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**FIERACAPITAL**

**Annual Information Form dated July 4, 2019 relating to:**

Fiera Capital Income Opportunities Fund <sup>1</sup>      Series A and Series F Units

1. An alternative mutual fund

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## INTRODUCTION

This Annual Information Form contains information about the Fund and is meant to supplement the information in the Simplified Prospectus.

In this Annual Information Form:

“**Administrator**” means International Financial Data Services (Canada) Limited, or, if applicable, its successor or assign.

“**Business Day**” means any day on which the TSX is open for trading.

“**Canadian Securities Administrators**” means the securities regulatory authorities in each of the provinces and territories of Canada.

“**Capital Gains Refund**” has the meaning ascribed to such term under “*Taxation of the Fund - Income Tax Considerations*”.

“**Class B Shares**” has the meaning ascribed to such term under “*Principal Holders of Units - Conflicts of Interest*”.

“**CPA Canada**” means the Chartered Professional Accountants Canada.

“**CRA**” means the Canada Revenue Agency.

“**Custodian**” means State Street Trust Company Canada, in its capacity as the custodian of the assets of the Fund under the Custodian Agreement or, if applicable, its successor.

“**Custodian Agreement**” means the custodian agreement dated November 23, 2009 between the Custodian and the Fund, as amended on October 23rd, 2017 and as it may be amended and supplemented from time to time.

“**Fiera**” means Fiera Capital Corporation.

“**Fiera Quantum**” means Fiera Quantum Limited Partnership, the former manager of the Fund.

“**Fund**” means the Fiera Capital Income Opportunities Fund, an investment trust established under the laws of the Province of Québec pursuant to the Trust Agreement and formerly known as the Fiera Quantum Income Opportunities Fund.

“**FundSERV**” means the facility maintained and operated by FundSERV Inc. for electronic communication with participating companies, including the receiving of orders, order matching, contracting, registrations, settlement of orders, transmission of confirmation of purchases and the redemption of investments or instruments.

“**GAAP**” means the generally accepted accounting principles as applicable to publicly accountable enterprises and set out in the CPA Canada Handbook-Accounting, as amended from time to time.

“**GAAS**” means generally accepted auditing standards as set out in the CPA Canada Handbook - Assurance.

“**Handbook**” means the CPA Canada Handbook – Accounting.

“**Independent Review Committee**” or “**IRC**” means the independent review committee of the Fund established for purposes of NI 81-107.

“**Management Fee Distribution**” has the meaning ascribed to such term under “*Management Fee Distributions*”.

“**Management Fees**” means the fees payable by the Fund to the Manager calculated as an annual percentage of the Series Net Asset Value of the Series A Units and the Series Net Asset Value of the Series F Units, calculated daily and paid monthly in arrears, plus applicable taxes.

“**Manager**” means Fiera Capital Corporation, in its capacity as the manager of the Fund or, if applicable, its successor or assign.

“**Net Asset Value**” or “**NAV**” means the net asset value of the Fund, as determined by subtracting the aggregate liabilities of the Fund from the total assets of the Fund, as more fully described under “*Calculation of Net Asset Value and Valuation of Portfolio Securities*”.

“**Net Asset Value per Unit**” or “**NAV per Unit**” means, in respect of a Unit on any Valuation Date, the number obtained by dividing the Series Net Asset Value of that Unit on such day by the total number of Units of that series outstanding on such day (before giving effect to any issue or redemption of Units of that series on that day).

“**NI 81-102**” means National Instrument 81–102 *Investment Funds* of the Canadian Securities Administrators.

“**NI 81-105**” means National Instrument 81–105 *Mutual Fund Sales Practices* of the Canadian Securities Administrators.

“**NI 81-107**” means National Instrument 81–107 *Independent Review Committee for Investment Funds* of the Canadian Securities Administrators.

“**Offering**” means the offering of Series A Units and Series F Units of the Fund pursuant to the Prospectus.

“**Performance Fees**” means the fees payable by the Fund to the Manager based on the Fund’s cumulative total return, as more fully described in the Prospectus under the heading “*Fees and Expenses - Fees and Expenses of the Fund - Performance Fees*”.

“**Policy**” has the meaning ascribed to such term under “*Proxy Voting - Fund Governance*”.

“**Portfolio**” means a diversified portfolio of investments held by the Fund from time to time.

“**Prospectus**” means this simplified prospectus relating to the Offering dated July 4, 2019.

**“Proxy Voting Policy”** means the proxy voting policies, procedures and guidelines established by the Manager for securities held by the Fund.

**“Redemption Date”** means each day that Units may be redeemed, being each Valuation Date.

**“Redemption Notice”** means an irrevocable notice on behalf of a Unitholder indicating the Unitholder’s intention to redeem Units.

**“Redemption Price”** means, in respect of the redemption of a Unit, its NAV per Unit on the Redemption Date.

**“Registered Plans”** means registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered education savings plans, registered disability savings plans and tax-free savings accounts.

**“Series Expenses”** means certain expenses, including Management Fees and Performance Fees, and liabilities of the Fund, as set out in the Prospectus or as determined by the Trustee or the Manager, in their sole discretion, attributed exclusively to a particular series of Units of the Fund.

**“Series Net Asset Value”** means for each series of Units of the Fund, the proportionate share of the NAV attributable to that series of Units on each Valuation Date, as more fully described in the Prospectus under the heading *“Calculation of Net Asset Value and Valuation of Portfolio Securities”*.

**“Tax Act”** means the *Income Tax Act* (Canada), as now or hereafter amended, or successor statutes, and includes the regulations promulgated thereunder.

**“Tax Proposals”** has the meaning ascribed to such term under *“Income Tax Considerations”*.

**“Trailing Commission”** means the trailing commission payable by the Manager to each dealer whose clients hold Series A Units.

**“Trust Agreement”** means the amended and restated trust agreement governing the Fund dated as of October 23, 2017, as it may be amended from time to time.

**“Trustee”** means State Street Trust Company Canada, in its capacity as the trustee of the Fund under the Trust Agreement or, if applicable, its successor.

**“TSX”** means the Toronto Stock Exchange.

**“Unitholders”** means holders of Units of any series.

**“Units”** means the units of the Fund of any series.

**“Valuation Date”** means each Business Day and such other day or days as determined from time to time by the Manager.

“**Valuation Time**” means the close of regular trading on the TSX, normally 4:00 p.m. (Toronto time).

“**Valuator**” means the entity who calculates the Fund’s Net Asset Value, the Series Net Asset Value and the Net Asset Value per Units of the Fund.

### **NAME, FORMATION AND HISTORY OF THE FUND**

The Fund has its head office located at 1981 McGill College Avenue, Suite 1500, Montreal, Québec H3A 0H5 and has registered office in Toronto, which is also the registered office of the Fund, located at 1 Adelaide Street, Suite 600, Toronto, Ontario, M5C 2V9.

The Fund, formerly known as the Fiera Quantum Income Opportunities Fund, is an open-ended investment trust established under the laws of the Province of Québec pursuant to a master trust agreement dated as of October 7, 2013, between Fiera Quantum and National Bank Trust Inc., as amended on May 19, 2015, as amended and restated on April 15, 2016. On December 30, 2015, Fiera Quantum, formerly acting as manager of the Fund, entered into an investment sub-advisor agreement with Fiera pursuant to which Fiera Quantum delegated all investment management functions relating to the Fund to Fiera, as per amendment No. 1 dated January 8, 2016 to the long form prospectus dated July 28, 2015 relating to the offering of Units of the Fund. On April 15, 2016, Fiera Quantum appointed its affiliate Fiera as replacement investment fund manager of the Fund and transferred all its rights and obligations under the Trust Agreement to Fiera. On April 15, 2016, the name of the Fund changed from Fiera Quantum Income Opportunities Fund to Fiera Capital Income Opportunities Fund. Effective on October 23, 2017 and as per the terms of an amended and restated master trust agreement dated October 23, 2017, National Bank Trust Inc. was replaced as trustee of the Fund by State Street Trust Company Canada.

As of the date hereof, Fiera is the manager of the Fund. Fiera is a leading publicly-traded independent money manager with, as of March 31, 2019, approximately \$144.9 billion in assets under management. Fiera provides institutional, retail and private wealth clients with access to full-service integrated money management solutions across traditional and alternative asset classes.

Fiera’s head office is located at 1981 McGill College Avenue, Suite 1500, Montreal, Québec H3A 0H5 and our Toronto registered office, which is also the registered office of the Fund, is located at 1 Adelaide Street, Suite 600, Toronto, Ontario, M5C 2V9.

