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PROSPECTUS

Initial Public Offering

January 26, 2015

INVESTMENT GRADE INFRASTRUCTURE BOND FUND

\$150,000,000 Maximum (15,000,000 Units)

Investment Grade Infrastructure Bond Fund (the “Fund”) is a closed-end investment trust established under the laws of the Province of Ontario that proposes to issue transferable units of the Fund (the “Units”) at a price of \$10.00 per Unit (the “Offering”).

The Fund’s investment objectives are to:

- (i) provide holders of Units (“Unitholders”) with monthly cash distributions; and
- (ii) preserve capital and provide the opportunity for capital appreciation.

The Fund has been created to invest in an actively managed portfolio comprised primarily of Investment Grade (as defined herein) fixed income securities of issuers that own, operate or develop infrastructure assets in the United States (the “Portfolio”). See “Investment Objectives”.

Fiera Capital Corporation (“Fiera” or the “Manager”) is the manager and promoter of the Fund. Fiera is responsible for creating, structuring, managing and promoting the Fund. Fiera has retained Nuveen Asset Management, LLC (“Nuveen” or the “Portfolio Manager”) to provide portfolio management services to the Fund. See “Organization and Management Details of the Fund”.

Price: \$10.00 per Unit
Minimum Purchase: 100 Units

	<u>Price to the public⁽¹⁾</u>	<u>Agents’ fees</u>	<u>Net proceeds to the Fund⁽²⁾</u>
Per Unit	\$10.00	\$0.525	\$9.475
Total Minimum Offering ⁽³⁾⁽⁴⁾	\$20,000,000	\$1,050,000	\$18,950,000
Total Maximum Offering ⁽⁴⁾	\$150,000,000	\$7,875,000	\$142,125,000

Notes:

- (1) The terms of the Offering were established by negotiation between the Manager on behalf of the Fund and the Agents (as defined herein).
- (2) Before deducting the expenses of the Offering, estimated to be \$800,000, subject to a maximum of 1.5% of the gross proceeds of the Offering, which together with the Agents’ fees will be paid by the Fund from the proceeds of the Offering.
- (3) There will be no closing unless a minimum of 2,000,000 Units are sold. If subscriptions for a minimum 2,000,000 Units have not been received within 90 days after a final receipt for this prospectus is issued, the Offering may not continue and subscription proceeds will be returned to subscribers, without interest or deduction, unless an amendment to this prospectus is filed.
- (4) The Fund has granted to the Agents an option (the “Over-Allotment Option”), exercisable, in whole or in part, for a period of 30 days following the closing of the Offering, to purchase up to 15% of the aggregate number of Units issued at the closing of the Offering on the same terms as set forth above solely to cover over-allotments, if any. If the Over-Allotment Option is exercised in full, under the maximum Offering, the price to the public, the Agents’ fees and the net proceeds to the Fund before deducting the expenses of the Offering will be \$172,500,000, \$9,056,250 and \$163,443,750, respectively. This prospectus also qualifies the grant of the Over-Allotment Option and the distribution of the Units issuable on the exercise of the Over-Allotment Option. A purchaser who acquires the Units forming part of the Agents’ over-allocation position acquires such Units under this prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. See “Plan of Distribution”.

There is no assurance that the Fund will meet its objectives. See “Risk Factors” for a discussion of certain factors that should be considered by prospective investors in Units including with respect to the Fund’s use of leverage. An investment in the Fund is appropriate only for investors who have capacity to absorb a loss. There is currently no market through which the Units may be sold and purchasers may not be able to resell securities purchased under this prospectus. This may affect the pricing of the Units in the secondary market, the transparency and availability of trading prices, the liquidity of the Units and the extent of issuer regulation. See “Risk Factors” and “Description of the Units — Description of the Units Distributed”. The TSX has conditionally approved the listing of the Units. The listing is subject to the Fund fulfilling all of the TSX requirements on or before April 21, 2015, including distributions of Units to a minimum number of public holders.

The Fund is not a trust company and, accordingly, is not registered under the trust company legislation of any jurisdiction. Units are not “deposits” within the meaning of the Canada Deposit Insurance Corporation Act (Canada) and are not insured under provisions of that Act or any other legislation.

CIBC World Markets Inc., RBC Dominion Securities Inc., National Bank Financial Inc., Scotia Capital Inc., TD Securities Inc., BMO Nesbitt Burns Inc., GMP Securities L.P., Desjardins Securities Inc., Raymond James Ltd., Canaccord Genuity Corp., Dundee Securities Ltd., Mackie Research Capital Corporation and Manulife Securities Incorporated (collectively, the “Agents”) have agreed to conditionally offer the Units, subject to prior sale, on a best efforts basis, if, as and when issued by the Fund and accepted by the Agents in accordance with the conditions contained in the Agency Agreement referred to under “Plan of Distribution”, and subject to the approval of certain legal matters by Blake, Cassels & Graydon LLP on behalf of the Fund and Stikeman Elliott LLP on behalf of the Agents. The Agents may over-allot and effect transactions to cover their over-allotted position. See “Plan of Distribution”.

Subscriptions will be received for the Units offered hereby, subject to rejection or allotment in whole or in part, and the right is reserved to close the subscription books at any time without notice. Closing is expected to occur on or about February 24, 2015, but, in any event, not later than 90 days after a receipt for the final prospectus is issued.

Certain capitalized terms used, but not defined, in the foregoing are defined in the “Glossary of Terms”.

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GLOSSARY OF TERMS

In this prospectus, the following terms shall have the meanings set forth below, unless otherwise indicated:

“**affiliate**” has the meaning ascribed thereto in the *Business Corporations Act* (Ontario).

“**Agency Agreement**” means an agreement dated as of January 26, 2015 among the Fund, the Manager, the Portfolio Manager and the Agents.

“**Agents**” means, collectively, CIBC World Markets Inc., RBC Dominion Securities Inc., National Bank Financial Inc., Scotia Capital Inc., TD Securities Inc., BMO Nesbitt Burns Inc., GMP Securities L.P., Desjardins Securities Inc., Raymond James Ltd., Canaccord Genuity Corp., Dundee Securities Ltd., Mackie Research Capital Corporation and Manulife Securities Incorporated.

“**Annual Redemption Date**” means the second last Business Day of September of each year commencing in 2016.

“**Annual Redemption Price**” has the meaning ascribed thereto under “Redemptions – Annual Redemption of Units”.

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

“**CDS**” means CDS Clearing and Depository Services Inc. and includes any successor thereto or any other depository subsequently appointed by the Fund as the depository in respect of the Units.

“**CDS Participant**” means a participant in CDS.

“**Closing**” means the closing of the Offering.

“**Closing Date**” means the date of Closing, which is expected to be on or about February 24, 2015, or such later date as the Fund and the Agents may agree, but, in any event, not later than 90 days after a receipt for the final prospectus is issued.

“**Closing Market Price**” in respect of a Unit on a Monthly Redemption Date means (i) the closing price of the Units on the TSX on such Monthly Redemption Date (or such other stock exchange on which the Units are listed) if there was a trade on the applicable Monthly Redemption Date and the market provides a closing price; (ii) the average of the highest and lowest prices of the Units on the TSX on such Monthly Redemption Date (or such other stock exchange on which the Units are listed) if there was trading on the applicable Monthly Redemption Date and the market provides only the highest and lowest prices of the Units traded on a particular day; or (iii) the average of the last bid and the last asking prices of the Units on the TSX on such Monthly Redemption Date (or such other stock exchange on which the Units are listed) if there was no trading on the applicable Monthly Redemption Date.

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

“**Custodian**” means CIBC Mellon Trust Company, the custodian of the assets of the Fund, and its successors or assigns.

“**Custodian Agreement**” means the custodial services agreement dated on or before the Closing Date among the Manager on behalf of the Fund and several other parties including the Custodian as it may be amended from time to time.

“**Declaration of Trust**” means the declaration of trust of the Fund dated January 26, 2015, establishing the Fund under the laws of the Province of Ontario, as it may be amended from time to time.

“**Distribution Payment Date**” means a Business Day designated by the Manager that will be no later than the 15th day of the month following the relevant Distribution Record Date.

“**Distribution Record Date**” means the last Business Day of each month.

“**Extraordinary Resolution**” means a resolution passed by the affirmative vote of at least 66 $\frac{2}{3}$ % of the votes cast, either in person or by proxy, at a meeting of holders of Units called for the purpose of considering such resolution.

“**Fitch**” means Fitch Ratings, Inc.

“**Fund**” means Investment Grade Infrastructure Bond Fund.

“**Governmental Bonds**” has the meaning ascribed thereto under “Investment Strategies”.

“**IFRS**” means International Financial Reporting Standards.

“**Independent Review Committee**” or “**IRC**” means the independent review committee of the Fund.

“**Indicative Portfolio**” means the Portfolio Securities that would have been included in the Portfolio if it had been formed and fully invested on December 1, 2014, as described under “Investment Strategies - Indicative Portfolio”.

“**Investment Grade**” means with respect to a security a rating of no less than (i) BBB- by S&P; (ii) Baa3 by Moody’s; (iii) BBB- by Fitch; (iv) the equivalent rating by another “designated rating organization” as defined in NI 81-102; or (v) if unrated, determined by the Portfolio Manager to be of comparable quality, provided that the Portfolio Manager may rely on the highest rating of the security published by a designated rating organization.

“**Leverage Threshold**” has the meaning ascribed thereto under “Investment Strategies - Leverage”.

“**Management Agreement**” has the meaning ascribed thereto under “Organization and Management Details of the Fund – Manager of the Fund – Details of the Management Agreement”.

“**Management Fee**” means the management fee payable to the Manager as more fully described under “Fees and Expenses – Management Fee”.

“**Manager**” means Fiera Capital Corporation, in its capacity as investment fund manager of the Fund, and any successor thereto.

“**Market Price**” means, in respect of a Unit on a Monthly Redemption Date, the weighted average trading price of the Units on the TSX (or such other stock exchange on which the Units are listed), for the 10 trading days immediately preceding such Monthly Redemption Date.

“**Monthly Redemption Date**” means the second last Business Day of each month other than the month of the Annual Redemption Date (if available).

“**Moody’s**” means Moody’s Investors Service, Inc.

“**Net Asset Value of the Fund**” or “**NAV of the Fund**” on a particular date will be equal to (i) the aggregate fair value of the assets of the Fund, less (ii) the aggregate fair value of the liabilities of the Fund.

“**Net Asset Value per Unit**” or “**NAV per Unit**” means the Net Asset Value of the Fund divided by the number of Units outstanding on the date on which the calculation is made.

“**NI 81-102**” means National Instrument 81-102 – *Investment Funds* of the Canadian Securities Administrators, as amended from time to time.

“**NI 81-106**” means National Instrument 81-106 – *Investment Fund Continuous Disclosure* of the Canadian Securities Administrators, as amended from time to time.

“**NI 81-107**” means National Instrument 81-107 – *Independent Review Committee for Investment Funds* of the Canadian Securities Administrators, as amended from time to time.

“**Notice Period**” has the meaning ascribed thereto under “Redemption of Securities – Annual Redemptions of Units”.

“**Nuveen**” means Nuveen Asset Management, LLC.

“**Offering**” means the offering of Units at a price of \$10.00 per Unit, as contemplated by this prospectus.

“**Ordinary Resolution**” has the meaning ascribed thereto under “Termination of the Fund”.

