Computershare Investor Services Inc.	Computershare Trust Company of Canada
Auditors	PricewaterhouseCoopers LLP	Ernst & Young LLP
CAPITAL STRUCTURE		
Capital	One class of redeemable, transferable units	One class of redeemable, transferable units
Ticker Symbol	SKG.UN	To be determined
RSP Eligibility	RRSP, RRIF, RDSP, DPSP, RESP, TFSA	RRSP, RRIF, RDSP, DPSP, RESP, TFSA
DRIP Availability	Available	Available
INVESTMENT OBJECTIVES, STRATEGIES AND RESTRICTIONS		
Investment Objectives	The investment objectives of the Fund are to: (i) provide unitholders with monthly distributions; (ii) endeavour to preserve capital throughout the life of the Fund; and (iii) enhance the long-term total return of the Fund's portfolio.	The ETF's investment objective is to generate income and long-term capital growth by investing in a combination of equity and fixed-income securities of countries and companies located anywhere in the world.

	Current Fund	ETF (Post-Merger)
Investment Strategies	To provide the Fund with the means to meet the foregoing investment objectives, the Fund invests in a diversified portfolio of securities (the "**Portfolio**") consisting primarily of securities of income trusts, high yield debt, dividend paying common shares, other common shares, other securities and cash and instalment receipts or other rights to acquire any of the foregoing (the "**Portfolio Securities**"). The Portfolio is advised by Signature Global Asset Management, a division of CI Investments Inc. (the "**Investment Advisor**"). *Use of Derivative Instruments* The Fund may invest in or use derivative instruments for hedging, investment or leverage purposes consistent with the investment objectives, investment strategy and investment restrictions of the Fund. Risks to be hedged against may include fluctuations in currency values and interest rate changes. While the Fund may purchase forward contracts for such hedging, it is not precluded from using other derivatives, such as put and call options on foreign currencies, to do so. *Loan Facility and Other Forms of Leverage* In order to provide a prudent level of leverage to enhance the Fund's return, the Fund may borrow pursuant to a loan facility (the "**Loan Facility**") from a chartered bank (the "**Lender**"). The Fund may also add leverage to its investment Portfolio by utilizing a variety of additional strategies, including but not limited to the use of reverse repurchase agreements, credit derivatives, and other derivative instruments. The Fund may also enter into credit derivatives for investment purposes and to add leverage to the Fund's Portfolio. The Loan Facility and other forms of leverage permit the Fund to borrow monies or employ other forms of leverage to purchase additional Portfolio securities in accordance with the Investment Guidelines. The Fund may use such leverage, when market conditions are appropriate, to attempt to increase the potential returns of the Fund by taking advantage of the spread between the potential return on additional investments in the Portfolio and the cost of borrowing the purchase price for such investments. The Fund Manager will ensure that, in the event of default under any Loan Facility, the Lender's recourse will be limited to the assets of the Fund.	The ETF invests, directly or indirectly, in a combination of equity and fixed-income securities of companies located anywhere in the world and is not limited to how much it invests in any single country or asset class. This will vary according to market conditions. To the extent the ETF invests in equity securities, these will include preferred and common shares that are diversified by sector and style. Investments in fixed-income securities may consist of high-yielding government and corporate bonds, debentures, loans and notes. This may include securities that are unrated or have a credit rating below investment grade. The term to maturity of these securities will vary depending on the portfolio advisor's outlook for interest rates. Indirect investments may include convertible securities, derivatives, equity-related securities and securities of other mutual funds. The ETF's equity portfolio is both focused and concentrated and the overall portfolio currency exposure may be tactically hedged. In selecting investments for the ETF, the portfolio advisor uses a combination of top-down macro analysis and fundamental analysis for bottom-up security selections. When deciding whether to buy or sell an investment, the portfolio advisor also considers whether the investment is a good value relative to its current price. The ETF may also: • use warrants and derivatives such as options, futures, forward contracts and swaps to: ○ hedge against losses from changes in the prices of the ETF's investments and from exposure to foreign currencies; ○ gain exposure to individual securities and markets instead of buying the securities directly to generate additional returns; and/or ○ write covered call options; • enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, to the extent permitted by the securities regulations, to earn additional income for the ETF; and/or