### **INVESTMENT RESTRICTIONS**

The simplified prospectus contains detailed descriptions of the fundamental investment objective, strategies and risks of the Fund. We manage the Fund according to the requirements of Canadian securities legislation. The Fund is subject to certain restrictions and practices contained in this legislation, including the provisions of National Instrument 81-102 that are applicable to alternative mutual funds. These restrictions and practices are designed in part to ensure that the investments we make for the Fund are diversified and relatively liquid, and to ensure that the Fund is properly managed. For more information, refer to the securities legislation of your province or territory or consult your lawyer. Please see the simplified prospectus for more details on the investment objective and investment strategies.

The Fund also has received permission from the IRC to engage in inter-fund trades of securities with any other funds managed by Fiera, provided that each such trade meets the requirements set out in NI-81-107 applicable to such trades.

### **DESCRIPTION OF UNITS OFFERED BY THE FUND**

The Fund is divided into Units. The series of Units offered by the Fund appear on the cover page of this annual information form. The Fund is permitted to have an unlimited number of series or subseries of Units, having such terms and conditions as the Manager may determine. Each Unit of a series represents an undivided beneficial interest in the net assets of the Fund attributable to that series of Units. The Manager, in its discretion, determines the number of series or subseries of Units and establishes the attributes of each series and subseries, including investor eligibility, the designation and currency of each series and subseries, any minimum initial or subsequent investment thresholds, any minimum redemption amounts or minimum account balances, fees and expenses of the series, sales or redemption charges payable in respect of the series or subseries, redemption rights, convertibility among series and any additional series or subseries specific attributes.

Units are not transferable, except by operation of law (for example, a death or bankruptcy of a Unitholder) or with the approval of the Manager. To dispose of Units, a Unitholder must have them redeemed.

Fractional Units carry the same rights and are subject to the same conditions as whole Units (other than with respect to voting rights) in the proportion that they bear to a whole Unit. Outstanding Units of any series may be subdivided or consolidated in the Manager's discretion. The Manager may redesignate units of a series as Units of any other series based on their relative Net Asset Values per Unit.

Additional series or subseries of units of the Fund may be offered at the Manager's discretion.

#### **Distribution rights**

The Fund also intends to distribute sufficient net income (including net realized capital gains, if any) to Unitholders in each calendar year to ensure that the Fund is not liable for income tax under Part I of the Tax Act. Any such distributions will be made to Unitholders pro rata, based on the number of Units held by them on the Valuation Date preceding the applicable distribution date.

All Units of the same series are entitled to participate pro rata in any payments or distributions made by the Fund to the Unitholders of the same series. The Fund intends to make quarterly distributions comprised of interest, dividend income and/or capital gain generated from the Portfolio to Unitholders of record on the last Business Day of each quarter. Any payments to Unitholders (less any amounts required by law to be deducted there from) will be paid two days following the quarter for which the distribution is payable.



## **Voting rights**

For each Unit of any series you hold of the Fund, you are entitled to one vote at any meeting of all Unitholders of the Fund and any meeting held only for Unitholders of that series.

Pursuant to the terms of the Trust Agreement, Unitholder approval of a matter is only required if mandated by applicable securities laws. However, if the Manager reasonably believes that a change to the Trust Agreement has the potential of materially adversely impact the financial interests or rights of the Unitholders, such that it is equitable to give the Unitholders advance notice, then no amendment to the Trust Agreement shall be made until the Manager has provided Unitholders with a 30 days prior notice of any such change or such longer time as may be required by applicable securities laws.

Except if otherwise provided for in NI 81-102, the prior approval of the holders of the Units of the Fund is required before the occurrence of each of the following:

- (a) the basis of the calculation of a fee or expense that is charged to Fund or directly to its holders or its manager in connection with the holding of securities of the Fund is changed in a way that could result in an increase in charges to the Fund or to its holders of Units;
- (b) a fee or expense, to be charged to the Fund or directly to its holders by the Fund or its manager in connection with the holding of securities of the Fund that could result in an increase in charges to the Fund or to its holders, is introduced;
- (c) the Manager is changed, unless the new manager is an affiliate of the Manager;
- (d) the fundamental investment objectives of the Fund are changed;
- (e) the Fund decreases the frequency of the calculation of its Net Asset Value per Unit;
- (f) the Fund undertakes a reorganization with, or transfers its assets to, another issuer, if
  - (i) the Fund ceases to continue after the reorganization or transfer of assets; and
  - (ii) the transaction results in Unitholders of the Fund becoming holders in the other issuer;
- (g) the Fund undertakes a reorganization with, or acquires assets from, another issuer, if:
  - (i) the Fund continues after the reorganization or acquisition of assets;
  - (ii) the transaction results in the holders of the other issuer becoming Unitholders of the Fund; and
  - (iii) the transaction would be a material change to the Fund;
- (h) the Fund implements any of the following:

- (i) in the case of a mutual fund, a restructuring into a non-redeemable investment fund;
- (ii) a restructuring into an issuer that is not an investment fund.

Despite the paragraphs (a) and (b) above, the approval of Unitholders of the Fund is not required to be obtained if

- (a) the Fund is at arm's length to the person charging the fee or expense to the Fund;
- (b) the Prospectus of the Fund discloses that, although the approval of Unitholders will not be obtained before making the changes, Unitholders will be sent a written notice at least 60 days before the effective date of the change that is to be made that could result in an increase in charges to the Fund; and
- (c) the notice referred to in subparagraph (b) is actually sent at least 60 days before the effective date of the change; or

Despite the paragraph g) above, the approval of Unitholders of the Fund is not required to be obtained for such reorganization if all of the following paragraphs apply:

- (a) the IRC has approved the change under subsection 5.2(2) of NI 81-107;
- (b) the Fund is being reorganized with, or its assets are being transferred to, another investment fund to which NI 81-102 and NI 81-107 apply and that is managed by the Manager, or an affiliate of the Manager;
- (c) the reorganization or transfer of assets of the Fund complies with the criteria in paragraphs 5.6(1)(a), (b), (c), (d), (g), (h), (i), (j) and (k) of NI 81-102;
- (d) the Prospectus of Fund discloses that, although the approval of Unitholders may not be obtained before making the change, Unitholders will be sent a written notice at least 60 days before the effective date of the change;
- (e) the notice referred to in subparagraph (d) to Unitholders is sent at least 60 days before the effective date of the change.

Subject to IRC approval, no Unitholder approval will be required for a change of auditors of a Fund if Unitholders of the Fund are sent a written notice at least 60 days before the effective date of the change.

### **Liquidation rights**

Upon liquidation of the Fund, all Units of the same series are entitled to participate *pro rata* in any distributions to Unitholders of the same series of net assets of the Fund attributable to the series remaining after satisfaction of outstanding liabilities of such series.

## **Redemption rights**

At the option of the Unitholder, all series of Units of the Fund are redeemable by the Unitholder at the Net Asset Value per Unit of the relevant series by following the procedures set forth in the simplified prospectus.

Furthermore, the Manager may, in its sole discretion, cause the Fund to redeem all or a portion of a Unitholder's Units. at the net asset value per Unit of the relevant series, including, but not limited to the following instances:

- the aggregate value of the Unitholder's holdings of the Fund falls below the amount specified from time to time in the simplified prospectus;
- the Fund is authorized to do so by applicable securities law or securities regulators; or
- the continued ownership of Units by a Unitholder that is a non-resident of Canada would cause the Fund to be unable to obtain or to lose its status as a mutual fund trust for the purposes of the Tax Act.

## **CALCULATION OF NET ASSET VALUE AND VALUATION OF PORTFOLIO SECURITIES**

The Manager shall determine or shall cause to be determined the Net Asset Value, the Series Net Asset Value and the Net Asset Value per Unit at the Valuation Time on each Business Day, on the last day of each taxation year of the Fund and on such other day and time as the Manager may determine.

The Manager has retained State Street Trust Company Canada to calculate the Fund's Net Asset Value, the Series Net Asset Value and the Net Asset Value per Units daily (hereinafter, to act as "**Valuator**") as set forth below. The Valuator of the Fund provides such services to the Fund from its offices located at 18 King Street East, suite 1700, Toronto, Ontario, M5C 1C4.