“**Over-Allotment Option**” means the option granted by the Fund to the Agents, exercisable, in whole or in part, and from time to time for a period of 30 days following the Closing Date, to purchase an aggregate of up to 15% of the aggregate number of Units issued on Closing at a price of \$10.00 per Unit.

“**Plan Agent**” has the meaning ascribed thereto under “Distribution Policy – Distribution Reinvestment Plan”.

“**Plan Participant**” has the meaning ascribed thereto under “Distribution Policy – Distribution Reinvestment Plan”.

“**Portfolio**” has the meaning attributed thereto under “Investment Objectives”.

“**Portfolio Management Agreement**” has the meaning ascribed thereto under “Organization and Management Details of the Fund – Portfolio Manager of the Fund”.

“**Portfolio Manager**” means Nuveen Asset Management, LLC and any successor thereto.

“**Portfolio Securities**” means the securities included in the Portfolio.

“**Proxy Voting Policy**” means the proxy voting policy established by the Portfolio Manager.

“**Redemption Notice**” has the meaning ascribed thereto under “Redemptions – Exercise of Redemption Right”.

“**Redemption Payment Date**” means the Business Day that is on or before the 15th Business Day following an Annual Redemption Date or Monthly Redemption Date, as applicable.

“**Registered Plan**” means a registered retirement savings plan, a registered retirement income fund, a deferred profit sharing plan, a registered education savings plan, a registered disability savings plan and a tax-free savings account.

“**Reinvestment Plan**” has the meaning ascribed thereto under “Distribution Policy – Distribution Reinvestment Plan”.

“**Reinvestment Plan Services Agreement**” has the meaning ascribed thereto under “Distribution Policy – Distribution Reinvestment Plan”.

“**S&P**” means Standard & Poor’s Rating Services, a division of The McGraw-Hill Companies.

“**SIFT Rules**” means the specified investment flow-through rules in the Tax Act which apply to a SIFT Trust and its unitholders.

“**SIFT Trust**” means a specified investment flow-through trust for purposes of the Tax Act.

“**Tax Act**” means the *Income Tax Act* (Canada) and the regulations thereunder, as may be amended from time to time.

“**Tax Proposals**” means 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.

“**Termination Date**” means the date on which the Fund terminates as described under “Termination of the Fund”.

“**Total Assets**” means the aggregate value of the assets of the Fund determined in accordance with the terms of the Declaration of Trust.

“**Trading Price**” has the meaning ascribed thereto under “Distribution Policy – Distribution Reinvestment Plan”.

“**Trustee**” means Computershare Trust Company of Canada, in its capacity as trustee of the Fund under the Declaration of Trust, and any successor thereto.

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

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

“**Units**” means the transferable units of the Fund.

“**Valuation Agent**” means such person as may from time to time be appointed by the Manager to calculate the Net Asset Value per Unit and the Net Asset Value of the Fund.

“**Valuation Day**” has the meaning ascribed thereto under “Calculation of Net Asset Value”.

“**Valuation Time**” has the meaning ascribed thereto under “Calculation of Net Asset Value”.

PROSPECTUS SUMMARY

The following is a summary of the principal features of this distribution and should be read together with the more detailed information and financial data and statements contained elsewhere in this prospectus. Certain capitalized terms used, but not defined in this summary, are defined in the “Glossary of Terms”. Unless otherwise indicated, all references to dollar amounts in this prospectus are to Canadian dollars.

Issuer: Investment Grade Infrastructure Bond Fund (the “**Fund**”) is a closed-end investment trust established under the laws of the Province of Ontario pursuant to a declaration of trust dated as of January 26, 2015. See “Overview of the Legal Structure of the Fund”.

Offering: The Fund is offering transferable units of the Fund (the “**Units**”).

See “Plan of Distribution” and “Description of the Units”.

Price: \$10.00 per Unit

Maximum Issue: \$150,000,000 (15,000,000 Units)

Minimum Issue: \$20,000,000 (2,000,000 Units)

Minimum Purchase: 100 Units (\$1,000)

Investment Objectives: The Fund’s investment objectives are to:

- (i) provide holders of Units (“**Unitholders**”) with monthly cash distributions; and
- (ii) preserve capital and provide the opportunity for capital appreciation.

The Fund has been created to invest in an actively managed portfolio comprised primarily of Investment Grade fixed income securities of issuers that own, operate or develop infrastructure assets in the United States (the “**Portfolio**”).

See “Investment Objectives”.

Investment Strategies: The Portfolio will be managed by Nuveen Asset Management, LLC (“**Nuveen**” or the “**Portfolio Manager**”). Nuveen will seek to achieve the investment objectives of the Fund by investing in a portfolio that seeks to provide income by investing in the debt securities of issuers that own, operate or develop infrastructure assets in the United States.

The Fund will seek to invest at least 80% of Total Assets in Investment Grade infrastructure-related debt securities of U.S. issuers. Such securities may include:

- (i) bonds issued by local governmental agencies to finance the ownership, development, construction, renovation or operation of infrastructure assets (“**Governmental Bonds**”); and
- (ii) debt securities issued by, or loans issued to, infrastructure-related companies, which include companies involved in the ownership, development, construction, renovation, financing or operation of infrastructure assets, or that provide the services and raw materials necessary for the construction and maintenance of infrastructure assets.

Infrastructure assets are the physical structures and networks upon which the operation, growth and development of a community depends, which include water, sewer, and energy utilities; transportation and communication networks; health care facilities, schools, government accommodations and other public service facilities; and shipping, timber,

steel, alternative energy, and other resources and services necessary for the construction and maintenance of these physical structures and networks.

Governmental Bonds in which the Fund may invest include obligations issued by U.S. states and their subdivisions, authorities, instrumentalities and corporations, as well as obligations issued by U.S. territories (such as Puerto Rico, the U.S. Virgin Islands and Guam). The Fund may invest in zero coupon bonds, which are issued at substantial discounts from their value at maturity and pay no cash income to their holders until they mature.

To a lesser extent, the Fund may invest in other securities including:

- (i) corporate debt obligations, including obligations issued by special-purpose entities that are backed by corporate debt obligations;
- (ii) fixed and floating rate loans, including senior loans and secured and unsecured junior loans;
- (iii) convertible bonds; and
- (iv) preferred securities.

Nuveen will use a team-based and research driven investment process. In making buy, sell and hold decisions for the Portfolio, the Portfolio Manager will seek to identify underrated and undervalued securities and sectors. Nuveen focuses on bottom-up, fundamental analysis of securities issuers. Analysts screen each sector for issuers that meet the fundamental tests of creditworthiness and favour those securities that they believe demonstrate growth potential, solid coverage of debt service and a priority lien on hard assets, dedicated revenue streams or tax resources. Analysts continually assess the key issues and trends affecting each sector and provide top-down analysis that supports decisions to overweight or underweight a given sector.

In making investment decisions, the Portfolio Manager may also consider input from Nuveen Asset Management's Fixed Income Strategy Committee, a group of senior fixed income investment professionals who meet weekly on a formal basis to set a broad view on market opportunities and risks.

Nuveen will also use derivatives such as LIBOR swaps and U.S. Treasury futures to seek to reduce the risk of rising interest rates by maintaining, under normal market conditions, a weighted average Portfolio duration of not more than six years.

See "Investment Strategies".

Portfolio Manager:

Nuveen Asset Management, LLC (the "**Portfolio Manager**" or "**Nuveen**") will act as the portfolio manager to the Fund. Nuveen will be responsible for portfolio advisory and investment management services that are provided to the Fund in connection with the Portfolio. Nuveen is a U.S. registered investment advisor and had approximately \$130 billion of assets under management as of September 30, 2014, with approximately \$95 billion in infrastructure debt securities. Nuveen offers a broad range of investment strategies in a variety of asset classes, including global equities and fixed income, infrastructure, real estate and quantitative asset allocation. The principal office of Nuveen is located at 333 West Wacker Drive, Chicago, Illinois 60606. See "Organization and Management Details of the Fund – Portfolio Manager of the Fund".

Manager:

Fiera Capital Corporation ("**Fiera**" or the "**Manager**") is the manager and promoter of the Fund. The Manager, in its capacity as investment fund manager of the Fund, will retain the Portfolio Manager to act as portfolio manager to the Fund. The Manager is an independent

investment firm with approximately \$85 billion in assets under management as at September 30, 2014. The head office of the Manager is located at 1501 McGill College Avenue, Suite 800, Montreal, Québec H3A 3M8 and its registered office is located at 1 Adelaide Street East, Suite 600, Toronto, Ontario M5C 2V9. See “Organization and Management Details of the Fund – Manager of the Fund”.

Distributions:

The Fund intends to make monthly cash distributions to Unitholders of record on the last Business Day of each month (each, a “**Distribution Record Date**”). Distributions will be paid on a Business Day designated by the Manager that will be no later than the 15th day of the following month (each, a “**Distribution Payment Date**”). The Fund will not have a fixed monthly distribution amount but intends to at least annually in December each year determine and announce expected monthly distributions for the following calendar year based on the Manager’s and Portfolio Manager’s estimate of distributable cash flow in the Fund.

Based on the Manager’s current estimates, the initial monthly cash distribution target for the Fund is \$0.04166 per Unit per month (\$0.50 per annum) to yield 5% on the subscription price per Unit. The initial cash distribution will be payable to Unitholders of record on April 30, 2015, based on an anticipated Closing Date of February 24, 2015.

Based on current estimates and assuming (i) an aggregate size of the Offering of \$100 million, (ii) the use of the anticipated initial leverage of 28% of Total Assets, (iii) the employment of the investment strategies as described under “Investment Strategies”, (iv) the fees and expenses described under “Fees and Expenses”, (v) foreign exchange rates remain constant, and (vi) the current price of, and interest (net of any withholding tax) on, the securities anticipated to be included in the Portfolio, it is expected that the Fund will be able to pay such distributions at the initial target level and maintain a stable NAV per Unit. If the total return on the Portfolio is less than the amount necessary to fund the monthly distributions and all expenses of the Fund, and if the Manager chooses to nevertheless ensure that the monthly distributions are paid to Unitholders, this will result in a portion of the capital of the Fund being returned to Unitholders, and accordingly, NAV per Unit would be reduced. As to future indicative distribution rates, see “Distribution Policy”. **The amount of monthly distributions may fluctuate from month to month and there can be no assurance that the Fund will make any distribution in any particular month or months. The amount of monthly distributions may vary if there are changes in any of the factors that affect the net cash flow on the Portfolio, including the amount of leverage employed by the Fund and the other assumptions noted above.** See “Investment Strategies – Leverage”, “Distribution Policy” and “Risk Factors”.

Amounts distributed on the Units that represent returns of capital are generally non-taxable to a Unitholder but reduce the Unitholder’s adjusted cost base of the Units for tax purposes. See “Income Tax Considerations”.

If in any taxation year, after the monthly distributions, there would remain in the Fund additional net income or net realized capital gains, the Fund will be required to pay or make payable such net income and net realized capital gains (in cash or Units) as one or more year-end special distributions to Unitholders as is necessary to ensure that the Fund will not be liable for income tax on such amounts under Part I of the Tax Act (after taking into account all available deductions, credits and refunds). See “Income Tax Considerations”.

**Distribution
Reinvestment:**

The Fund intends to provide Unitholders with the opportunity to reinvest monthly cash distributions made by the Fund in additional Units through the distribution reinvestment plan of the Fund described under “Distribution Policy – Distribution Reinvestment Plan”.