	Current Fund	ETF (Post-Merger)
	The aggregate amount of borrowings under the Loan Facility and other forms of leverage may not exceed 25% of the NAV of the Fund at the time the borrowing or other transaction is entered into. In the event that the total amount borrowed, or otherwise subject to leverage, by the Fund exceeds the 25% limit as a result of a decrease in the number of Units, the Investment Advisor will reduce indebtedness. *Securities Lending* In order to generate additional returns, the Fund may lend securities to borrowers acceptable to the Fund pursuant to the terms of a securities lending agreement between the Fund and any such borrower. Under such an agreement: (i) the borrower will pay to the Fund a negotiated securities lending fee and will make compensation payments to the Fund equal to any distributions received by the borrower on the securities borrowed; (ii) the securities loan must qualify as "securities lending arrangements" for the purposes of the Tax Act; and (iii) the securities loan must be fully collateralized. The minimum level of collateralization will be 102%. The foregoing sections "Investment Objectives", "Investment Strategy" and "Investment Restrictions" are referred to collectively herein as the Fund's "Investment Policy". The Investment Policy of the Fund cannot be changed without the prior approval of Unitholders by a resolution passed by not less than two-thirds of the votes cast by Unitholders who voted in respect of that resolution whether by way of written resolution or at a meeting called for such purpose with two or more persons present in person or by proxy representing not less than 25% of the Units then outstanding (an **"Extraordinary Resolution"**). ***See "DOT Amendment Resolution – Proposed Investment Objectives, Strategies and Restrictions – Investment Strategies" in the Circular for a description of the proposed investment strategies as part of the DOT Amendments.***	• hold cash and cash-equivalent securities for strategic reasons or in the event of adverse market, economic and/or political conditions. The ETF will only use derivatives as permitted by securities regulations. The ETF may obtain exposure, on some or all of its assets, to securities of other mutual funds. The ETF also may engage in short selling as permitted by securities regulations selling as a complement to the ETF's current primary discipline of buying securities with the expectation that they will appreciate in market value. In determining whether securities of a particular issuer should be sold short, the portfolio advisor uses the same analysis that is described above for deciding whether to purchase the securities. Pursuant to exemptive relief from the Canadian securities authorities, the ETF may, subject to certain restrictions: • purchase silver and specified derivatives, the underlying interest of which is silver on an unlevered basis, in a similar manner as currently permitted by securities regulations for gold; and/or • purchase securities of ETFs that seek to: ○ provide daily results that replicate the daily performance of a specified widely-quoted market index (the "Underlying Index") on a leveraged basis (a multiple of 200% or an inverse multiple of 100% or 200%); ○ provide daily results that replicate the daily performance of their Underlying Index; ○ seek to replicate the performance of silver, or the value of a specified derivative the underlying interest of which is silver, on an unlevered basis; and/or ○ seek to replicate the performance of gold, or the value of a specified derivative the underlying interest of which is gold, on a leveraged (a multiple of 200%) or unlevered basis.
Investment Restrictions	The Fund is subject to and follows certain investment practices and restrictions outlined in securities legislation, including restrictions in National Instrument 81-102 *Investment Funds* ("**NI 81-102**") of the Canadian securities administrators applicable to non-redeemable investment funds. This helps to ensure that the Fund's investments are diversified and relatively easy to trade. They also ensure proper administration of the Fund.	Subject to exemptive relief that has been obtained or will be obtained or has been applied for, upon the effective date of the Merger, the ETF will be subject to certain investment restrictions and practices contained in Canadian securities legislation, including NI 81-102, which are designed in part to ensure that the investments of the ETF are diversified and relatively liquid and to ensure its proper administration. The investment restrictions and practices applicable to the ETF which are contained in Canadian securities legislation,