The Net Asset Value is calculated as the value of the Fund's assets, less its liabilities, computed on a particular date in accordance with the Trust Agreement. The Valuator will calculate the Net Asset Value on each Valuation Date at the close of regular trading on the TSX, normally 4:00 p.m. (Toronto time) in accordance with industry practices.

The Series Net Asset Value will be, for each series of Units of the Fund, the proportionate share of the Net Asset Value of the Fund attributable to that series of Units, less the liabilities of the Fund attributable only to that series of Units and the proportionate share of the common liabilities of the Fund allocated to that series of Units.

The Net Asset Value per Unit for the Units of each series of Units of the Fund will be the quotient obtained by dividing the amount equal to the Series Net Asset Value of that series of Units by the total number of outstanding Units of that series, including fractions of Units of that series, and adjusting the result to a maximum of three decimal places.

The number of Units, the fair market value of the assets and the amount of the liabilities of the Fund is calculated in such manner as the Valuator in its sole discretion determines from time to time and the following rules:

- (a) The Fund's assets are deemed to include:
  - (i) cash or cash equivalents, including foreign currency, and cash on hand, on deposit and on demand, including accrued interest;
  - (ii) all instruments, notes and accounts receivable;
  - (iii) all debt securities, equity securities, derivatives and any other security held or acquired by the Fund;
  - (iv) all cash and share dividends and cash distributions received by the Fund, and at the discretion of the Manager, cash and share dividends and cash distributions to be received by the Manager that have been declared in favour of registered shareholders but not paid on or prior to a Valuation Date;
  - (v) all accrued interest on fixed-rate interest-bearing securities held by the Fund when such interest is not included in the quoted market price of the securities; and
  - (vi) any other property of any type and nature, including pre-paid fees and derivatives permitted by applicable securities laws.
- (b) The value of these assets shall be determined by the Manager in its best judgment, in accordance with applicable securities laws, GAAP and market practices current in similar circumstances and applied consistently;
- (c) The liabilities of a Fund are deemed to include:
  - (i) all instruments, notes and accounts payable;
  - (ii) all fund expenses and administration fees to be paid or accrued, or both (including Management Fees, Performance Fees and fees of the Trustee and Custodian, if any);
  - (iii) all contractual obligations for payment of amounts of money or property;
  - (iv) all provisions authorized or approved by the Manager for taxes, if any, or contingencies; and
  - (v) all other liabilities of the Fund, of whatever kind and nature, except liabilities represented by outstanding Units and the balance of any undistributed income or capital gains;

(d) Buy and sell transactions of securities are reflected in the determination of the Net Asset Value at the latest on the first Valuation Date after the date on which the transaction becomes enforceable;

(e) The issue or redemption of Units is reflected in the determination of the Net Asset Value at the latest on the first Valuation Date following the Valuation Date used as reference for the issue or the redemption of these Units;

(f) When the Trustee receives a request for redemption of Units, these Units are considered to have been redeemed and no longer outstanding immediately after the Valuation Time on the Valuation Date used for reference for the redemption of the Units and subsequently, up to the date of reimbursement, the redemption price is deemed to be a liability of the Fund; and

(g) Unless otherwise specifically provided with respect to a Fund, all assets and securities denominated in foreign currency and contractual obligations payable to or by the Fund shall be converted to Canadian dollars at the applicable rate of exchange in effect on the Valuation Date, as determined by the Trustee.

The Net Asset Value per Unit of each series of Units of the Fund as at each Valuation Date is available through FundSERV on a daily basis. Such prices are also available on the Manager's website at [www.fieracapital.com](http://www.fieracapital.com). The Manager also provides such information at no cost to Unitholders who so request by calling 1-833 463-4372.

## **PURCHASING, REDEEMING AND SWITCHING UNITS OF THE FUND**

### **Purchasing Units of the Fund**

Units are offered on a continuous basis at a subscription price equal to the Net Asset Value per Unit on the applicable Valuation Date upon which the Units are purchased. Units of each series of the Fund are offered for sale on a continuous basis and may be purchased through authorized dealers. Purchases of Series A Units and Series F Units may be effected through the settlement network operated by FundSERV. To purchase the Series A Units and Series F Units, purchasers, through their dealers, must initiate an irrevocable purchase order to purchase the Series A Units or Series F Units in accordance with the then established procedures of FundSERV using the following codes:

Series A Units:	FCO 110A
Series F Units:	FCO 110F

Purchase orders received before 4:00 p.m. (Toronto time) on a Valuation Date will be effective, if accepted by the Manager, on that date and will be processed at the Unit price calculated as of such Valuation Date. Purchase orders received after such time will be effective as of the next Valuation Date.

Units of each Series can only be purchased in Canadian dollars.

Payment for Units must be made within two Business Days following the Valuation Date on which the Units were purchased. If the payment for Units purchased is not received from an

investor by such day, the Manager will redeem the Units issued to the investor on the next Valuation Date. If the proceeds from the redemption are greater than the amount of the payment owing, the Fund will keep the difference. If the proceeds are less than the payment owing, the investor or his or her dealer must pay the difference, and the Fund or the dealer will collect this amount plus expenses and interest from the investor.

We may refuse any order to purchase Units, in whole or in part, within one (1) Business Day of receiving it. If we refuse your order, we return all of your money, without any interest, to your dealer to be credited to your account.

### **Minimum investment**

The minimum subscription for an initial investment in the Series A Units or the Series F Units is currently \$500. Investors must hold Series A Units or Series F Units having a fair value of at least \$500 in the Fund at all times.

Fiera reserves the right to change or waive the minimum investment requirement at any time in its sole discretion. Your dealer may establish higher minimum thresholds.

### **Redeeming Units of the Fund**

You can redeem your Units of any Business Day by entering a request for redemption of the FundSERV network. Redemption request received prior to 4:00 p.m. (Toronto time) on a Valuation Date will be effective on that date and will be processed at Net Asset Value per Unit next determined after receipt of the redemption request. Redemption requests received after such time will be effective as of the next Valuation Date. Requests for redemption will be accepted in the order in which they are received.

The Fund shall pay within two days following the receipt of a redemption request for each Unit so redeemed an amount equal to the Net Asset Value per Unit determined as of the relevant Valuation Date.

Payment of the redemption proceeds will be made using the FundSERV network. Any payment referred to above, unless such payment is not honored, will discharge the Fund, the Trustee, the Manager and their agents from all liability to the redeeming Unitholder in respect of the payment and the Units redeemed and the Unitholder will cease to have any further rights with respect to such Units as of the Redemption Date.

See “*Redeeming Units of the Fund*” in the Prospectus for more information.

Unitholders should also refer to “*Short-Term Trading*” below in connection with any redemption.

### **Suspension of Redemptions**

We reserve the right to suspend the right of redemption and to postpone the date of payment upon redemption for any period, but only in compliance with applicable securities regulatory policies. The right of redemption with respect to units of a Fund may be suspended:

- during any period when normal trading is suspended on any exchange on which portfolio securities or specified derivatives are traded where either represents more than 50% of the total assets of that Fund without allowance for liabilities, provided that those portfolio securities or specified derivatives are not traded on another exchange that represents a reasonably practical alternative for the Fund;
- in addition, the right of redemption may be suspended with the consent of the securities regulatory authorities.

Any suspension may apply to all requests for redemption received prior to the suspension but as to which payment has not been made, as well as to all requests received while the suspension is in effect. All Unitholders making redemption requests will be advised by the Manager of the suspension and that redemption requests previously received will be effected as of the first Valuation Date following the termination of the suspension. All such Unitholders will be advised that they have the right to withdraw any requests for redemption previously submitted. The suspension will terminate on the first day on which the condition giving rise to the suspension has ceased to exist, provided that no other condition under which a suspension is authorized to be imposed then exists.

### **Short-term trading**

If you redeem Units of the Fund within 120 days after buying them, you may have to pay a short-term trading fee of up to 3% of the Net Asset Value of the Units, and we may also require that you redeem all of your holdings in the Fund. This fee is paid to the Fund and is in addition to any other fees that may apply. The Fund does not have any arrangements, formal or informal, with any person or company to permit short-term trading.

## **MANAGEMENT OF THE FUND**

### **Manager**

The manager of the Fund is Fiera Capital Corporation. As the manager of the Fund, we are responsible for the day-to-day operations of the Fund. The head office of the Manager is located at 1981 McGill College Avenue, Suite 1500, Montreal, Québec H3A 0H5. Our phone number is 1-833 463-4372, our e-mail address is [retailmarkets@fieracapital.com](mailto:retailmarkets@fieracapital.com) and our website address is [www.fieracapital.com](http://www.fieracapital.com).