Redemptions: Commencing in 2016, Units may be surrendered annually for redemption during the period from the first Business Day in August until 5:00 p.m. (Toronto time) on the last Business Day in August of each year (the “**Notice Period**”). Subject to the Fund’s right to suspend redemptions in certain circumstances, Units properly surrendered for redemption during the Notice Period will be redeemed on the second last Business Day in September of each year following the relevant Notice Period (the “**Annual Redemption Date**”) and the Unitholder will receive a redemption price per Unit equal to 100% of the NAV per Unit as determined on the Annual Redemption Date, less any costs associated with the redemption, including commissions, wire transfer fees and such other costs charged to the Fund by third parties, if any, on or before the Redemption Payment Date. See “Risk Factors”, “Redemptions” and “Calculation of Net Asset Value”.

Leverage: The Fund may utilize various forms of leverage including borrowings under loan facilities and margin purchases. The Fund may also obtain leverage through shorting and through notional exposure under derivatives provided that aggregate exposure obtained through shorting and derivatives based on the market value of the notional exposure determined on a daily basis and borrowings determined at the time of borrowing shall not exceed 40% of Total Assets (the “**Leverage Threshold**”). Derivatives and shorting used solely for purposes of hedging (as defined in NI 81-102) will not be included in the Leverage Threshold calculation. If at any time leverage exceeds the Leverage Threshold, the Manager will, as soon as practicable thereafter, cause the leverage to be reduced below such threshold. Accordingly, at the time such leverage is incurred, the maximum amount of leverage that the Fund could employ is 1.67:1 (total long positions (including leveraged positions) divided by the net assets of the Fund). Initially, the Fund is expected to employ leverage of approximately 28% of Total Assets (1.39:1 (total long positions (including leveraged positions) divided by the net assets of the Fund). See “Investment Strategies”.

Currency Hedging: The Portfolio will be invested primarily in assets denominated in U.S. dollars. From time to time, 0% to 100% of the value of the Portfolio’s non-Canadian currency exposure may be hedged back to the Canadian dollar by the Manager. The Manager initially intends to hedge 80% of the value of the Portfolio back to the Canadian dollar. The Fund may use derivative instruments to actively manage currency exposure in respect of the value of the Portfolio. The currency exposure will be actively managed by Francois Bourdon, Chief Investment Solutions Officer of the Manager. No assurance can be given that the Portfolio will be hedged from any particular risk from time to time. See “Investment Strategies - Currency Hedging”.

Termination: The Fund does not have a fixed termination date. See “Unitholder Matters” and “Termination of the Fund”.

Use of Proceeds: The net proceeds from the sale of Units (prior to the exercise of the Over-Allotment Option) will be as follows:

	<u>Minimum Offering</u> ⁽¹⁾	<u>Maximum Offering</u> ⁽¹⁾⁽²⁾
Gross proceeds to the Fund	\$20,000,000	\$150,000,000
Agents’ fees	\$1,050,000	\$7,875,000
Expenses of the Offering ⁽³⁾	\$300,000	\$800,000
Net proceeds to the Fund	\$18,650,000	\$141,325,000

Notes:

- (1) There will be no Closing unless a minimum of 2,000,000 Units are sold. If subscriptions for a minimum of 2,000,000 Units have not been received within 90 days following the date of issuance of a final receipt for this prospectus, this Offering may not continue unless an amendment to this prospectus is filed.
- (2) The Fund has granted to the Agents an Over-Allotment Option, exercisable for a period of 30 days from the Closing Date, to purchase additional Units, at a price of \$10.00 per Unit, in an amount up to 15% of the aggregate number of Units issued at Closing on the same terms as set forth above solely to cover over-

allotments, if any. If the Over-Allotment Option is exercised in full, under the maximum Offering, the price to the public, the Agents' fees and the net proceeds to the Fund before deducting the expenses of the Offering will be \$172,500,000, \$9,056,250 and \$163,443,750, respectively. This prospectus also qualifies the grant of the Over-Allotment Option and the distribution of Units issuable on the exercise of the Over-Allotment Option. A purchaser who acquires Units forming part of the Agents' over-allocation position acquires such Units under this prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. See "Plan of Distribution".

- (3) Subject to a maximum of 1.5% of the gross proceeds of the Offering.

The Fund will use the net proceeds of the Offering (including any net proceeds from the exercise of the Over-Allotment Option), after payment of the Agents' fees and the Offering expenses, to acquire Portfolio Securities.

See "Use of Proceeds".

Eligibility for Investment: In the opinion of Blake, Cassels & Graydon LLP, counsel to the Fund, and Stikeman Elliott LLP, counsel to the Agents, provided that the Fund qualifies as a "mutual fund trust" within the meaning of the Tax Act or the Units are listed on a "designated stock exchange" for purposes of the Tax Act (which currently includes the TSX), the Units, if issued on the date hereof, would be qualified investments under the Tax Act for trusts governed by registered retirement savings plans, registered retirement income funds, registered disability savings plans, registered education savings plans, deferred profit sharing plans and tax-free savings accounts. Unitholders planning to hold their Units in a tax-free savings account, registered retirement savings plan or registered retirement income fund should consult their own tax advisor regarding whether the Units are "prohibited investments" for purposes of the Tax Act for such accounts. See "Income Tax Considerations – Taxation of Registered Plans".

Income Tax Considerations:

A Unitholder who is resident in Canada for the purposes of the Tax Act will generally be required to include in computing income for a taxation year that part of the net income of the Fund, including net realized taxable capital gains, if any, that is paid or becomes payable to the Unitholder by the Fund in the year (whether in cash or in Units). To the extent that amounts payable to a Unitholder are designated by the Fund as the taxable portion of net realized capital gains, taxable dividends from taxable Canadian corporations or foreign source income, those amounts will retain their character and be treated as such in the hands of the Unitholder.

Where a Unitholder holds Units as capital property for the purposes of the Tax Act, distributions by the Fund to the Unitholder in excess of the Unitholder's share of the Fund's net income and net realized capital gains will generally not result in an income inclusion, but will reduce the adjusted cost base of the Unitholder's Units. To the extent that the adjusted cost base of a Unit held as capital property would otherwise be less than zero, the Unitholder will be deemed to have realized a capital gain equal to such negative amount. A Unitholder who disposes of Units held as capital property (on a redemption or otherwise) will generally realize a capital gain (or capital loss) to the extent that the proceeds of disposition (which do not include any amount of capital gains made payable by the Fund to the Unitholder which represent capital gains realized by the Fund in connection with its disposition of securities in order to fund the redemption) exceed (or are less than) the aggregate adjusted cost base of the Units disposed of and any reasonable costs of disposition.

A Unitholder who realizes a capital gain or capital loss upon the disposition of Units in a taxation year of the Unitholder will be required to include in computing the Unitholder's income for that year one-half of any such capital gain (a "taxable capital gain") and will be required to deduct one-half of any such capital loss (an "allowable capital loss") realized by the Unitholder in a taxation year of the Unitholder against taxable capital gains realized in the year of disposition. Subject to the detailed rules in the Tax Act, allowable

capital losses in excess of taxable capital gains in the year of disposition may be applied to reduce net taxable capital gains of the Unitholder in any of the three years preceding the year of disposition or in any year following the year of disposition.

Each investor should satisfy himself or herself as to the federal, provincial and other tax consequences of an investment in Units by obtaining advice from his or her tax advisor. See “Income Tax Considerations”.

Risk Factors:

An investment in Units will be subject to certain risk factors, including:

- (i) there can be no assurance that the Fund will be able to achieve its investment objectives;
- (ii) loss on investment;
- (iii) performance of the Portfolio;
- (iv) risks related to bond market liquidity;
- (v) call risk;
- (vi) risks related to convertible securities;
- (vii) credit risk;
- (viii) risks related to use of derivatives;
- (ix) infrastructure sector risk;
- (x) risks related to general municipal securities market;
- (xi) risks related to high yield securities;
- (xii) income risk;
- (xiii) interest rate risk;
- (xiv) risks related to loans;
- (xv) risks related to municipal lease obligations;
- (xvi) risks related to preferred securities;
- (xvii) risks related to emerging markets;
- (xviii) political and economic risks;
- (xix) zero coupon bond risk;
- (xx) risks related to leverage;
- (xxi) risks related to significant redemptions;
- (xxii) risks related to market disruptions;
- (xxiii) risks related to global financial developments;
- (xxiv) reliance on the Manager, the Portfolio Manager and key employees of each;
- (xxv) risks relating to the Portfolio Manager’s evaluation of securities;
- (xxvi) risks associated with foreign currency exposure;
- (xxvii) risks regarding trading price of Units;
- (xxviii) potential conflicts of interest;
- (xxix) changes in legislation;
- (xxx) risks relating to taxation of the Fund and the tax treatment of holding Units by

- Unitholders;
- (xxxi) the Fund’s lack of operating history and the current absence of public trading market for the Units;
 - (xxxii) the fact that the Fund is not a trust company and the Units are not insured deposits;
 - (xxxiii) risks relating to the nature of the Units;
 - (xxxiv) no ownership interest risk; and
 - (xxxv) risks relating to enforcement against U.S. Portfolio Manager.
- See “Risk Factors”.

ORGANIZATION AND MANAGEMENT OF THE FUND

<u>Management of the Fund</u>	<u>Name and Municipality of Residence</u>	<u>Services Provided to the Funds</u>
Manager and Promoter	Fiera Capital Corporation 1 Adelaide Street East, Suite 600 Toronto, Ontario M5C 2V9	Promoting and providing, or arranging for the provision of, management, investment management and administrative services to the Fund.
Portfolio Manager	Nuveen Asset Management, LLC Chicago, Illinois	Providing investment management services for the Portfolio.
Trustee	Computershare Trust Company of Canada Toronto, Ontario	Acting as trustee of the Fund in accordance with the Declaration of Trust, and performing the duties and services and exercising the rights accorded to it therein.
Custodian	CIBC Mellon Trust Company Toronto, Ontario	Providing custodial services to the Fund.
Auditor	PricewaterhouseCoopers LLP Toronto, Ontario	Providing auditing services to the Fund.
Registrar and Transfer Agent	Computershare Investor Services Inc. Toronto, Ontario	Maintaining the securities register and the register of transfers of Units for the Fund.

AGENTS

CIBC World Markets Inc., RBC Dominion Securities Inc., National Bank Financial Inc., Scotia Capital Inc., TD Securities Inc., BMO Nesbitt Burns Inc., GMP Securities L.P., Desjardins Securities Inc., Raymond James Ltd., Canaccord Genuity Corp., Dundee Securities Ltd., Mackie Research Capital Corporation and Manulife Securities Incorporated (collectively, the “Agents”) conditionally offer the Units, subject to prior sale, on a best efforts basis, if, as and when issued by the Fund and accepted by the Agents in accordance with the conditions contained in the Agency Agreement, and subject to the approval of certain legal matters by Blake, Cassels & Graydon LLP on behalf of the Fund and Stikeman Elliott LLP on behalf of the Agents. See “Plan of Distribution”.

The Fund has granted to the Agents an Over-Allotment Option, exercisable for a period of 30 days from the Closing Date, to purchase additional Units, at a price of \$10.00 per Unit, in an amount up to 15% of the aggregate number of Units issued at Closing on the same terms as set forth above solely to cover over-allotments, if any. If the Over-Allotment Option is exercised in full, under the maximum Offering, the price to the public, the Agents’ fee and the net proceeds to

the Fund before deducting the expenses of the Offering will be \$172,500,000, \$9,056,250 and \$163,443,750, respectively. See “Plan of Distribution”.