	Current Fund	ETF (Post-Merger)
	The Fund is also subject to certain investment restrictions set out in the Declaration of Trust. The investment restrictions provide that the Fund may not: (a) purchase any security issued by any issuer (other than short-term debt securities issued or guaranteed by the Government of Canada or any Canadian province or municipality) if as a result more than 10% of the Fund's total assets would consist of securities issued by such issuer; (b) borrow money and utilize other forms of leverage in excess of 25% of the Fund's NAV, at the time the borrowing or other transaction is entered into; (c) purchase or sell commodities or commodity contracts; (d) make loans or guarantee obligations, except that the Fund may purchase and hold debt obligations (including bank loans, bonds, debentures or other obligations and certificates of deposit, bankers' acceptances and fixed time deposits) in accordance with its investment objectives; (e) participate in oil and gas or similar ventures (other than securities issued by issuers that invest in oil and gas); (f) invest for the purpose of exercising control over management of any issuer; (g) make or retain any investment that would result in the Fund failing to qualify as a "unit trust" within the meaning of the *Income Tax Act* (Canada) (the "**Tax Act**"); (h) hold securities which may be "foreign property" under the Tax Act unless, at the end of each month, the "cost amount" to the Fund of foreign property does not exceed 30% (or such other percentage specified from time to time for purposes of Part XI of the Tax Act) of the cost amount of all property held by the Fund or enter agreements that could give rise to tax liability under section 206.1 of Part XI of the Tax Act; (i) hold securities of any non-resident corporation or trust or other entity if the Fund would be required to mark its investment in such securities to market in accordance with proposed section 94.2 of the Tax Act or to include any amounts in income pursuant to proposed section 94.1 or 94.3 of the Tax Act, as set forth in the proposed amendments to the Tax Act dealing with	including NI-81-102, may not be deviated from without an exemption from the Canadian securities regulatory authorities having jurisdiction over the ETF. These requirements would prevent the ETF from employing leverage for investment purposes. The ETF will not make an investment or conduct any activity that would result in the ETF (i) failing to qualify as a "unit trust" or "mutual fund trust" within the meaning of the *Income Tax Act* (Canada) (the "**Tax Act**") or (ii) being subject to the tax for "SIFT trusts" for purposes of the Tax Act. In addition, the ETF will not (i) make or hold any investment in property that would be "taxable Canadian property" (if the definition of such term in the Tax Act were read without reference to paragraph (b) thereof) if more than 10% of the ETF's property consisted of such property. In addition, the ETF will not (i) invest in or hold (a) securities of or an interest in any non-resident entity, an interest in or a right or option to acquire such property, or an interest in a partnership which holds any such property if the ETF (or the partnership) would be required to include significant amounts in income pursuant to section 94.1 of the Tax Act, (b) an interest in a trust (or a partnership which holds such an interest) which would require the ETF (or the partnership) to report significant amounts of income in connection with such interest pursuant to the rules in section 94.2 of the Tax Act, or (c) any interest in a non-resident trust other than an "exempt foreign trust" for the purposes of section 94 of the Tax Act (or a partnership which holds such an interest); (ii) invest in any security that would be a "tax shelter investment" within the meaning of section 143.2 of the Tax Act; or (iii) invest in any security of an issuer that would be a "foreign affiliate" of the Fund for purposes of the Tax Act.