We may resign as manager of the Fund provided we give sixty (60) days' notice to the trustee. We may be terminated as manager of the Fund at any time if we declare bankruptcy or become insolvent and are not able to manage the Fund.

### *Our directors and officers*

Here is a list of the directors and executive officers of the Manager. We have included their name and the city in which they live, the current position they hold with us, and their main occupation. If they have held any different main occupation within the last five years, we have included those other main occupations.

<b><u>Name and Municipality of Residence</u></b>	<b><u>Position with the Manager</u></b>	<b><u>Principal Occupation</u></b>
Réal Bellemare Montréal, Québec	Director	Executive Vice-President, Finance, Treasury, Administration and Chief Financial Officer, Desjardins Group
Geoff Beattie Toronto, Ontario	Director	CEO, Generation Capital and Chair of Relay Venture
Sebastian Blandizzi Toronto, Ontario	Global Chief Technology & Operations Officer	Global Chief Technology & Operations Officer, Fiera Capital Corporation  From July 2017 to June 2018: Chief Executive Officer, COZM Inc.  From December 2010 to December 2016: CIO, SVP & Head of Global Solutions Delivery, the Investments and Global Group Divisions at Manulife Financial
François Bourdon Saint-Constant, Québec	Global Chief Investment Officer	Global Chief Investment Officer
Gary Collins Vancouver, British-Columbia	Director	Senior Advisor, Lazard Canada  From 2015 to September 2016: Senior Advisor, Versus Partners Co.  From June 2014 to January 2015: Corporate Director, CHL/LIQ/DBO  From August 2012 to May 2014: President, Coastal Contacts (COA)
Jean-Guy Desjardins Westmount, Québec	Chairman of the Board, President and Chief Executive Officer, Fiera Capital Corporation	Chairman of the Board, President and Chief Executive Officer, Fiera Capital Corporation
Nitin N. Kumbhani Dayton, Ohio	Vice Chairman, Chief of Growth Equity Strategies, Fiera Capital Inc. (a US division of Fiera Capital Corporation)	Vice Chairman, Chief of Growth Equity Strategies, Fiera Capital Inc. (a US division of Fiera Capital Corporation)
Raymond Laurin Lévis, Québec	Director	Corporate Director
Jean C. Monty Montréal, Québec	Director	Director, DJM Capital Inc. and Corporate Director
Todd Morgan Los Angeles, California	Chairman and Chief Executive Officer, Bel Air Investment Advisors LLC and Director	Chairman and Chief Executive Officer, Bel Air Investment Advisors LLC
Lise Pistono Laval, Québec	Director	Vice President and Chief Financial Officer of DJM Capital Inc. and Corporate Director
David R. Shaw	Lead Director	Non-Executive Chairman of LHH



Toronto, Ontario		Knightsbridge
Jean Raby Paris, France	Director	Chief Executive Officer of Natixis Investment Managers  From May 2016 to November 2016: Chief Financial Officer, SFR Group  From September 2013 to February 2016: Executive Vice-President, Chief Financial and Legal Officer, Alcatel-Lucent S.A.  From March 2016 to April 2016: Adviser to the Chief Financial Officer, Nokia
Violaine Des Roches Outremont, Québec	Senior Vice President, Chief Legal and Chief Compliance Officer and Corporate Secretary Fiera Capital Corporation	Senior Vice President, Chief Legal and Chief Compliance Officer and Corporate Secretary Fiera Capital Corporation
Vincent Duhamel Magog, Québec	Global President and Chief Operating Officer, Fiera Capital Corporation	Global President and Chief Operating Officer  March 2011 to November 2017: Chief Executive Officer at Lombard Odier & Co. in Asia
Ted Ecclestone Toronto, Ontario	Executive Vice President, Private Wealth, Canadian division, Fiera Capital Corporation	Executive Vice President, Private Wealth, Canadian division, Fiera Capital Corporation  Prior to May 2018: Partner, Portfolio Manager, Director at GCOV Asset Management
Jean-Philippe Lemay Candiac, Québec	President and Chief Operating Officer and Canadian division, Fiera Capital Corporation	President and Chief Operating Officer and Canadian division, Fiera Capital Corporation  Prior to 2017: Chief Investment Officer, Canadian division of the Manager
Nicolas Papageorgiou Outremont, Québec	Chief Investment Officer, Canadian division, Fiera Capital Corporation	Chief Investment Officer, Canadian division, Fiera Capital Corporation  From 2016 to 2018: Co-Leader of the Systematic Investment Strategies at the Manager  Prior to 2016: Head of Research at leading investment and consulting firms
Lucas Pontillo	Executive Vice President and Global Chief Financial Officer, Fiera Capital Corporation	Executive Vice President and Global Chief Operating Officer, Fiera Capital Corporation.

		<p>From January 2016 to October 2018: Senior Managing Director and Chief Operating Officer at Manulife Asset Management</p> <p>From August 2013 to December 2015: Senior Managing Director and Chief Financial Officer at Manulife Asset Management</p>
<p>Daniel Richard Montreal, Québec</p>	<p>Senior Vice President, Global Human Resources and Corporate Communications and CHRO</p>	<p>Senior Vice President, Global Human Resources and Corporate Communications and CHRO</p> <p>Prior to 2016: Director of External Communications for a global technology and engineering firm in Texas.</p>
<p>Norman M. Steinberg Montréal, Québec</p>	<p>Director</p>	<p>Vice Chair, BFL Canada</p> <p>From March 2017 to June 2019: Chair Emeritus, Norton Rose Fulbright Canada LLP.</p> <p>From June 2005 to March 2017: Chairman, Norton Rose Fulbright Canada LLP.</p> <p>From May 2013 to May 2016: Global Vice-Chair, Norton Rose Fulbright LLP.</p>
<p>Benjamin Thompson New York, New York</p>	<p>President and Chief Executive Officer, Fiera Capital Inc. (a US division of Fiera Capital Corporation)</p>	<p>President and Chief Executive Officer, Fiera Capital Inc. (a US division of Fiera Capital Corporation)</p> <p>Prior to 2015: Chief Executive Officer and partner of Samson Capital Advisors</p>
<p>John Valentini Montreal, Québec</p>	<p>President and Chief Executive Officer of the Private Alternative Investments Inc. (a division of Fiera Capital Corporation)</p>	<p>President and Chief Executive Officer of the Private Alternative Investments Inc. (a division of Fiera Capital Corporation)</p> <p>Prior to October 2018: Executive Vice President, Global Chief Financial Officer and President of the Private Alternative Investments division, Fiera Capital Corporation</p> <p>From April 2015 to September 2015: Executive Vice-president, Chief Financial Officer and Chief Operating Officer of the Public Sector Pension Investment Board (PSP Investments)</p>

## Portfolio manager and sub-advisers

Investment decisions for the Fund are made by the following portfolio manager employed by us.

<u>Name and Title</u>	<u>Length of Service with the Manager</u>	<u>Prior Experience</u>
Angus Roger,  Vice President and Senior Portfolio Manager, High Yield Bond	5 years	Prior to joining us, Mr. Roger was the Head of High Yield Trading and Co-head of the Leverage Finance Department at Jefferies Group LLC in Stamford, Connecticut. Prior to that, he was Head of Trading/Co-Head of the High Yield Group for RBC Capital Markets in New York. Mr. Rogers has 29 years of experience in U.S. and Canadian high-yield and has been Managing Director at RBC Capital Markets in both New York and Toronto. He has a Bachelor's degree in Economics, Politics, and Philosophy from the University of Western Ontario (1988) and received his CFA designation in 1992.

## How we make brokerage arrangements

It is the Manager's policy to select dealers to effect securities transactions for the Fund in a manner that serves the best interests of the Fund. Brokerage commissions are paid for both order execution and research goods and services. As part of the process of allocating brokerage transactions, both trading and research personnel vote on which dealers contribute the most to our investment management process. The specific aim is to leverage our research knowledge and to acquire the best execution when trading securities for the Fund.

The nature of the services provided by dealers used by the Manager to effect transactions for the Fund ranges from order execution only, to trading commissions, to full service brokers who provide order execution as well as research. We also participate in third party "soft dollar" arrangements whereby a portion of the commission paid to the dealer is allocated to a third party independent research house or data provider. The independent services provided are covered by contractual arrangements between the Manager and the service provider. The cost of these services is paid directly by "soft dollar" dealers who set aside part of the trading commission for such purpose.