<u>Agents’ Position</u>	<u>Maximum Size</u>	<u>Exercise Period</u>	<u>Exercise Price</u>
Over-allotment Option	2,250,000 Units	Within 30 days following the Closing	\$10.00 per Unit

SUMMARY OF FEES AND EXPENSES

The following table contains a summary of the fees and expenses payable or incurred by the Fund, which will therefore reduce the value of your investment in the Fund. For further particulars, see “Fees and Expenses”.

<u>Type of Fee</u>	<u>Amount and Description</u>
Fees Payable to the Agents:	\$0.525 per Unit (5.25%).
Expenses of the Offering:	In addition to the Agents’ fees, the Fund will pay the expenses incurred in connection with the Offering, estimated to be \$800,000 (subject to a maximum of 1.5% of the gross proceeds of the Offering).
Management Fee:	An annual management fee (the “ Management Fee ”) equal to 1.00% of the NAV of the Fund, calculated daily and payable monthly in arrears, plus applicable taxes, will be paid to the Manager. The Manager is responsible for paying the fees payable to the Portfolio Manager out of the Management Fee.
Ongoing Fees and Expenses:	<p>The Fund will pay for all ordinary expenses incurred in connection with its operation and administration. The Manager estimates that operational expenses of the Fund, exclusive of management fees, debt service and expenses related to portfolio transactions will be approximately \$220,000 per year.</p> <p>Any arrangements for additional services between the Fund and the Manager, or any affiliate thereof, that have not been described in this prospectus will be on terms that are no less favourable to the Fund than those available from arm’s length persons (within the meaning of the Tax Act) for comparable services and the Fund will pay all expenses associated with such additional services.</p>

INFORMATION REGARDING PUBLIC ISSUERS

Certain information contained in this prospectus relating to publicly traded securities, the issuers of those securities and the industry in which the Fund will invest is taken from and based solely upon information published by those issuers. None of the Manager, the Portfolio Manager, the Fund nor the Agents has independently verified the accuracy or completeness of any such information.

FORWARD LOOKING STATEMENTS

Certain statements included in this prospectus constitute forward looking statements, including those identified by the expressions “anticipate”, “believe”, “plan”, “estimate”, “expect”, “intend” and similar expressions to the extent they relate to the Fund, the Manager or the Portfolio Manager. The forward looking statements are not historical facts but reflect the current expectations of the Fund, the Manager or the Portfolio Manager, as applicable, regarding future results or events. These forward looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations, including but not limited to, the matters discussed under “Risk Factors” and in other sections of this prospectus.

By their nature, forward looking statements require the Fund, the Manager or the Portfolio Manager to make assumptions about future events which include, among other things, that the Fund will continue to have sufficient assets under management to effect its investment strategy, the investment strategy will produce the results intended by the Fund and the markets will react and perform in a manner consistent with the investment strategies. The Manager and the Portfolio Manager believe the expectations reflected in forward looking statements are reasonable. However, none of the Fund, the Manager, the Portfolio Manager nor the Agents can assure that these expectations will prove to be correct. An investor should not unduly rely on forward looking statements included in this prospectus. These forward looking statements speak only as of the date of this prospectus or as of the date specified in this prospectus, as the case may be.

The actual results of the Fund could differ materially from those anticipated in these forward looking statements as a result of the factors set out below under “Risk Factors”, as well as those set out elsewhere in this prospectus.

The factors described in the foregoing paragraphs do not constitute an exhaustive list and when considering forward looking statements in making decisions with respect to investing in the Fund, investors and others should carefully consider these factors, as well as other uncertainties and potential events, and the inherent uncertainty of forward looking statements. Due to the potential impact of these factors, none of the Fund, the Manager, the Portfolio Manager nor the Agents undertake, and specifically disclaim, any intention or obligation to update or revise any forward looking statements, whether as a result of new information, future events or otherwise, unless required by applicable law.

OVERVIEW OF THE LEGAL STRUCTURE OF THE FUND

Investment Grade Infrastructure Bond Fund (the “**Fund**”) is a closed-end investment trust established under the laws of the Province of Ontario pursuant to a declaration of trust dated as of January 26, 2015. The manager and promoter of the Fund is Fiera Capital Corporation (the “**Manager**” or “**Fiera**”). The principal office of the Fund is located at 1 Adelaide Street East, Suite 600, Toronto, Ontario M5C 2V9. The trustee of the Fund is Computershare Trust Company of Canada (the “**Trustee**”). The principal office of the Trustee is located at 100 University Ave., 9th Floor – North Tower, Toronto, Ontario M5J 2Y1.

The Fund is not considered to be a mutual fund under the securities legislation of the provinces and territories of Canada.

The beneficial interest in the net assets and net income of the Fund is divided into transferable units of the Fund (the “**Units**”). See “Description of the Units”.

INVESTMENT OBJECTIVES

The Fund’s investment objectives are to:

- (i) provide holders of Units (“**Unitholders**”) with monthly cash distributions; and
- (ii) preserve capital and provide the opportunity for capital appreciation.

The Fund has been created to invest in an actively managed portfolio comprised primarily of Investment Grade fixed income securities of issuers that own, operate or develop infrastructure assets in the United States (the “**Portfolio**”).

INVESTMENT STRATEGIES

The Portfolio will be managed by Nuveen Asset Management, LLC (“**Nuveen**” or the “**Portfolio Manager**”). Nuveen is a U.S. registered investment advisor and had approximately \$130 billion of asset under management as at September 30, 2014 in strategies and products for both retail and institutional clients around the world. Nuveen manages approximately \$95 billion in infrastructure debt securities, making them one of the largest active managers of infrastructure debt in the world.

Nuveen will seek to achieve the investment objectives of the Fund by investing in a portfolio that seeks to provide income by investing in the debt securities of issuers that own, operate or develop infrastructure assets in the United States. Investments may include municipal and corporate bonds that finance public and private infrastructure projects.

The Fund will seek to invest at least 80% of Total Assets in Investment Grade infrastructure-related debt securities of U.S. issuers. Such securities may include:

- (i) bonds issued by local governmental agencies to finance the ownership, development, construction, renovation or operation of infrastructure assets (“**Governmental Bonds**”); and
- (ii) debt securities issued by, or loans issued to, infrastructure-related companies, which include companies involved in the ownership, development, construction, renovation, financing or operation of infrastructure assets, or that provide the services and raw materials necessary for the construction and maintenance of infrastructure assets.

Infrastructure assets are the physical structures and networks upon which the operation, growth and development of a community depends, which include water, sewer, and energy utilities; transportation and communication networks; health care facilities, schools, government accommodations and other public service facilities; and shipping, timber, steel, alternative energy, and other resources and services necessary for the construction and maintenance of these physical structures and networks.

Governmental Bonds in which the Fund may invest include obligations issued by U.S. states and their subdivisions, authorities, instrumentalities and corporations, as well as obligations issued by U.S. territories (such as Puerto Rico, the U.S. Virgin Islands and Guam). The Fund may invest in all types of Governmental Bonds including general obligation bonds, revenue bonds and participation interests in municipal leases. The Fund may invest in zero coupon bonds, which are issued at substantial discounts from their value at maturity and pay no cash income to their holders until they mature.

To a lesser extent, the Fund may invest in other securities including:

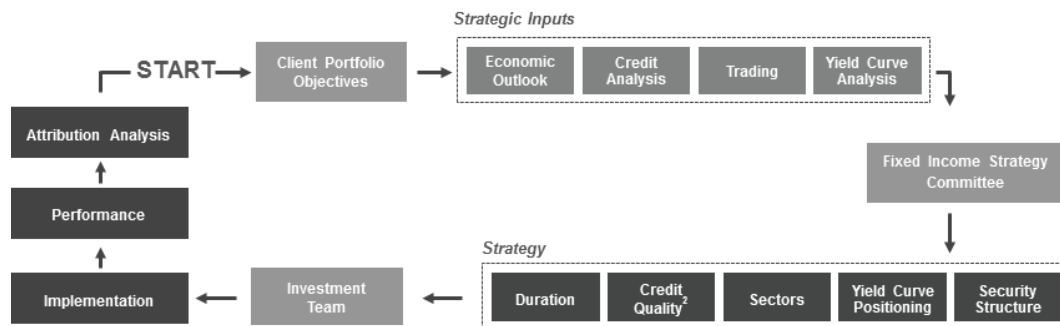
- (i) corporate debt obligations, including obligations issued by special-purpose entities that are backed by corporate debt obligations;
- (ii) fixed and floating rate loans, including senior loans and secured and unsecured junior loans;
- (iii) convertible bonds; and
- (iv) preferred securities.

Investment Process

Nuveen will use a team-based and research driven investment process. In making buy, sell and hold decisions for the Portfolio, the Portfolio Manager will seek to identify underrated and undervalued securities and sectors. Nuveen focuses on bottom-up, fundamental analysis of issuers, but also considers top-down, macro conditions and technical factors that may affect liquidity, valuations, and the prospective investment environment.

The Portfolio Manager will consider a variety of factors when constructing the Portfolio and managing the Portfolio as described in the chart below. These factors include macroeconomic conditions; technical market factors such as new issue supply, investor flows, and investor participation; yield curve slope and shape; and credit fundamentals. The Portfolio Manager will manage the Portfolio with an eye toward aligning market risks, individual security risks, and the Fund's investment objectives.

Fundamental analysts are organized by sector, and continually assess the key issues and trends affecting each sector in order to maintain a sector outlook. Evaluating such factors as historical default rates and average credit spreads within each sector, analysts provide top-down analysis that supports decisions to overweight or underweight a given sector. Analysts screen each sector for issuers that meet the fundamental tests of creditworthiness and favour those securities that they believe demonstrate growth potential with solid coverage of debt service and a priority lien on hard assets, dedicated revenue streams or tax resources. Analysts conduct fundamental analysis on each security to be considered for the Portfolio, and make recommendations to portfolio managers based on an assessment of an individual issuer's management strength, balance sheet flexibility, consistency of cash flow, leverage, and future capital plans, among other factors. Additionally, analysts regularly monitor the Portfolio's holdings to confirm that fundamental credit characteristics and the investment thesis remains intact for each issue in the Portfolio.



In making investment decisions, the Portfolio Manager may also consider input from Nuveen Asset Management's Fixed Income Strategy Committee, or other investment teams within Nuveen Asset Management. The Portfolio Manager's fixed income research team is not isolated as a unit unto itself, but is fully integrated within a much broader research team. This broader group incorporates analysts from all asset classes and encourages the sharing of ideas and information among all asset classes. The team also considers expected changes to the yield curve under multiple market conditions to help define maturity and duration selection. With its bottom-up approach, the portfolio management team utilizes fundamental information to evaluate the credit quality, relative value and momentum of individual securities. In doing so, the team compares a security's metrics both to its metrics over time and to the metrics of other securities in the fixed-income market. The team's quantitative analysis allows it to make detailed comparisons of securities between and within sectors, industries, and rating categories.