	Current Fund	ETF (Post-Merger)
	foreign investment entities released on October 30, 2003 (or amendments to such proposals, provisions as enacted into law or successor provisions thereto); or (j) act as an underwriter except to the extent that the Fund may be deemed to be an underwriter in connection with the sale of securities in its Portfolio. ***See "DOT Amendment Resolution – Proposed Investment Objectives, Strategies and Restrictions – Investment Restrictions" in the Circular for a description of the proposed investment restrictions as part of the DOT Amendments.***	
Risk Factors	For the current risk factors associated with the fund, please refer to the prospectus of the Fund dated January 30, 2004 in respect of the initial public offering of Units. Upon implementation of the DOT Amendments, the risk factors associated with the Fund will be substantially similar to the risk factors that will be associated with the ETF. ***See "Risk Factors Associated with the ETF" in the Circular.***	**See "*Risk Factors Associated with the ETF*" in the Circular.**
DISTRIBUTIONS AND REDEMPTIONS		
Distributions	Monthly distributions until May 2019. If the Merger Resolution is approved by Unitholders and the Fund Manager decides to implement the Merger, the Fund will cease paying monthly cash distributions after May 2019 until such time as the Merger is completed and it has become an ETF. ***See "Other Changes Affecting Unitholder Rights Resulting from the Merger – Distributions as a Closed-end Fund" of the Circular.***	Monthly cash distributions. The ETF will not have a fixed distribution amount. The amount of ordinary cash distributions, if any, will be based on the ETF Manager's assessment of anticipated cash flow and anticipated expenses of the ETF from time to time. The date of any ordinary cash distribution of the ETF will be announced in advance by issuance of a press release. Any such distributions will be paid to Unitholders of record as of the second last business day of each month. Unitholders will be entitled to participate equally in respect of each ETF Unit held with respect to any and all distributions made by the ETF. Distributions on the ETF Units are expected to consist of income, including foreign source income, sourced primarily from distributions received on the securities included in the ETF Portfolio, less the expenses of the ETF and may include returns of capital. The level of distributions paid by the ETF to Unitholders will depend upon the distributions received from the securities included in the ETF's portfolio and therefore may fluctuate from month to month.

	Current Fund	ETF (Post-Merger)
		Following the Merger, at any time, a Unitholder may elect to participate in the ETF's reinvestment plan by contacting the CDS Participant through which the Unitholder holds its ETF Units. Under the reinvestment plan, cash distributions (net of any required withholding tax) will be used to acquire additional ETF Units in the market and will be credited to the account of the Unitholder through CDS.
Redemption Rights	Unitholders are entitled to surrender Units at any time for redemption (a "**Monthly Redemption**") on the last Business Day of each month (a "**Monthly Valuation Date**"). The redemption price per Unit for Monthly Redemptions is equal to the lesser of: (a) 94% of the "market price" per Unit on the applicable Monthly Valuation Date (10-day average trading price); and (b) the "closing market price" per Unit on the applicable Monthly Valuation Date. In addition, Unitholders are entitled to surrender Units for redemption not more than 60 days, and at least 30 days prior to December 31 of each year (the "**Annual Redemption Date**"). The redemption price per Unit for Annual Redemptions is equal to the NAV per Unit determined as at such Annual Redemption Date. If the DOT Amendments are implemented, including an extension to the Termination Date from June 30, 2019 to December 31, 2024, Unitholders may require the Trustee to redeem all, or a portion of, his or her Units on the currently scheduled Termination Date of June 30, 2019 at a price per Unit equal to the NAV per Unit on such date. Units so redeemed will be redeemed at a redemption price equal to the NAV determined on June 28, 2019, less any costs associated with funding the redemption, including commissions and other such costs, if any. The Units must be surrendered for redemption on or before June 21, 2019. Payment of the proceeds of redemption will be made on or before the 15th business day of the following month. ***See "Extension of the Currently Scheduled Termination Date and Corresponding Redemption" of the Circular.***	On any trading day, Unitholders may redeem (i) ETF Units for cash at a redemption price per Unit equal to 95% of the closing price for the ETF Units on the TSX on the effective day of the redemption less any applicable redemption fee determined by First Asset, in its sole discretion, from time to time, or (ii) a prescribed number of units (or "**PNU**") or a multiple PNU for cash equal to the NAV of that number of ETF Units less any applicable redemption fee determined by First Asset, in its sole discretion from time to time. Because Unitholders will generally be able to sell ETF Units at the market price on the TSX through a registered broker or dealer subject only to customary brokerage commissions, Unitholders are advised to consult their brokers, dealers or investment advisors before redeeming such Units for cash. No fees or expenses are paid by Unitholders to First Asset or the ETF in connection with selling ETF Units on the TSX.
FEES AND EXPENSES		
Management Fee	An annual management fee in an amount equal to 1.10% of NAV calculated and payable monthly in arrears, plus applicable taxes.	An annual management fee in an amount equal to 0.60% of NAV calculated daily and payable monthly in arrears, plus applicable taxes. First Asset may, at its discretion, agree to charge a reduced fee as compared to the fee it would otherwise be entitled to receive from the ETF with respect