The type of goods and services provided in addition to order execution services includes dealer research and dealer sponsored research conferences, company financial data, market data, risk analysis, economic and strategy analysis and market and trading information.

The Manager receives high quality execution and research in return for brokerage commissions paid to dealers. The Manager has determined that the overall value of order execution and research services received is reasonable considering the total amount of brokerage commissions paid by the Fund. This determination was made based on the industry experience and expertise of the Manager's personnel involved, taking into account the total commission dollars generated by the Manager in managing the Fund's portfolio relative to the research services received.

The names of dealers and third parties providing the services described above in connection with the securities transactions for the Fund will be provided upon request by contacting us at 1-833 463-4372, or by email at [investorsolutions@fieracapital.com](mailto:investorsolutions@fieracapital.com).

### **Trustee**

State Street Trust Company Canada located in Montréal acts as trustee of the Fund. It is responsible for certain aspects of the day-to-day administration of the Fund.

### **Custodian**

Pursuant to a custodian agreement dated November 23, 2009 between State Street Trust Company Canada, the Manager and other investment funds managed by the Manager, as amended on October 23, 2017 to include the Fund, State Street Trust Company Canada, located in Montréal, Québec, acts as custodian of the Fund. The custodian is responsible for keeping all the records of the assets of the Fund and safekeeping the investments of the Fund.

The custodian may retain sub-custodians from time to time in respect of securities that trade primarily in markets outside of Canada. When it does so, the sub-custodians must meet the requirements described in NI 81-102, and the custodian requires that the sub-custodians adhere to the same standard of care as the custodian. Sub-custodians are paid by the custodian out of its own fees.

### **Auditor**

The auditor of the Fund is PricewaterhouseCoopers LLP, located in Montréal, Québec.

### **Administrator, Transfer Agent and Registrar**

Pursuant to a securityholding services agreement dated March 24, 2017, International Financial Data Services (Canada) Limited acts as the administrator, transfer agent and registrar for the Fund from its offices in Toronto, Ontario.

### **Securities Lending Agent**

Pursuant to a Securities Lending Authorization Agreement dated January 17, 2018, State Street Bank and Trust Company acts as securities lending agent for the Fund.

Natcan Trust Company also acts as securities lending agent for the Fund pursuant to a Securities Lending Agency Agreement dated July 20, 2018.

### **Cash Lender**

The Fund may, from time to time, borrow cash to the extent permitted as an alternative mutual fund under Canadian securities regulations. The Fund currently has not entered into an agreement with any person to borrow cash, obtain a line of credit or make a similar borrowing arrangement. It is expected that the lender under any such future agreement or arrangement will not be an affiliate or associate of the Manager.

## CONFLICTS OF INTEREST

### Principal holders of Units

As at June 10, 2019, to our knowledge, there are no persons or companies that are, directly or indirectly, owners of record of, or beneficial owners of, more than 10% of the Manager's issued and outstanding voting securities of any class other than:

- Fiera Capital L.P., which is the owner of record of 100% of the issued and outstanding Class B special voting shares of the Manager (the "**Class B Shares**");
- Jean-Guy Desjardins (Chairman, Chief Executive Officer and Director of the Manager), who indirectly holds approximately 37.7% of the Class B Shares (indirectly through DJM Capital Inc., Arvestia Inc., Fiera Holdings Inc. and Fiera Capital L.P., each of which is a controlled entity of Jean-Guy Desjardins);

As at June 10, 2019, the directors and officers of Fiera, as a group, beneficially owned, directly or indirectly, or exercised control or direction over 5,659,618 Class A Shares and 9,212,051 Class B Shares of Fiera, representing approximately 7.09% of the total number of 79,823,365 Class A Shares outstanding and approximately 47.45% of the total number of 19,412,401 Class B Shares outstanding before giving effect to the exercise of options or other convertible securities held by such directors and officers. Likewise, as at June 10, 2019, 2019, the directors and officers of Fiera, as a group, beneficially owned, directly or indirectly, or exercised control or direction over 8,404 deferred share units, options to acquire up to 2,831,891 Class A Shares, 96,985 restricted share units, and 1,085,519 performance share units.

As at June 10, 2019, the members of the Independent Review Committee of the Fund, in aggregate, did not beneficially own, directly or indirectly, any of the issued and outstanding voting securities of the Manager or any of the issued and outstanding voting securities of any entity that provides services to the Fund or the Manager.

According to the knowledge of the Manager, as of the date of this annual information form, no security holder holds more than 10% of the issued and outstanding Units of the Fund.

The services of the Manager, its officers, directors and affiliates are not exclusive to the Fund. The Manager and any of its respective affiliates and associates may, at any time, engage in the promotion, management or investment management of any other fund or trust and provide similar services to other investment funds and other clients and engage in other activities. Investment decisions for the Fund will be made independently of those made for other clients and independently of investments of the Manager. On occasion, however, the Manager may make the same investment for the Fund and for one or more of its other clients. If the Fund and one or more of the other clients of the Manager are engaged in the purchase or sale of the same security, the transactions will be effected on an equitable basis. The Manager has adopted a conflict of interest policy to address and minimize potential conflicts of interest that may arise from this situation. This policy states that the Manager will deal fairly, honestly and in good faith with all clients and not advantage one client over another. The Manager may in the future act as the manager or investment adviser to other funds which invest in debt securities and which are considered competitors to the Fund.



## **FUND GOVERNANCE**

### **Oversight of the Fund**

The Manager is responsible for managing the assets of the Fund, has complete discretion to invest and reinvest the Fund's assets, and is responsible for executing all portfolio transactions. The Manager may delegate its powers to third parties where, in the discretion of the Manager, it would be in the best interests of the Fund to do so. The Manager is required to exercise its powers and discharge the duties of its office honestly, in good faith, and in the best interests of the Fund and the Unitholders and in connection therewith must exercise the degree of care, diligence and competence that a reasonably prudent professional portfolio manager would exercise in comparable circumstances.

Risk management for the Fund is part of our overall risk management process. The process includes the establishment of investment guidelines for the Fund. The Manager sign quarterly statements of compliance with the guidelines. The Chief Compliance Officer regularly reviews such compliance.

Further to the requirements of NI 81-107 we have written policies and procedures that address potential conflicts of interest that we have identified in our management of the Fund. We have referred these policies and procedures to the IRC, and the IRC has reviewed and approved the policies and procedures.

We have our own Code of Ethics that is specifically tailored to our business and covers areas such as personal trading by employees. The investment activities of the Fund is monitored by our Chief Compliance Officer. Our Audit Committee, all of the members of which are independent directors, reviews the operations of the Fund and gives direction as required. This includes, among other things, the review of the annual financial statements. Our sales practices are established by senior management and are monitored by compliance personnel for adherence to applicable securities laws as well as our Code of Ethics. The compliance of the Fund with its investment policy is reviewed quarterly. As our approach is not one of active solicitation and sales, we do not have a separate, detailed statement of sales practices.

### **Derivatives**

The Fund may use derivatives for hedging and non-hedging purposes as permitted for alternative mutual funds under securities law and in a manner that is consistent with their investment objectives and strategies. Typical types of derivatives that may be used to hedge positions or enhance investment returns include forward contracts, options (calls and puts) and swaps. See the simplified prospectus of the Fund for a description of the risks associated with the use of derivatives. The use of the derivatives allows the Fund to capitalize on change in market opportunities and to hedge the Fund from fixed income, currency and credit risks.

Derivatives are instruments that derive their value from the market price, value or level of an underlying security, commodity, economic indicator, index or financial instrument and enable investors to speculate on or hedge against future changes in the price or value of the underlying interest of the derivative. The Fund may obtain exposure to derivatives instruments provided that

such derivatives are consistent with the investment objective, strategies and restrictions of the Fund. The Fund is managed in accordance with the restrictions and practices related to derivatives set out in NI 81-102, as applicable to alternative mutual funds. Securities legislation distinguishes between derivatives for hedging purposes and for non-hedging purposes. “Hedging” refers to investments that are intended to offset or reduce a specific risk associated with all or a portion of an existing investment. Alternative mutual funds, such as the Fund, are accorded greater flexibility to invest in derivatives for non-hedging purposes than standard mutual funds that have more stringent investment restrictions.

The use of derivatives is governed by our trading policies and procedures. These policies and procedures are prepared and reviewed by senior management and the decision to use derivatives is made by senior portfolio managers. Our compliance procedures require that the designated registered options principal review any trading in derivatives. As part of his review of trading operations, our Manager of Risk also reviews derivatives trading.