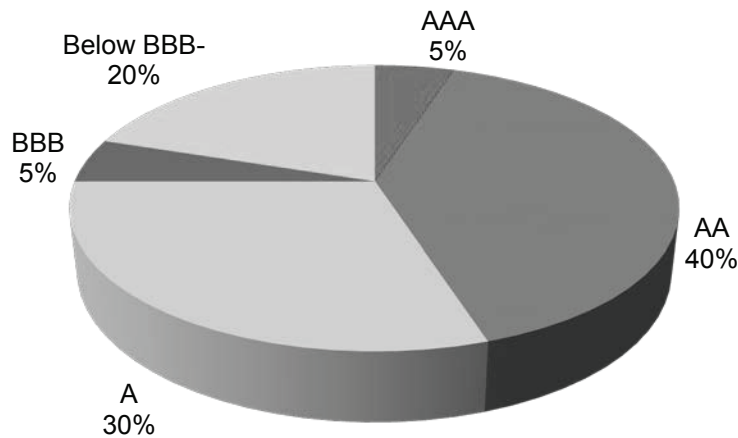
As part of Nuveen’s overall risk management process, analysts actively monitor the credit quality of portfolio holdings. Nuveen seeks to manage portfolio risks, including, principally, exposure to individual issuers and sectors and exposure to calls, and to manage a portfolio’s interest rate sensitivity

Nuveen will also use derivatives such as LIBOR swaps and U.S. Treasury futures to seek to reduce the risk of rising interest rates by maintaining, under normal market conditions, a weighted average Portfolio duration of not more than six years.

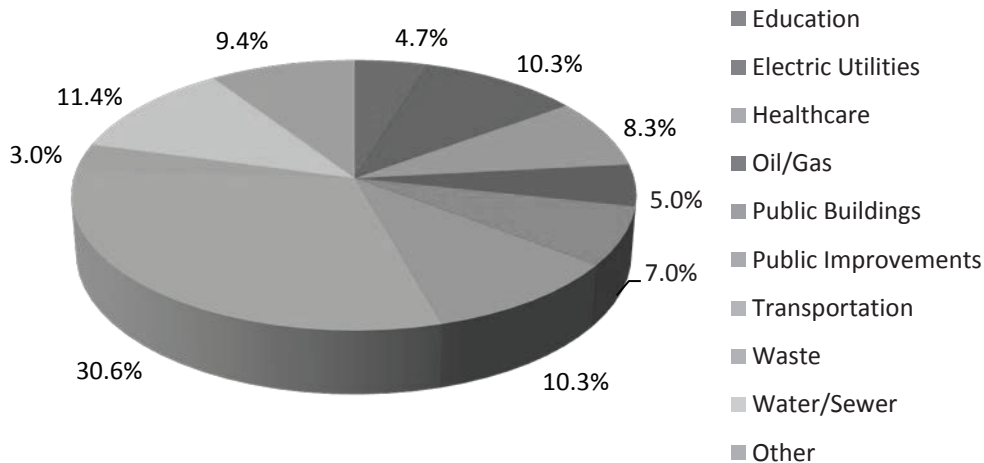
Indicative Portfolio

The following charts illustrate the composition of the Portfolio in respect of the credit rating distribution and sector distribution on an indicative basis if the Portfolio had existed on December 12, 2014 (the “**Indicative Portfolio**”).

Indicative Portfolio Breakdown by Credit Rating



Indicative Portfolio Breakdown by Sector



The chart below shows the average rating, yield to worst and duration of the Indicative Portfolio, the Barclays Long Term Corporate Bond Index and the Barclays Corporate Index. The term “yield to worst” refers to the lowest potential yield that can be received on a bond by an investor without the issuer actually defaulting. The yield is equal to the lower of either the yield to maturity or the yield to call on every possible date on the bond.

	<u>Average Rating</u>	<u>Yield to Worst</u>	<u>Duration</u>
Indicative Portfolio	A	5.04%	5.5 years
Barclays Long Term Corporate Bond Index	A- / BBB+	4.47%	13.67 years
Barclays Corporate Index	A- / BBB+	3.15%	7.23 years

As of December 12, 2014.

The information set out above is provided for illustrative purposes only. The Portfolio may or may not include securities of issuers considered in compiling the foregoing analysis and will include securities of issuers that were not included in compiling this analysis. The Portfolio Manager will actively manage the Portfolio to seek to meet the Fund’s investment objectives and therefore the composition of the Portfolio will vary from time to time based on the Portfolio Manager’s assessment of market conditions and the availability of suitable securities and may differ substantially from the Indicative Portfolio whose information is described above. See “Risk Factors”.

Leverage

The Fund may utilize various forms of leverage including borrowings under loan facilities and margin purchases. The Fund may also obtain leverage through shorting and through notional exposure under derivatives provided that aggregate exposure obtained through shorting and derivatives based on the market value of the notional exposure determined on a daily basis and borrowings determined at the time of borrowing shall not exceed 40% of Total Assets (the “**Leverage Threshold**”). Derivatives and shorting used solely for purposes of hedging (as defined in NI 81-102) will not be included in the Leverage Threshold calculation. If at any time leverage exceeds the Leverage Threshold, the Manager will, as soon as practicable thereafter, cause the leverage to be reduced below such threshold. Accordingly, at the time such leverage is incurred, the maximum amount of leverage that the Fund could employ is 1.67:1 (total long positions (including leveraged positions) divided by the net assets of the Fund). Initially, the Fund is expected to employ leverage of approximately 28% of Total Assets (1.39:1 (total long positions (including leveraged positions) divided by the net assets of the Fund).

Use of Derivatives

The Fund may also invest in or use derivative instruments, other than commodity derivatives, for hedging purposes consistent with its investment objectives and investment strategies, including as a hedge against adverse changes in the market price of securities, interest rate or currency exchanges. No assurance can be given that the Fund will be hedged from any particular risk from time to time.

Currency Hedging

The Portfolio will be invested primarily in assets denominated in U.S. dollars. From time to time, 0% to 100% of the value of the Portfolio’s non-Canadian currency exposure may be hedged back to the Canadian dollar by the Manager. The Manager initially intends to hedge 80% of the value of the Portfolio back to the Canadian dollar. The Fund may use derivative instruments to actively manage currency exposure in respect of the value of the Portfolio. The currency exposure attributable to the value of the Units will be actively managed by Francois Bourdon, Chief Investment Solutions Officer of the Manager. No assurance can be given that the Portfolio will be hedged from any particular risk from time to time.

OVERVIEW OF THE SECTORS THE FUND INVESTS IN

Infrastructure assets offer a number of distinct characteristics that make them appealing investments for many investors. As the essential services of daily life, infrastructure assets often benefit from inelastic demand. Regardless of the economic environment or changing prices, usage of infrastructure assets (such as water, sewer, roads, bridges, and airports) remains relatively consistent. Additionally, infrastructure assets maintain a significant competitive advantage as there are often high barriers to entry. Because infrastructure projects are highly capital intensive and often governed by strict regulatory frameworks, it is considered difficult for competing assets or participants to challenge such monopolies. Lastly, infrastructure assets often benefit from relatively stable long term cash flows. Infrastructure assets are often financed with long term debt and rates for utilization of the assets are often set in coordination with debt service payments to ensure that the two are

aligned. In the Portfolio Manager’s view, all of these features contribute to the relatively attractive profile of the sector, and to the low historical default rates of infrastructure assets as a whole.

Infrastructure debt in the United States has traditionally been financed through the public bond market. In Canada, Europe, and other parts of the world, infrastructure debt has traditionally been financed through a combination of the corporate bond markets, government debt markets, and conventional bank loans. The dynamics of these markets have been shifting over the past several years as (i) more and more public infrastructure assets are being privatized; (ii) banks are reducing their exposures to infrastructure debt on their balance sheets; and (iii) due to capital adequacy requirements associated with Basel III and Dodd Frank and similar regulatory frameworks, banks are reducing their market making functions and willingness to warehouse securities. The Portfolio Manager believes that these shifting dynamics have created greater inefficiencies in the infrastructure debt markets. Additionally, as a consequence of reduced participation in these markets by the banking and insurance sectors, significantly fewer issues are AAA rated, and will likely create new advantages for institutional investors with expertise in investing in infrastructure.

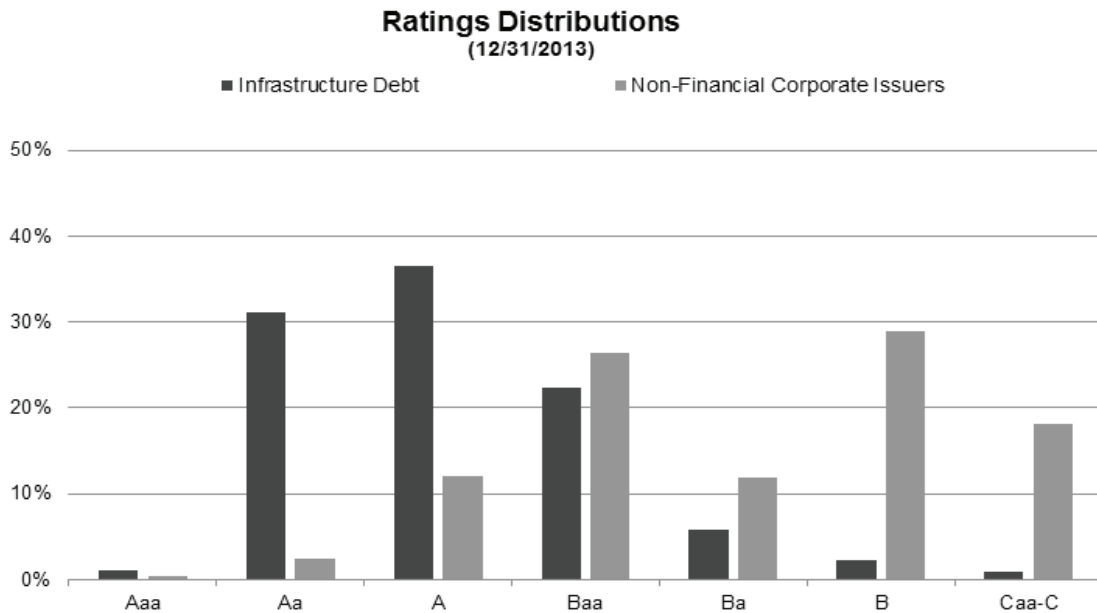
The infrastructure debt market is comprised of several different sectors including “traditional” hard infrastructure assets such as toll roads, airports, power plants, and pipelines and “social infrastructure” such as schools, hospitals, government buildings and services. Moreover, infrastructure assets exist in both the public and private sectors. In order to build a diversified portfolio, the Portfolio Manager anticipates investing in a wide array of infrastructure assets in both the public and private domains.

As shown in the following chart, on average there are more than 10,000 distinct project financings each year in the U.S. ranging in size from \$1 million to \$1 billion.

U.S. Infrastructure Debt Issuance (2004-2013)		
Sector	Description	Number of Issues
Education	Universities, Secondary Schools	44,081
General Purpose	School Districts, Governmental Entities	35,525
Utilities	Water, Gas	14,132
Health Care	Hospitals, Long Term Care Facilities	6,775
Public Facilities	Convention Centers, Stadiums	6,168
Housing	Multi-family Housing	6,058
Transportation	Toll roads, Trains, Ports	5,160
Community Development Districts	Infrastructure "Bones" for Local Community Development	3,219
Electric Power	Power Generation, Transmission, Distribution	2,043
Environmental Facilities	Pollution Control, Sewage and Waste Treatment	1,226
	Total	124,387

Source: The Bond Buyer, 2004-2013.