	Current Fund	ETF (Post-Merger)
		to large investments in the ETF by Unitholders. Such a reduction will be dependent upon a number of factors, including the amount invested, the total assets of the ETF under administration and the expected amount of account activity. In such cases, an amount equal to the difference between the fee otherwise chargeable and the reduced fee will be distributed to the applicable Unitholders as management fee distributions.
Service Fee	An annual service fee in an amount equal to 0.40% of net asset value calculated and payable quarterly in arrears.	None.
Operating Costs & Expenses	The Fund pays for all expenses incurred in connection with its operation and administration. These expenses include, without limitation: mailing and printing expenses for periodic reports to Unitholders; fees payable to the custodian for acting as custodian of the assets of the Fund; fees payable to the Registrar and Transfer Agent for performing certain financial, record-keeping, reporting and general administrative services; fees payable to the auditors and legal advisors; on-going regulatory filing fees and other fees; any reasonable out-of-pocket expenses incurred by the Trustee or its agents in connection with their on-going obligations to the Trust; any taxes payable by the Fund or to which the Fund may be subject; interest expenses; expenses relating to portfolio transactions; and any expenditures which may be incurred upon the termination of the Fund. The Trust will also be responsible for its costs of portfolio transactions and any extraordinary expenses which may be incurred from time to time.	Unless otherwise waived or reimbursed by First Asset, and subject to compliance with NI 81-102, it is expected that the expenses for the ETF will include, as applicable, without limitation: all costs of portfolio transactions; audit fees; fees payable to third party service providers; trustee and custodial expenses; valuation, accounting and record keeping costs; legal expenses; permitted prospectus preparation and filing expenses; costs associated with delivering documents to Unitholders; listing fees and expenses and other administrative expenses and costs incurred in connection with the continuous public filing requirements; costs and expenses of preparing financial and other reports, costs and expenses arising as a result of complying with all applicable laws, regulations and policies; CDS fees; bank related fees and interest charges; extraordinary expenses; Unitholder reports and servicing costs; registrar and transfer agent fees; fees and expenses of the members of the IRC; expenses related to compliance with NI 81-107; fees and expenses relating to the voting of proxies by a third party; premiums for directors' and officers' insurance coverage for the members of the IRC; income taxes; sales taxes (including GST/HST); brokerage expenses and commissions; and withholding taxes. Such expenses will also include expenses of any action, suit or other proceedings in which or in relation to which First Asset, CI, the custodian, the IRC and/or any of their respective officers, directors, employees, consultants or agents is entitled to indemnity by the ETF. Costs and expenses payable by CI or First Asset include the initial organization costs of the ETF and the costs of the preparation and filing of the preliminary prospectus and initial prospectus. Apart from the initial organizational costs of the ETF, including the costs of implementing the Merger, all expenses related to the issuance of ETF Units shall be borne by the ETF unless otherwise waived or reimbursed by First Asset.