### **Short-Selling**

Some of the investment strategies employed by the Fund may be implemented by engaging in short selling which involves borrowing securities from a lender and then selling those securities in the open market. The Fund has written policies and procedures that set out the objectives and goals for short selling and the risk management procedure applicable to short selling. All short sales by the Fund must comply with the limits described in NI 81-102 for alternative mutual funds. In addition, the Fund generally establishes stop-loss requirements for individual short sale positions. These and other similar limits and controls on short selling are established from time to time by the Manager’s senior portfolio management team who also monitor the short sales effected by individual portfolio managers for Fund.

### **Members and Mandate of the Independent Review Committee**

The Manager has appointed the following individuals to be the members of the IRC:

- Mr. Robert F. Kay (Chair)
- Mr. Charles R. Moses
- Mr. Jerry Patava

The following is the mandate of the IRC as required under NI 81-107:

- (a) review a conflict of interest matter, including any related policies and procedures, referred to it by the Manager and make recommendations to the Manager regarding whether the proposed action of the Manager in respect of the conflict of interest matter achieves a fair and reasonable result for the applicable funds;
- (b) consider and approve, if deemed appropriate, the Manager’s proposed action on a conflict of interest matter that the Manager refers to the IRC for approval; and



(c) perform such other duties, recommendations and approvals as may be permitted of the IRC under applicable securities laws.

Among other matters, the IRC prepares, at least annually, a report of its activities for Unitholders of the Fund which is available on our website at [www.fieracapital.com](http://www.fieracapital.com) or upon request by any Unitholder at no cost, by calling 1-833 463-4372 or e-mail to: [retailmarkets@fieracapital.com](mailto:retailmarkets@fieracapital.com).

### **Proxy voting**

The Manager has established a policy on the exercise of voting rights that outlines the manner in which the voting rights related to securities held in the Fund's portfolios are to be exercised (the "**Policy**"). The Policy reflects the Manager's responsibility to act in the best economic interest of the Fund and the Unitholders by fully exercising the rights attached to securities held in the Fund's portfolios, and this based on the standards of ethics and codes of conduct it may adopt and, to the extent possible.

The Policy covers several subjects on which the Fund can be called upon to exercise proxy voting rights. It cannot, however, be exhaustive or foresee all possible situations. Generally, the Policy provides that unless an issuer's particular situation justifies other action:

- on the election of directors, the securities held by the Fund will be voted for resolutions whose effect consists in creating or maintaining a majority of independent directors. Additionally, the Manager will support the individual election of directors rather than a proposal claiming the election of directors by slate;
- on director and management compensation matters, the securities held by the Fund will be voted for proposals whose effect consists in creating or maintaining a director and management compensation plan based on the attaining of objectives (financial and/or social and environmental) that are consistent with the long-term interests of the corporation and its shareholders;
- on matters related to takeover bids and similar transactions, and shareholders' rights matters, the securities held by the Fund will be voted in accordance with specific provisions of the Policy applicable to such situations aimed at protecting the interests of Unitholders in the Fund;
- on matters related to the appointment of independent external auditor, the securities held by the Fund will be voted for proposals to appoint independent external auditor.

If the potential for conflict of interests arises in connection with the proxy voting and if deemed advisable to maintain impartiality, the Policy provides that the Manager may choose to seek out and follow the voting recommendation of an independent proxy search and voting service.

Within the Manager, the portfolio advisers who oversee a specific investment undertake the responsibility for making the voting decision for all proxies for that investment. The portfolio advisers will review (a) the information provided in the proxy statement, (b) available research relevant to the topic provided by both internal research staff and independent third parties, (c) current analyses in respect of the issuer, and (d) the portfolio advisers' bank of knowledge to

assist in making the decision. The portfolio advisers will vote in favour of proposals that they believe will enhance shareholder value over the longer term. They will vote against proposals that he believes will reduce shareholder value. In general terms this will result in voting with management on routine matters such as the appointment of auditor, auditor remuneration and the appointment of directors. A portfolio adviser may deviate from the standing policies or guidelines for voting on routine matters, including refraining from voting, where he believes it is necessary to do so in that particular circumstance in order to further the best interests of Unitholders of the Fund, such as where the portfolio adviser is of the view that the negative short term effect of proposed measures will outweigh the longer term benefits and be detrimental to the realizable value of the issuer.

The portfolio adviser indicates his decisions regarding voting on a copy of the proxy or other material presented by the various custodians involved. The administrator responsible for proxy voting transfers this information onto the format required by the custodians where custodians act as intermediaries to record the actual votes. Alternatively, the administrator accesses the appropriate system and completes the instructions where direct electronic voting is available. A signing officer reviews and signs all voting instructions to the custodians.

The Proxy Voting Policy is available on request, at no cost, by calling the Manager at 1-833 463-4372 or emailing the Manager at [retailmarkets@fieracapital.com](mailto:retailmarkets@fieracapital.com).

The Fund's proxy voting record for the annual period from July 1 to June 30th will be available free of charge to any investor of the Fund upon request at any time after August 31 following the end of that annual period. The Fund's proxy voting record will also be available on the website of the Manager at [www.fieracapital.com](http://www.fieracapital.com).

### **MANAGEMENT FEE DISTRIBUTIONS**

The Manager may, from time to time, authorize a reduction in the Management Fee rates borne by the Fund. To effect such a reduction, the Manager will reduce the Management Fee it charges to the Fund with respect to the particular investor's Units and the Fund will distribute the amount of such reduction to that investor as a special distribution ("**Management Fee Distribution**"). The Fund will calculate and accrue Management Fee Distributions, where applicable, on a daily basis, and such amounts will be distributed at such intervals as the Manager will determine from time to time. Generally, Management Fee Distributions will be paid first out of net income and net realized capital gains and then out of capital. Management Fee Distributions will automatically be reinvested in additional units of the Fund. The decision to pay Management Fee Distribution is in our complete discretion and depends on a number of factors, including the size of the investment (whether at a particular time or during a specified period of time) and a negotiated fee agreement between the investor and the Manager.

Such Management Fee Distribution will generally be required to be included in a Unitholder's income. See "*Income Tax Considerations*" for more details.

## INCOME TAX CONSIDERATIONS

The following is, as of the date hereof, a summary of the principal Canadian federal income tax considerations generally applicable to the acquisition, holding and disposition of Units by a Unitholder who acquires Units pursuant to the simplified prospectus. This summary is applicable to a Unitholder who is an individual (other than a trust) and who, for the purposes of the Tax Act, is resident in Canada, deals at arm's length and is not affiliated with the Fund and holds Units as capital property. This summary does not apply to a Unitholder that has entered or will enter into a "derivative forward agreement" or a "synthetic disposition arrangement" as these terms are defined in the Tax Act with respect to the Units.

Generally, Units will be considered to be capital property to a holder provided the holder does not hold the Units in the course of carrying on a business of trading or dealing in securities and has not acquired them in one or more transactions considered to be an adventure in the nature of trade. Certain Unitholders who might not otherwise be considered to hold their Units as capital property may, in certain circumstances, be entitled to have their Units, and all other Canadian securities owned or subsequently owned by such Unitholders, treated as capital property by making an irrevocable election in accordance with the Tax Act.

This summary is also based on the assumptions that none of the issuers of the securities in the portfolio will be foreign affiliates of the Fund or of any Unitholder and, that none of the securities in the portfolio 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 will be "offshore investment fund property" that would require the Fund to include amounts in the Fund's income pursuant to section 94.1 of the Tax Act, or an interest in a trust which would require the Fund to report 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.

This summary is based on the facts set out in the Prospectus the current provisions of the Tax Act, all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Tax Proposals**"), and the current published administrative policies and assessing practices of CRA. This summary is not exhaustive of all possible Canadian federal income tax considerations and, except as mentioned above, does not take into account or anticipate any changes in law, whether by legislative, governmental or judicial action, nor does it take into account, provincial, territorial or foreign tax considerations, which may differ significantly from those discussed herein. There can be no assurance that the Tax Proposals will be enacted in the form publicly announced or at all.

This summary is not exhaustive of all possible Canadian federal income tax considerations applicable to an investment in Units and does not describe the income tax consequences relating to the deductibility of interest on money borrowed to acquire Units. The income and other tax consequences of acquiring, holding or disposing of 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 legal or tax advice to any investor. Investors should consult their own tax advisers for advice with respect to the income tax consequences of an investment in Units, based on their particular circumstances.