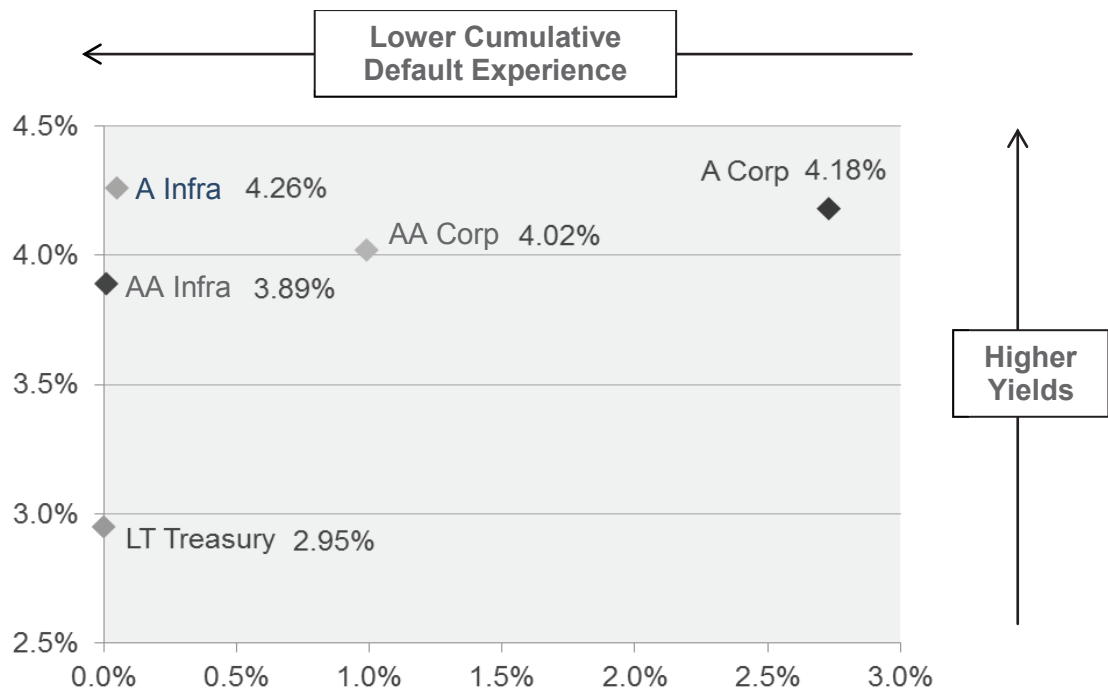
As shown in the following chart, the credit characteristics of these issues have a higher average rating profile than general corporate debt and have historically had a substantially lower default rate than non-infrastructure securities.



Source: Moody's, *Special Comment: Infrastructure Default and Recovery Rates, 1983-2013*, May 2014.

The Portfolio Manager believes that the infrastructure debt market is inefficient as this asset class is typically more complex and less liquid than traditional corporate debt. This is a market that is dominated by retail investors and, accordingly, is subject to volatility from time to time as a consequence of matters affecting investor sentiment generally. Despite historically lower default rates, the inefficiencies of the infrastructure debt market has offered investors on average higher yields than the corporate debt market and therefore provides attractive valuations versus corporate bonds as evidenced by the charts below.

Average 10 Year Cumulative Historical Default Rate



Average 10 Year Cumulative Historical Default Rate (as of 12/31/13)

Sources: Default Data - Moody's Investor Service, Special Comment: US Municipal Bond Defaults and Recoveries 1970-2013; Yields - Barclays Build America Bond Index; Barclays Capital Long U.S. Corporate Investment Grade Index; Barclays Capital Long U.S. Treasury Index. Default data as of 12/31/2013. Market Yields are indicative of market levels as of 8/31/14, but can change without notice. Although Nuveen Asset Management believes that default information for Build America Bonds is relevant, the limited history of issuances of Build America Bonds does not allow for a direct comparison with corporate bonds. Past performance is no guarantee of future results.

Yield to Worst Spread Comparison for Infrastructure Debt vs. Corporate Bonds (January 2006 to October 31, 2014)



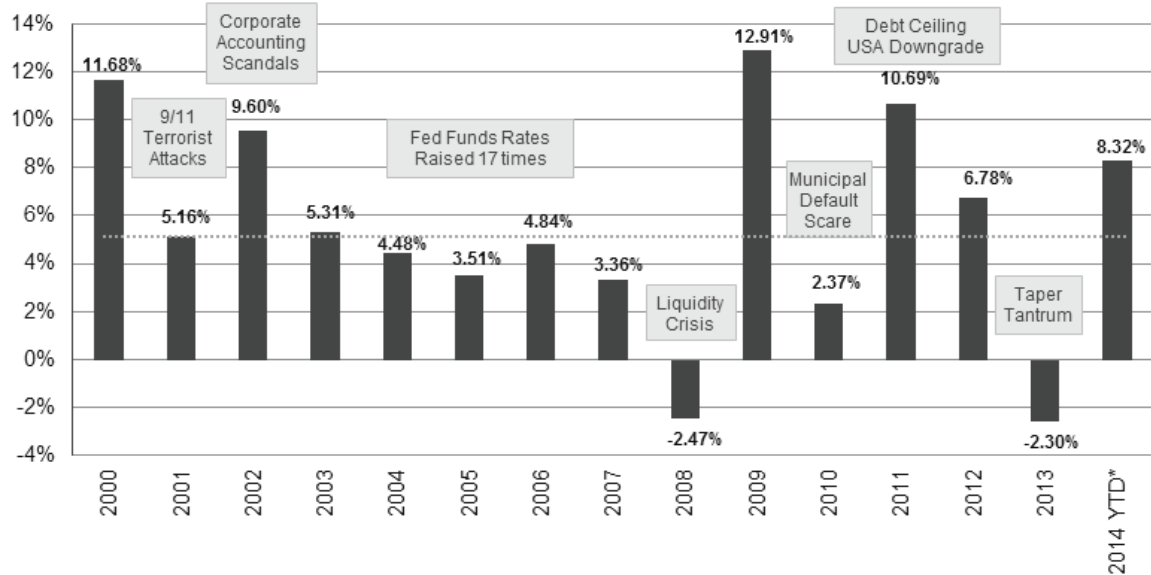
Source: Barclays Capital. Public Infrastructure is represented by the Barclays Capital Taxable Municipal Bond Index; Corporates are represented by the Barclays U.S. Corporate Investment Grade Index.

Notes: The term “yield to worst” refers to the lowest potential yield that can be received on a bond by an investor without the issuer actually defaulting. The yield is equal to the lower of either the yield to maturity or the yield to call on every possible date on the bond.

Taken together, the Portfolio Manager believes that infrastructure debt offers investors a more attractive risk / return profile than equivalently rated corporate bonds.

Infrastructure debt securities have historically been quite resilient to significant market events given their credit features and their embedded investor base. From a credit perspective, infrastructure functions as the essential services of economic activity and daily life, and therefore is viewed as a less cyclical asset class. Infrastructure debt has historically not shown the significant upticks in defaults that corporate credits have experienced in market downturns and recessionary environments. Additionally, public infrastructure debt is widely held by both individual investors and institutional investors in the United States, and because of the relative inefficiency of the markets is not nearly as actively traded as the corporate or U.S. Treasury markets. As shown in the chart below, infrastructure debt has generated an average annualized return of 5.57% since 2000 with relatively low volatility.

Annualized Returns of Infrastructure Debt throughout Market Events Barclays Municipal Bond Index Return



Source: Bloomberg, as at October 31, 2014.

Although rising rates typically negatively affect bond prices, the pace of the rise in rates as well as the steepness of the yield curve can impact a bond's total return. A sudden spike in rates may have the most immediate impact on bonds as it may cause an instant repricing of outstanding securities. However, a slow, gradual rise in rates allows investors to incrementally reinvest portfolios at higher rates. Additionally, bonds with extra spread may pay out income that can buffer against the impact of rising rates on the Portfolio. Furthermore, the Portfolio Manager believes that in a steep yield curve environment, the longer end of the curve may be better suited to absorb the impact of a rise in short rates, while in a flatter yield curve environment, the shorter end of the curve may perform better.

As shown by the tables below, infrastructure debt has historically held up during rate hike cycles. When a rise in rates is indicative of broader economic improvement, cities and states that own infrastructure assets are often the beneficiaries of higher tax revenue and increased asset utilization rates.

**Increases in Federal Interest Rates
(1994 to present)**

	Period 1 2/4/94 to 2/1/95	Period 2 6/30/99 to 5/16/00	Period 3 6/30/04 to 6/29/06
Starting Rate Level	3.00%	4.75%	1.00%
Number of Hikes	7	6	17
Duration	12 Months	10 Months	24 Months
Ending Rate Level	6.00%	6.50%	5.25%
Magnitude	300 basis points	175 basis points	425 basis points

**Infrastructure Debt Performance in a Rising Rate Environment
(1994 to present)**

Barclays Municipal Index	Period 1 (2/4/94 to 2/1/95)	Period 2 (6/30/99 to 5/16/00)	Period 3 (6/30/04 to 6/29/06)
1-Year	8.50%	7.63%	5.85%
3-Year	9.51%	7.12%	6.78%
5-Year	10.45%	6.78%	7.16%
10-Year	11.19%	6.87%	12.05%
20-Year	9.03%	6.50%	18.53%
22+Year	8.40%	4.95%	21.53%
	Yield curve flattened 76 bps Best Performer: 10-Year	Yield curve flattened 17 bps Best Performer: 1-Year	Yield curve flattened 235 bps Best Performer: 22+

Total returns are across three periods which include the 6 months before and after the increase in federal interest rates.

Source: Bloomberg, www.federalreserve.gov and Barclays Live. 1-year bonds represented by the Barclays 1-Year Municipal Bond Index; 3-year bonds by the Barclays 3-Year Municipal Bond Index; 5-year bonds by the Barclays 5-Year Municipal Bond Index; 10-year bonds by the Barclays 10-Year Municipal Bond Index; 20-year bonds by the Barclays 20-Year Municipal Bond index; 22+-year bonds by the Barclays Long Municipal Bond Index; the municipal bond market by the Barclays Municipal Bond Index.

The Portfolio Manager believes that while overall improving economic conditions in the United States may eventually lead to an increase in interest rates, the impact of rising rates on a fixed income portfolio can be quite varied depending on the shape of the yield curve, the pace of any tightening cycle, broader economic conditions, and credit spreads available in the market at the beginning or during a tightening cycle. Public infrastructure debt has historically performed relatively well in previous tightening environments, as evidenced in the previous chart. Economic conditions, and the pace and scale of U.S. Federal Reserve activity can be a large driver of total return; at the same time, in a relatively benign credit environment dominated by low rates, income can be a key driver of total return and credit spread can act as a defensive mechanism.

Types of Investments

Governmental Bonds

The Fund may invest in bonds issued by local governmental agencies. States, local governments, municipalities and other issuing authorities issue bonds to raise money for various public purposes such as building public facilities, refinancing outstanding obligations and financing general operating expenses. Such bonds include general obligation bonds, which are backed by the full faith and credit of the issuer and may be repaid from any revenue source, and revenue bonds, which may be repaid only from the revenue of a specific facility or source.

U.S. Governmental Bonds issued to finance infrastructure projects may be either taxable or tax-exempt for US investors. Governmental bonds may be rated Investment Grade or below Investment Grade and pay interest based on fixed or floating rate coupons. Maturities may range from long-term to short-term. It is anticipated that the Portfolio Manager will generally seek bonds with the most attractive yield from a risk/return perspective.

The Fund may also purchase Governmental Bonds that represent lease obligations. These carry special risks because the issuer of the bonds may not be obligated to appropriate money annually to make payments under the lease. In order to reduce this risk, the Fund will, in making purchase decisions, take into consideration the issuer's incentive to continue making appropriations until maturity.