	Current Fund	ETF (Post-Merger)
		In order to compensate the ETF for transaction costs that it may incur in fulfilling certain subscription, exchange or redemption requests by Unitholders, the ETF may, from time-to-time, charge the following, all of which will accrue to the ETF: • on the issuance of Units, First Asset may, at its discretion, charge an administrative fee to a dealer or designated broker to offset any expenses (including any applicable TSX additional listing fees) incurred in issuing the ETF Units; • at First Asset's discretion and consistent with the First Asset's and industry practice, First Asset may charge exchanging or redeeming Unitholders an administration fee of up to 0.25% of the exchange or redemption proceeds to offset certain transaction costs associated with the exchange or redemption of ETF Units. • in circumstances where the ETF accepts a cash-only subscription from a Unitholder for a prescribed number of units ("**PNU**"), First Asset may, in its discretion, charge a cash creation fee representing, as applicable, brokerage expenses, commissions, transaction costs and other costs or expenses that the ETF incurs or expects to incur in purchasing securities on the market with such cash proceeds. • in circumstances where the ETF accepts a request from a Unitholder to effect a cash-only payment for exchange of a PNU, First Asset may, in its discretion, charge a cash exchange fee representing, as applicable, brokerage expenses, commissions, transaction costs and other costs or expenses that the ETF incurs or expects to incur in selling securities on the market to obtain the necessary cash for the exchange.

Schedule D

ETF Summary Information Sheet

CI First Asset Global Asset Allocation ETF - Common Units

Manager: First Asset Investment Management Inc.

This document contains key information you should know about CI First Asset Global Asset Allocation ETF. You can find more details about this exchange traded fund (ETF) in its prospectus. The Manager will file a preliminary prospectus qualifying the Units, which preliminary prospectus may be accessed at www.sedar.com.

Quick facts

Date ETF started:	n/a – new ETF	**Fund manager:**	First Asset Investment Management Inc.
Total value on February 28, 2019:	n/a- new ETF	**Portfolio manager:**	CI Investments Inc.
Management expense ratio (MER):	n/a - new ETF	**Distributions:**	Monthly (any net income and/or return of capital) and in December (any net realized capital gains)

Trading information (12 months ending March 31, 2019)

Ticker symbol:	n/a – new ETF	**Average daily volume:**	n/a - new ETF
Exchange:	TSX	**Number of days traded:**	n/a - new ETF
Currency:	CAD		

Pricing information (12 months ending March 31, 2019)

Market price:	n/a - new ETF	**Average bid-ask spread:**	n/a - new ETF
Net asset value {NAV}:	n/a - new ETF		

What does the ETF invest in?

The Fund's investment objective is to generate income and long-term capital growth by investing in a combination of equity and fixed-income securities of countries and companies located anywhere in the world.

The charts below give you a snapshot of the ETFs investments on March 31, 2019. The ETF's investments will change.

Top investments (March 31, 2019)

This information is not available because this ETF is new.

Investment mix (March 31, 2019)

This information is not available because this ETF is new.

How risky is it?

The value of the ETF can go down as well as up. You could lose money.

One way to gauge risk is to look at how much an ETF's returns change over time. This is called "volatility".

In general, ETFs with higher volatility will have returns that change more over time. They typically have a greater chance of losing money and may have a greater chance of higher returns. ETFs with lower volatility tend to have returns that change less over time. They typically have lower returns and may have a lower chance of losing money.

Risk rating
First Asset Investment Management Inc. has rated the volatility of this ETF as **Low-to-Medium**.

This rating is based on how much the ETF's returns have changed from year to year. It doesn't tell you how volatile the ETF will be in the future. The rating can change over time. An ETF with a low risk rating can still lose money.

For more information about the risk rating and specific risks that can affect the ETF's returns, see the "Risk Factors" section of the ETF's prospectus.

No guarantees
ETFs do not have any guarantees. You may not get back the amount of money you invest.

How has the ETF performed?

This section tells you how the fund has performed since inception. Returns are after expenses have been deducted. These expenses reduce the fund's returns.

Year-by-year returns

This section tells you how units of the ETF have performed in past calendar years. However, this information is not available because the ETF is new.

Best and worst 3-month returns

This section shows the best and worst returns for the units of the ETF in a 3-month period. However, this information is not available because the ETF is new.