### **Status of the Fund**

The Fund is a unit trust. The Manager confirms that the Fund currently meets the prescribed conditions to be a “mutual fund trust” under the Tax Act.

To qualify as a mutual fund trust, (i) the Fund must be a Canadian resident “unit trust” for purposes of the Tax Act, (ii) the only undertaking of the Fund must be the investing of its funds in property (other than real property or interests in real property), (iii) either the Fund must comply with certain investment conditions or its Units must be redeemable on demand, and (iv) the Fund must comply with certain minimum requirements respecting the ownership and dispersal of Units.

An additional condition to qualify as a mutual fund trust for the purposes of the Tax Act is that the Fund may not be established or maintained primarily for the benefit of non-resident persons unless substantially all of its property consists of property other than “taxable Canadian property” within the meaning of the Tax Act.

As a unit trust, the Fund can deduct, in computing its income, all amounts paid or payable, in the year, to a Unitholder. The Fund, being a mutual fund trust, can benefit from the “Capital Gains Refund” mechanism (see *“Income Tax Considerations-Taxation of the Fund”*).

This summary is also based on the assumption that the Fund will at no time be a “SIFT trust” as defined in the rules in the Tax Act relating to SIFT trusts and SIFT partnerships. This, in turn, is based on the assumption that the Units will at no time be listed or traded on a stock exchange or other public market. For the purpose of such rules, the redemption mechanism does not result in the Units being considered to be traded on a public market.

As long as the Fund qualifies, as a “mutual fund trust” for the purposes of the Tax Act, Units offered hereby represent qualified investments under the Tax Act for a trust governed by a Registered Plan. For certain tax consequences of holding Units in a Registered Plan, see *“Income Tax Considerations – Taxation of Registered Plans”*.

### **Taxation of the Fund**

The Fund will be subject to tax in each taxation year under Part I of the Tax Act on the amount of its income for the year, including net realized taxable capital gains, less the portion thereof that it claims in respect of amounts paid or payable to Unitholders (whether in cash or in Units) in the year. An amount will be considered to be payable to a Unitholder in a taxation year if it is paid in the year by the Fund or the Unitholder is entitled in that year to enforce payment of the amount. The Fund intends to make sufficient distributions in each year of its net income and net capital gains for tax purposes, so that the Fund will generally not be liable for tax in such year.

The Fund, for each taxation year throughout which it is a mutual fund trust for purposes of the Tax Act, will be entitled to reduce (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 Units during the year (the “**Capital Gains Refund**”).

The Fund will be required to include in its income for each taxation year all interest that accrues (or is deemed to accrue) to it to the end of the year, or becomes receivable or is received by it before the end of the year, except to the extent that such interest was included in computing its income for a preceding taxation year and excluding any interest that accrued prior to the date of the acquisition of the indebtedness by the Fund. Upon the actual or deemed disposition of indebtedness, the Fund will be required to include in computing its income for the year of disposition all interest that accrued (or is deemed to accrue) on such indebtedness from the last interest payment date to the date of disposition except to the extent such interest was included in computing the Fund’s income for that or another taxation year and such income inclusion will reduce the proceeds of disposition for purposes of computing any gain or loss on such disposition or deemed disposition.

Gains realized by the Fund from the investments in derivatives will generally be taxed on income account, rather than as capital gains, except where the derivative is used to hedge securities held on capital account. The Manager has informed counsel that, to the extent that the Fund uses derivative securities to hedge against fluctuations in currency, gains or losses of the Fund in respect of such derivative securities will be reported on income account (except in the event that such derivative securities are sufficiently linked to the assets of the Fund held as capital property) and the Fund will recognize such gains and losses for tax purposes at the time they are realized.

Upon the actual or deemed disposition of a security included in the Portfolio, the Fund will realize a capital gain (or capital loss) to the extent the proceeds of disposition net of any amounts included as interest on the disposition of the security and any reasonable costs of disposition exceed (or are less than) the adjusted cost base of such security unless the Fund were considered to be trading or dealing in securities or otherwise carrying on a business of buying and selling securities or the Fund has acquired the security in a transaction or transactions considered to be an adventure or concern in the nature of trade. The Manager has advised counsel that the Fund will purchase the securities in the Portfolio with the objective of earning distributions and income from the Portfolio securities over the life of the Fund and will take the position that gains and losses realized on the disposition thereof are capital gains and capital losses.

The Portfolio will include securities that are not denominated in Canadian dollars. Cost, proceeds of disposition of securities, distributions, interest and all other amounts will be determined for the purposes of the Tax Act in Canadian dollars at the exchange rate prevailing at the time of the transaction. The Fund may realize gains or losses by virtue of the fluctuation in the value of foreign currencies relative to Canadian dollars. The Fund will derive income (including 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 does not exceed 15% of such income and has not been deducted in computing the Fund’s income, the Fund may designate a

portion of its foreign source income in respect of a Unitholder so that such income and a portion of the foreign tax paid by the Fund may be regarded as foreign source income of, and income tax paid by, the Unitholder for the purposes of the foreign tax credit provision of the Tax Act. To the extent that such foreign tax paid by the Fund exceeds 15% of the amount included in the Fund's income from such investments, such excess may generally be deducted by the Fund in computing its income for the purposes of the Tax Act.

In computing its income, the Fund may deduct reasonable administrative and other expenses to the extent that such expenses are incurred to earn income and such other expenses as permitted by the Tax Act. Interest paid on money borrowed to fund redemptions will not be deductible. The Fund may generally deduct the costs and expenses of the Offering paid by the Fund and not reimbursed at a rate of 20% per year, pro-rated where the Fund's taxation year is less than 365 days. Any losses incurred by the Fund may not be allocated to Unitholders but may generally be carried forward and back and deducted in computing the taxable income of the Fund in accordance with the detailed rules and limitations in the Tax Act.

### **Taxation of Unitholders**

A Unitholder will generally be required to include in computing income for a taxation year the amount of the Fund's net income for the taxation year, including net realized taxable capital gains, paid or payable to the Unitholder (whether in cash or in Units) in the taxation year including any portions of amounts paid on redemption treated as distributions of income or gains by the Fund (which may include Management Fee Distribution). The non-taxable portion of the Fund's net realized capital gains paid or payable to a Unitholder in a taxation year will not be included in the Unitholder's income for the year. Any other amount in excess of the Fund's net income for a taxation year paid or payable to the Unitholder in the year will not generally be included in the Unitholder's income. Such amount, however, will generally reduce the adjusted cost base of the Unitholder's Units. To the extent that the adjusted cost base of a Unit would otherwise be less than zero, the negative amount will be deemed to be a capital gain realized by the Unitholder from the disposition of the Unit and the Unitholder's adjusted cost base will be increased by the amount of such deemed capital gain.

Provided that appropriate designations are made by the Fund, such portion of the net realized taxable capital gains of the Fund and the taxable dividends, if any, received or deemed to be received by the Fund on shares of taxable Canadian corporations as is paid or payable to a Unitholder will effectively retain its character and be treated as such in the hands of the Unitholder for purposes of the Tax Act. In addition, provided that appropriate designations are made by the Fund in respect of foreign income or gains of the Fund, for the purpose of computing any foreign tax credit available to a Unitholder, and subject to the rules in the Tax Act, the Unitholder will be deemed to have paid as tax to the government of a foreign country the Unitholder's share of the taxes paid or considered to be paid by the Fund to that country.

Under the Tax Act, the Fund is permitted to deduct in computing its income for a taxation year an amount that is less than the amount of its distributions for the year. This will enable the Fund to utilize, in a taxation year, losses from prior years. The amount distributed to a Unitholder but

not deducted by the Fund will not be included in the Unitholder's income. However, the adjusted cost base of the Unitholder's Units will be reduced by such amount.

On the disposition or deemed disposition of a Unit, including on a redemption, the Unitholder will realize a capital gain (or capital loss) to the extent that the Unitholder's proceeds of disposition (other than any amount payable by the Fund which represents an amount that is otherwise required to be included in the Unitholder's income as described above) exceed (or are less than) the aggregate of the adjusted cost base of the Unit and any reasonable costs of disposition. For the purpose of determining the adjusted cost base of Units to a Unitholder, when Units are acquired, the cost of the newly acquired Units will be averaged with the adjusted cost base of all identical Units owned by the Unitholder as capital property immediately before that time. The cost of Units acquired as a distribution of income or capital gains will generally be equal to the amount of the distribution. A consolidation of Units following a distribution paid in the form of additional Units will not be regarded as a disposition of Units and will not affect the aggregate adjusted cost base to a Unitholder of Units.