The securities in which the Fund will invest may include refunded bonds and zero coupon bonds. Refunded bonds may have originally been issued as general obligation or revenue bonds, but become "refunded" when they are secured by an escrow fund, usually consisting entirely of direct U.S. government obligations and/or U.S. government agency obligations. Zero coupon bonds are issued at substantial discounts from their value at maturity and pay no cash income to their holders until they mature. When held to maturity, their entire return comes from the difference between their purchase price and their maturity value.

The governmental securities in which the Fund invests may have variable, floating, or fixed interest rates.

Corporate Obligations

Corporate Debt Securities. The Fund may invest in corporate debt securities issued by U.S. and non-U.S. companies of all kinds, including those with small-, mid- and large-capitalizations. Corporate debt securities are fixed income securities issued by businesses to finance their operations. Notes, bonds, debentures and commercial paper are the most common types of corporate debt securities, with the primary difference being their maturities and secured or unsecured status. Commercial paper has the shortest term and is usually unsecured. Corporate debt securities may be rated Investment Grade or below Investment Grade and may carry fixed or floating rates of interest.

Other Debt Securities

Loans. The Fund may invest in loans, including senior secured loans, unsecured and/or subordinated loans, loan participations and unfunded contracts. These loans are typically made by or issued to corporations primarily to finance acquisitions, refinance existing debt, support organic growth, or pay out dividends, and are typically originated by large banks and are then syndicated out to institutional investors as well as to other banks. Loans typically bear interest at a floating rate, although some loans pay a fixed rate. Due to their lower place in the borrower's capital structure, unsecured and/or subordinated loans involve a higher degree of overall risk than senior bank loans of the same borrower. Loan participations are loans that are shared by a group of lenders. Unfunded contracts are commitments by lenders to loan an amount in the future or that is due to be contractually funded in the future.

High Yield Debt Securities. The Fund may invest in debt securities rated below Investment Grade. Debt securities rated below Investment Grade are commonly referred to as "high yield" or "junk" bonds. These types of bonds are typically issued by companies without long track records of sales and earnings, or by issuers that have questionable credit strength. High yield and comparable unrated debt securities: (i) will likely have some quality and protective characteristics that, in the judgment of the rating agency evaluating the instrument, are outweighed by large uncertainties or major risk exposures to adverse conditions; and (ii) are predominantly speculative with respect to the issuer's capacity to pay interest and repay principal in accordance with the terms and obligation.

Convertible Securities

The Fund may invest in convertible securities, which are hybrid securities that combine the investment characteristics of bonds and common stocks. Convertible securities typically consist of debt securities that may be converted within a specified period of time (typically for the entire life of the security) into a certain amount of common stock or other equity security of the same or a different issuer at a predetermined price. They also include debt securities with warrants or common stock attached and derivatives combining the features of debt securities and equity securities. Convertible securities entitle the holder to receive interest paid or accrued on debt securities, until the securities mature or are redeemed, converted or exchanged.

Preferred Securities

The Fund may invest in preferred securities. Preferred securities, which generally pay fixed or adjustable rate dividends or interest to investors, have preference over common stock in the payment of dividends or interest and the liquidation of a company's assets, which means that a company typically must pay dividends or interest on its preferred securities before paying any dividends on its common stock. On the other hand, preferred securities are junior to most other forms of the company's debt, including both senior and subordinated debt. Because of their subordinated position in the capital structure of an issuer, the ability to defer dividend or interest payments for extended periods of time without triggering an event of default for the issuer, and certain other features, preferred securities are often treated as equity-like instruments by both issuers and investors, as their quality and value are heavily dependent on the profitability and cash flows of the issuer rather than on any legal claims to specific assets.

Non-U.S. Investments

The Fund may invest in debt securities of non-U.S. issuers that are traded over-the-counter or listed on an exchange. The Fund will classify an issuer of a security as being a U.S. or non-U.S. issuer based on the determination of an unaffiliated, recognized financial data provider. Such determinations are based on a number of criteria, such as the issuer's country of domicile, the primary exchange on which the security trades, the location from which the majority of the issuer's revenue comes, and the issuer's reporting currency.

The Fund may invest in issuers located in emerging markets. Emerging market countries include any country other than Canada, the United States and the countries comprising the MSCI EAFE® Index (currently, Australia, Austria, Belgium, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland and the United Kingdom).

Cash Equivalents and Short-Term Investments

The Fund may invest in cash and in U.S. dollar-denominated high-quality money market instruments and other short-term securities, including money market funds, in such proportions as warranted by prevailing market conditions and the Fund's principal investment strategies. The Fund may temporarily invest without limit in such holdings for liquidity purposes, or in an attempt to respond to adverse market, economic, political or other conditions. Being invested in these securities may keep the Fund from participating in a market upswing and prevent the Fund from achieving its investment objective.

INVESTMENT RESTRICTIONS

The Fund will be subject to the investment restrictions set out (i) in NI 81-102 that are applicable to non-redeemable investment funds subject to any exemption; and (ii) below. The investment restrictions of the Fund may not be changed without the approval of Unitholders by an Extraordinary Resolution. The investment restrictions of the Fund, which are set forth in the Declaration of Trust, provide that:

- (i) not less than 80% of Total Assets will be invested in Investment Grade fixed income securities of U.S. issuers that own, operate or develop infrastructure assets;
- (ii) the Fund will not invest more than 20% of the Total Assets in debt obligations of issuers domiciled outside of the United States;
- (iii) the Fund will not employ leverage, including through shorting and through notational exposure under derivatives based on the market value of the notional exposure determined on a daily basis and borrowings determined at the time of borrowing, in amounts exceeding 40% of Total Assets determined at the time of borrowing (1.67:1 (total long positions (including leveraged positions) divided by the net assets of the Fund)) provided that if at any time leverage exceeds the Leverage Threshold, the Portfolio Manager will, as soon as practicable thereafter cause the leverage to be reduced below such threshold (and provided that derivatives and shorting used solely for purposes of hedging (as defined in NI 81-102) will not be included in the Leverage Threshold calculation);
- (iv) the Fund will not enter into a short sale of securities for purposes other than hedging if after such short sale, the Fund's short exposure (determined on a mark to market basis) other than for hedging purposes would be greater than 10% of Total Assets;

- (v) the Fund will not invest more than 10% of Total Assets in securities of any one issuer;
- (vi) the Fund will not invest more than 5% of Total Assets in securities which the Portfolio Manager believes could not be liquidated within 30 days at an amount which at least approximates the amount that the Portfolio Securities are valued for purposes of calculating NAV of the Fund;
- (vii) the Fund will not own securities of an issuer if as a result of such ownership the Manager or Portfolio Manager would, either directly or indirectly, hold or exercise control or direction over greater than 19.99% of the securities of such issuer;
- (viii) the Fund will not engage in securities lending that does not constitute a “securities lending arrangement” for purposes of the Tax Act;
- (ix) the Fund will not invest in or hold (i) 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 any significant amounts in income pursuant to section 94.1 of the Tax Act, (ii) 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 (iii) any interest in a non-resident trust (or a partnership which holds such an interest) other than an “exempt foreign trust” for the purposes of section 94 of the Tax Act;
- (x) the Fund will not invest in any security that would be a “tax shelter investment” within the meaning of section 143.2 of the Tax Act;
- (xi) the Fund will not invest in any security of an issuer that would be a “foreign affiliate” of the Fund for purposes of the Tax Act;
- (xii) the Fund will not enter into any arrangement (including the acquisition of securities for the Portfolio) where the result is a “dividend rental arrangement” for the purposes of the Tax Act;
- (xiii) the Fund will not make any investment or conduct any activity that would result in the Fund failing to qualify or ceasing to qualify as a “mutual fund trust” for purposes of the Tax Act or acquire any property that would be “taxable Canadian property” of the Fund as such term is defined in the Tax Act (if the definition were read without reference to paragraph (b) thereof) (or any amendment to such definition); or
- (xiv) the Fund will not make or hold any investment that would result in the Fund itself being a SIFT Trust for purposes of the SIFT Rules.

If a percentage restriction on investment or use of assets or borrowing or financing arrangements set forth above as an investment restriction is adhered to at the time of the transaction, later changes to the market value of the investment or Total Assets will not be considered a violation of the investment restrictions (except for the restriction in paragraph (xiv) above which must be complied with at all times, and except as provided in NI 81-102, and which may necessitate the selling of investments from time to time). If the Fund receives from an issuer subscription rights to purchase securities of that issuer, and if the Fund exercises those subscription rights at a time when the Fund’s holdings of securities of that issuer would otherwise exceed the limits set forth above, the exercise of those rights will not constitute a violation of the investment restrictions if, prior to the receipt of securities of that issuer on exercise of these rights, the Fund has sold at least as many securities of the same class and value as would result in the restriction being complied with.

Notwithstanding the foregoing, the Fund may also hold cash or cash equivalents from time to time.

FEES AND EXPENSES

Agents’ Fees

The Agents’ fees will be \$0.525 per Unit (5.25%), which will be paid by the Fund out of the proceeds of the Offering. See “Plan of Distribution”.

Expenses of the Offering

In addition to the Agents' fees, the Fund will pay the expenses incurred in connection with the Offering, estimated to be \$800,000 (subject to a maximum of 1.5% of the gross proceeds of the Offering).

Management Fee

An annual management fee (the "**Management Fee**") equal to 1.00% of the NAV of the Fund, calculated daily and payable monthly in arrears, plus applicable taxes, will be paid to the Manager. The Manager is responsible for paying the fees payable to the Portfolio Manager out of the Management Fee.

Ongoing Fees and Expenses

The Fund will pay for all ordinary expenses incurred in connection with its operation and administration. It is expected that the expenses for the Fund will include, without limitation, all costs of portfolio transactions, fees payable to the Manager, the Trustee and other third party service providers, custodial fees, legal, accounting, audit and valuation fees and expenses, 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 members of the IRC, costs of reporting to Unitholders, registrar, transfer and distribution agency costs, fees payable to the plan agent under the Fund's distribution reinvestment plan for performing certain financial, record-keeping, Unitholder reporting and general administrative services and for acting as plan agent under the Fund's distribution reinvestment plan, printing and mailing costs, listing fees and expenses and other administrative expenses and costs incurred in connection with the continuous public filing requirements, website maintenance costs, taxes, brokerage commissions, costs and expenses relating to the issue of Units, 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, extraordinary expenses that the Fund may incur and all amounts paid on account of indebtedness. Such expenses will also include expenses of any action, suit or other proceedings in which or in relation to which the Manager, the Portfolio Manager, the Custodian, the IRC and/or any of their respective officers, directors, employees, consultants or agents is entitled to indemnity by the Fund.

The Manager estimates that operational expenses of the Fund, exclusive of management fees, debt service and expenses related to portfolio transactions, will be approximately \$220,000 per year, plus applicable taxes.

Any arrangements for additional services between the Fund and the Manager, or any affiliate thereof, that have not been described in this prospectus will be on terms that are no less favourable to the Fund than those available from arm's length persons (within the meaning of the Tax Act) for comparable services and the Fund will pay all expenses associated with such additional services.

RISK FACTORS

In addition to the considerations set out elsewhere in this prospectus, the following are certain considerations relating to an investment in Units which prospective investors should consider before purchasing such Units:

No Assurances of Achieving Objectives

There is no assurance that the Fund will be able to achieve its investment objectives. It is possible that, due to declines in the market value of the Portfolio, the Fund will have insufficient assets to achieve in full its investment objectives.