Average return

This section shows the value and annual compounded rate of return of a hypothetical $1,000 investment in units of the ETF. However, this information is not available because the ETF is new.

Trading ETFs

ETFs hold a basket of investments, like mutual funds, but trade on exchanges like stocks. Here are a few things to keep in mind when trading ETFs:

Pricing

ETFs have two sets of prices: market price and net asset value (NAV).

Market price

- ETFs are bought and sold on exchanges at the market price. The market price can change throughout the trading day. Factors like supply, demand, and changes in the value of an ETF's investments can effect the market price.
- You can get price quotes any time during the trading day. Quotes have two parts: **bid** and **ask**.
- The bid is the highest price a buyer is willing to pay if you want to sell your ETF units. The ask is the lowest price a seller is willing to accept if you want to buy ETF units. The difference between the two is called the **"bid-ask spread"**.
- In general, a smaller bid-ask spread means the ETF is more liquid. That means you are more likely to get the price you expect.

Net asset value (NAV)

- Like mutual funds, ETFs have a NAV. It is calculated after the close of each trading day and reflects the value of an ETF's investments at that point in time
- NAV is used to calculate financial information for reporting purposes – like the returns shown in this document.

Orders

There are two main options for placing trades: market orders and limit orders. A market order lets you buy or sell units at the current market price. A limit order lets you set the price at which you are willing to buy or sell units.

Timing

In general, market prices of ETFs can be more volatile around the start and end of the trading day. Consider using a limit order or placing a trade at another time during the trading day.

Who is this ETF for?

Investors who:

- want both foreign equity and fixed-income securities in a single ETF and prefer to have the portfolio advisor make the asset mix decisions
- are investing for the medium term
- can tolerate low to medium risk.

A word about tax

In general, you'll have to pay income tax on any money you make on an ETF. How much you pay depends on the tax laws where you live and whether or not you hold the ETF in a registered plan, such as a Registered Retirement Savings Plan or a Tax-Free Savings Account.

Keep in mind that if you hold your ETF in a non-registered account, distributions from the ETF are included in your taxable income, whether you get them in cash or have them reinvested.

How much does it cost?

This section shows the fees and expenses you could pay to buy, own and sell units of the ETF. Fees and expenses, including any trailing commissions, can vary among ETFs.

Higher commissions can influence representatives to recommend one investment over another. Ask about other ETFs and investments that may be suitable for you at a lower cost.

1. Brokerage commissions

You may have to pay a commission every time you buy and sell units of the ETF. Commissions may vary by brokerage firm. Some brokerage firms may offer commission-free ETFs or require a minimum purchase amount.

2. ETF expenses

You don't pay these expenses directly. They affect you because they reduce the ETF's returns.

The ETF's expenses are made up of the management fee, operating expenses and trading costs. The ETF's annual management fee is 0.60% of the ETF's value. Because this ETF is new, its operating expenses and trading costs are not yet available.

Trailing commission
The trailing commission is an ongoing commission. It is paid for as long as you own the ETF. It is for the services and advice that your representative and their firm provide to you.

This ETF doesn't have a trailing commission.

3. Other fees

FEE	WHAT YOU PAY
Redemption Fee	The manager may charge unitholders of the ETF, at its discretion, a redemption fee of up to 0.25% of the value of the units you redeem or exchange. The manager will publish the current redemption fee, if any, on its website www.firstasset.com.

What if I change my mind?

Under securities law in some provinces and territories, you have the right to cancel your purchase within 48 hours after you receive confirmation of the purchase.

In some provinces and territories, you also have the right to cancel a purchase, or in some jurisdictions, claim damages, if the prospectus, ETF Facts or financial statements contain a misrepresentation. You must act within the time limit set by the securities law in your province or territory.

For more information, see the securities law of your province or territory or ask a lawyer.

For more information

Contact First Asset Investment Management Inc. or your representative for a copy of the ETF's prospectus and other disclosure documents. These documents and the ETF Facts make up the ETF's legal documents.

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