One-half of any capital gain realized on the disposition of Units will be included in the Unitholder's income and one-half of any capital loss realized may be deducted from taxable capital gains in accordance with the provisions of the Tax Act. In general terms, taxable capital gains realized on the disposition of Units as well as net income of the Fund paid or payable to the Unitholder that is designated as net realized taxable capital gains may increase the Unitholder's liability for alternative minimum tax.

The Net Asset Value per Unit will reflect any income and gains of the Fund that have accrued or have been realized but have not been made payable at the time the Units are acquired. Accordingly, a Unitholder who acquires Units may become taxable on the Unitholder's share of income and gains of the Fund that accrued before the Units were acquired, whether or not that such amounts will have been reflected in the price paid by the Unitholder for the Units.

As the Fund makes quarterly distributions on Units, the consequences of acquiring Units late in a calendar year will generally depend on the amount of the quarterly distributions made throughout the year and whether the Fund made a distribution in December in order to ensure that the Fund will not be liable for income tax under the Tax Act.

### **Taxation of Registered Plans**

As the Fund currently qualifies as a "mutual fund trust" within the meaning of the Tax Act, the Units will represent a qualified investment for Registered Plans.

Amounts of income and capital gains included in a Registered Plan's income will generally not be taxable under Part I of the Tax Act. Unitholders should consult their own advisers regarding the tax implications of establishing, amending, terminating or withdrawing amounts from a Registered Plan.

Notwithstanding the foregoing, the holder of a TFSA and RDSP or the annuitant of an RRSP and RRIF or the subscriber of a RESP, will be subject to a penalty tax under the Tax Act if the Units

held by the particular TFSA, RRSP, RRIF, RDSP or RESP are “prohibited investments” for purposes of the Tax Act. The Units will generally be a “prohibited investment” for these purposes if the holder of the TFSA or RDSP, the annuitant under the RRSP or RRIF or the subscriber of a RESP, as applicable, (i) does not deal at arm's length with the Fund for purposes of the Tax Act or (ii) has a “significant interest” as defined in the Tax Act in the Fund. In addition, Units will generally not be a “prohibited investment” if the Units are “excluded property” as defined in the Tax Act.

### **Tax Implications of the Fund’s Distribution Policy**

The Net Asset Value per Unit may include income and capital gains that the Fund has earned, but not yet realized (in the case of capital gains) and/or paid out as a distribution. An investor who purchases Units shortly before the Fund makes a distribution will be taxed on that distribution even though the Fund earned the income or capital gain before the investor owned the Units. For example, if the Fund pays a distribution in December and an investor buys Units late in the year, the investor may have to pay tax on the distribution.

Distributions from the Fund may include a return of capital. When the Fund earns less income for tax purposes than the amount distributed, the difference is a return of capital. A return of capital is not taxable, but will reduce the adjusted cost base of the Units. If the adjusted cost base of the Units becomes a negative amount at any time in a taxation year, the holders of Units will be deemed to realize a capital gain equal to that amount and the adjusted cost base of such Units will be reset to zero. The tax slip that will be issued to holders of Units each year will indicate the amount of capital which was returned in respect of the Units.

### **Trust Loss Restriction Rules**

If the Fund experiences a “loss restriction event” (i) the Fund will be deemed to have a year-end for tax purposes (which could result in the Fund being subject to tax unless it distributes its income and capital gains prior to such year-end), and (ii) the Fund will become subject to the loss restriction rules generally applicable to corporations that experience an acquisition of control, including a deemed realization of any unrealized capital losses and restrictions on their ability to carry forward losses.

Generally, the Fund will be subject to a “loss restriction event” when a person becomes a “majority-interest beneficiary” of the Fund, or a group of persons becomes a “majority-interest group of beneficiaries” of the Fund, as those terms are defined in the Tax Act. Generally, a majority-interest beneficiary of the Fund will be a beneficiary who, together with the beneficial interests of persons and partnerships with whom the beneficiary is affiliated, has a fair market value that is greater than 50% of the fair market value of all the interests in the income or capital, in the Fund.

The Tax Act provides for an exception to the “loss restriction event” rules with respect to the acquisition of equity of a trust that is a mutual fund trust or a quasi-mutual fund trust. The exception applies to exempt from the “loss restriction event” where the “loss restriction event”



occurs due to the acquisition or disposition of equity of a mutual fund trust or a quasi-mutual fund trust where the following two conditions are met:

- (i) such entity is, immediately before that time, an “investment fund”, as this term is defined in the Tax Act; and
- (ii) the acquisition or the disposition, as the case may be, is not part of a series of transactions or events that includes the trust ceasing to be an “investment fund”.

#### **REMUNERATION OF TRUSTEE AND INDEPENDENT REVIEW COMMITTEE**

The Fund was created by a declaration of trust and consequently, have no officers or directors. The Manager and the Trustee are responsible for the Fund’s governance. Fiera, in its capacity as manager of the Fund is entitled to receive a management fee set out in the simplified prospectus for its service.

For the financial year of the Fund ended March 31, 2019, compensation totalling \$66,500 was paid to the Fund’ IRC members as follows:

<b><u>IRC Member</u></b>	<b><u>Compensation</u></b>	<b><u>Reimbursed Expenses</u></b>
Robert F. Kay (Chair)	\$22,000	N/A
Charles R. Moses	\$17,000	N/A
Jerry Patava	\$17,000	N/A

Each member of the IRC is paid an annual fee of \$17,000 (the Chair of the IRC is paid an annual fee of \$22,000) plus \$1,000 (\$1,500 for the Chair of the IRC) per meeting attended. These fees and other reasonable expenses of the IRC are paid out of the assets of the Fund, as well as out of the assets of the other investment funds managed by the Manager for which the IRC acts as the independent review committee.

For the financial year of the Fund ended March 31, 2019, the Fund has paid State Street Trust Company Canada \$61,483 for trustee and custodian services.

#### **MATERIAL CONTRACTS**

The following contracts can reasonably be regarded as material to purchasers of Units:

- (a) the master trust agreement dated as of October 7, 2013 between Fiera Quantum Limited Partnership and National Bank Trust Inc., as amended on May 19, 2015 and as amended and restated on October 23, 2017;
- (b) the amended and restated custodian agreement dated November 23, 2009 between the Custodian and the Fund, as amended on October 23, 2017; and

(c) the appointment and termination agreement dated April 15, 2016 between Fiera Quantum Limited Partnership and the Manager.

Copies of the agreements referred to above may be inspected during business hours at the principal office of the Fund during the course of distribution of the Units offered hereby.

**LEGAL AND ADMINISTRATIVE PROCEEDING**

We are not aware of any legal proceedings, either pending or ongoing, which would affect the Fund.

## CERTIFICATE

### Certificate of the Fund, the Manager and the Promoter

This annual information form, together with the simplified prospectus and the documents incorporated by reference into the simplified prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the simplified prospectus, as required by the securities legislation of all provinces and territories of Canada and do not contain any misrepresentations.

Dated July 4, 2019

**Fiera Capital Corporation,**  
as manager and promoter of the Fund and on behalf of the Trustee

*(s) Jean-Guy Desjardins*

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Jean-Guy Desjardins  
Chairman of the Board, President and Chief  
Executive Officer of Fiera Capital Corporation

*(s) Lucas Pontillo*

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Lucas Pontillo  
Executive Vice President and Global Chief Financial  
Officer

On behalf of the Board of directors of **Fiera Capital Corporation** as manager and promoter of  
the Fund and on behalf of the Trustee.

*(s) Jean C. Monty*

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Jean C. Monty  
Director

*(s) Raymond Laurin*

\_\_\_\_\_  
Raymond Laurin  
Director

## **Fiera Capital Income Opportunities Fund**

**Fiera Capital Corporation**  
1981 McGill College Avenue  
Suite 1500  
Montreal, Québec H3A 0H5

You can find more information about each Fund in the Fund's simplified prospectus, fund facts, management reports of fund performance and financial statements. For a free copy of these documents call toll-free 1-833 463-4372, by e mail at [retailmarkets@fieracapital.com](mailto:retailmarkets@fieracapital.com) or ask your dealer. You may find these documents and other information about the Fund, such as information circulars and material contracts, on our website at [www.fieracapital.com](http://www.fieracapital.com) or on SEDAR's website at [www.sedar.com](http://www.sedar.com).