There is no assurance that the Fund will be able to achieve its distribution objective. The funds available for distribution to Unitholders will vary according to, among other things, the levels of interest paid on the Portfolio Securities and the value of the Portfolio. There is no assurance that the Portfolio will earn any return. If the return on the Portfolio or the increase in the value of the Portfolio is less than the amount necessary to fund the monthly distributions and all expenses of the Fund and if the Manager chooses to nevertheless pay the monthly distributions to Unitholders, this will result in a portion of the capital of the Fund being returned to Unitholders and, accordingly, NAV per Unit would be reduced. The amount of monthly distributions may vary if there are changes in any of the factors that affect the net cash flow on the Portfolio, including the amount of leverage employed by the Fund and the other assumptions noted under "Distribution Policy".

Loss on Investment

An investment in the Fund is appropriate only for investors who have the capacity to absorb a loss on their investment and who can withstand the effect of a distribution not being made in any period.

Performance of the Portfolio

The NAV per Unit will vary as the fair value of the Portfolio Securities varies. The Fund has no control over the factors that affect the fair value of the Portfolio Securities, including factors that affect the debt markets generally, such as general economic and political conditions and fluctuations in interest rates, and factors unique to each issuer included in the Portfolio, such as changes in management, changes in strategic direction, achievement of strategic goals, mergers, acquisitions and divestitures, changes in distribution policies and other events that may affect the value of its securities. Some global economies are experiencing significantly diminished growth and some may suffer or have suffered a recession. No assurance can be given that diminished availability of credit and significant equity devaluations will not adversely affect the markets into which the Fund will invest in the near to medium term.

Bond Market Liquidity Risk

Primary dealer inventories of corporate bonds appear to be low relative to the size of the fixed income market. These inventories are a core indication of dealers' capacity to "make a market" in fixed income securities. This reduction in market making capacity has the potential to decrease liquidity and increase price volatility in the fixed income markets in which the Fund will invest, particularly during periods of economic or market stress.

Call Risk

Debt securities are subject to call risk. Many bonds may be redeemed at the option of the issuer, or "called," before their stated maturity date. In general, an issuer will call its bonds if they can be refinanced by issuing new bonds which bear a lower interest rate. The Fund will be subject to the possibility that during periods of falling interest rates, a bond issuer will call its high yielding bonds. The Fund would then be forced to invest the unanticipated proceeds at lower interest rates, resulting in a decline in the Fund's income.

Convertible Security Risk

Convertible securities have characteristics of both equity and debt securities and, as a result, are exposed to certain additional risks that are typically associated with debt. The market values of convertible securities tend to decline as interest rates increase and, conversely, to increase as interest rates decline. However, a convertible security's market value also tends to reflect the market price of the common stock of the issuing company. Convertible securities are also exposed to the risk that an issuer is unable to meet its obligation to make dividend or interest and principal payments when due as a result of changing financial or market conditions.

Mandatory convertible securities are distinguished as a subset of convertible securities because the conversion is not optional and the conversion price at maturity is based solely upon the market price of the underlying common stock, which may be significantly less than par or the price (above or below par) paid. Mandatory convertible securities generally do not limit the potential for loss to the same extent as securities convertible at the option of the holder.

Credit Risk

Credit risk is the risk that an issuer of a debt security held by the Fund may be unable or unwilling to make interest and principal payments and the related risk that the value of a debt security may decline because of concerns about the issuer's ability or willingness to make such payments. Debt securities are subject to varying degrees of credit risk, which are often reflected in credit ratings. The credit rating of a debt security may be lowered if the issuer suffers adverse changes in its financial condition, which can lead to greater volatility in the price of the security and in the Units, and can also affect the bond's liquidity and make it more difficult for the Fund to sell. When the Fund purchases unrated securities, it will depend on the Portfolio Manager's analysis of credit risk without the assessment of an independent rating organization, such as Moody's or S&P.

Derivatives Risk

The use of derivatives presents risks different from, and possibly greater than, the risks associated with investing directly in traditional securities. Derivatives can be highly volatile, illiquid and difficult to value, and there is the risk that changes in the value of a derivative held by the Fund will not correlate with the asset, index or rate underlying the derivative contract.

The use of derivatives can lead to losses because of adverse movements in the price or value of the underlying asset, index or rate, which may be magnified by certain features of the contract. A derivative transaction also involves the risk that a loss may be sustained as a result of the failure of the counterparty to the contract to make required payments. These risks are heightened when the Portfolio Manager uses derivatives to enhance the Fund's return or as a substitute for a position or security, rather than solely to hedge (or offset) the risk of a position or security held by the Fund.

In addition, when the Fund engages in certain derivative transactions, it is effectively leveraging its investments, which could result in exaggerated changes in NAV of the Fund and can result in losses that exceed the amount originally invested. The success of the Fund's derivatives strategies will depend on the Portfolio Manager's ability to assess an asset, index or rate and the derivative itself, without the benefit of observing the performance of the derivative under all possible market conditions.

The Fund may also enter into over-the-counter ("OTC") transactions in derivatives. Transactions in the OTC markets generally are conducted on a principal-to-principal basis. The terms and conditions of these instruments generally are not standardized and tend to be more specialized or complex, and the instruments may be harder to value. In general, there is less governmental regulation and supervision of transactions in the OTC markets than of transactions entered into on organized exchanges. In addition, certain derivative instruments and markets may not be liquid, which means the Fund may not be able to close out a derivatives transaction in a cost efficient manner.

Short positions in derivatives may involve greater risks than long positions, as the risk of loss on short positions is theoretically unlimited (unlike a long position, in which the risk of loss may be limited to the notional amount of the instrument).

Swap agreements may involve fees, commissions or other costs that may reduce the Fund's gains from a swap agreement or may cause the Fund to lose money.

Futures contracts are subject to the risk that an exchange may impose price fluctuation limits, which may make it difficult or impossible for the Fund to close out a position when desired.

Infrastructure Sector Risk

Because the Fund will invest primarily in infrastructure-related securities, the Fund has greater exposure to adverse economic, regulatory, political, legal, and other changes affecting the issuers of such securities. Infrastructure-related businesses are subject to a variety of factors that may adversely affect their business or operations, including high interest costs in connection with capital construction programs, costs associated with environmental and other regulations, the effects of economic slowdown and surplus capacity, increased competition from other providers of services, uncertainties concerning the availability of fuel at reasonable prices, the effects of energy conservation policies and other factors.

Additionally, infrastructure-related issuers may be subject to regulation by various governmental authorities and may also be affected by governmental regulation of rates charged to customers, service interruption and/or legal challenges due to environmental, operational or other mishaps and the imposition of special tariffs and changes in tax laws, regulatory policies and accounting standards. There is also the risk that corruption may negatively affect publicly-funded infrastructure projects, especially in emerging markets, resulting in delays and cost overruns.

The infrastructure industry also has some special features that cause certain risks to be more prevalent than in other industry sectors, including:

- (i) *Technology Risk.* This risk arises where a change could occur in the way a service or product is delivered rendering the existing technology obsolete. While the risk could be considered low in the infrastructure sector given the massive fixed costs involved in constructing assets and the fact that many infrastructure technologies are well established, any technology change that occurs over the medium term could threaten the profitability of an infrastructure issuer. If such a change were to occur, these assets have very few alternative uses should they become obsolete.

- (ii) *Regional or Geographic Risk.* This risk arises where an infrastructure issuer's assets are not moveable. Should an event that somehow impairs the performance of an infrastructure issuer's assets occur in the geographic location where the issuer operates those assets, the performance of the issuer may be adversely affected.
- (iii) *Through-put Risk.* The revenue of many infrastructure issuers may be impacted by the number of users who use the products or services produced by the infrastructure issuers' assets. Any change in the number of users may negatively impact the profitability of the issuer.

General Governmental Securities Market Risk

The amount of public information about securities issued by local governmental agencies is generally less than that for corporate equities or bonds, and the Fund's investment performance may therefore be more dependent on the Portfolio Manager's analytic abilities. The secondary market for Governmental Bonds, and particularly for high-yield Governmental Bonds, tends to be less well developed and less liquid than many other securities markets. As a result, the Fund may have to accept a lower price to sell a security, sell other securities to raise cash, or give up an investment opportunity, any of which could have a negative effect on performance.

High Yield Securities Risk

High yield securities are rated below Investment Grade and are commonly referred to as "high yield" securities or "junk" bonds. High yield securities usually offer higher yields than Investment Grade securities, but also involve more risk. High yield securities may be more susceptible to real or perceived adverse economic conditions than Investment Grade securities, and they generally have more volatile prices and carry more risk to principal. In addition, liquidity risk is greater for high yield securities than for Investment Grade securities.

Income Risk

The Fund's income could decline in a falling interest rate environment because the Fund generally will have to invest the proceeds from maturing Portfolio Securities (or Portfolio Securities that have been called, see "Call risk" above), in lower-yielding securities.

Interest Rate Risk

Debt securities held by the Fund will fluctuate in value with changes in interest rates. In general, debt securities will increase in value when interest rates fall and decrease in value when interest rates rise. The Fund may be subject to a greater risk of rising interest rates than would normally be the case due to the current period of historically low rates and the effect of potential government fiscal policy initiatives and resulting market reaction to those initiatives. Longer-term debt securities are generally more sensitive to interest rate changes. Rising interest rates also may lengthen the duration of debt securities with call features, since exercise of the call becomes less likely as interest rates rise, which in turn will make the securities more sensitive to changes in interest rates and result in even steeper price declines in the event of further interest rate increases.

Loan Risk

The loans in which the Fund may invest may not be (i) rated at the time of investment, (ii) registered with the Securities and Exchange Commission or (iii) listed on a securities exchange. In addition, the amount of public information available with respect to such loans may be less extensive than that available for more widely rated, registered and exchange-listed securities. Because no active trading market currently exists for some of the loans in which the Fund may invest, such loans may be illiquid and more difficult to value than more liquid instruments for which a trading market does exist. Portfolio transactions in loans may settle in as short as seven days but typically can take up to two or three weeks, and in some cases much longer. Unlike the securities markets, there is no central clearinghouse for loan trades, and the loan market has not established enforceable settlement standards or remedies for failure to settle. Because the interest rates of floating-rate loans in which the Fund may invest may reset frequently, if market interest rates fall, the loans' interest rates will be reset to lower levels, potentially reducing the Fund's income.

Affiliates of the Portfolio Manager may participate in the primary and secondary market for loans. Because of limitations imposed by applicable law, the presence of such affiliates in the loan market may restrict the Fund's ability to acquire some loans or affect the timing or price of loan acquisitions. Also, because the Portfolio Manager may wish to invest in the

publicly-traded securities of an obligor, the Fund may not have access to material non-public information regarding the obligor to which other investors have access.

Municipal Lease Obligations Risk

The Fund may purchase participation interests in municipal leases. These are undivided interests in a lease, installment purchase contract, or conditional sale contract entered into by a state or local government unit to acquire equipment or facilities. Participation interests in municipal leases pose special risks because many leases and contracts contain “non-appropriation” clauses that provide that the governmental issuer has no obligation to make future payments under the lease or contract unless money is appropriated for this purpose by the appropriate legislative body. Although these kinds of obligations are secured by the leased equipment or facilities, it might be difficult and time consuming to dispose of the equipment or facilities in the event of nonappropriation, and the Fund might not recover the full principal amount of the obligation.

Preferred Securities Risk

There are special risks associated with investing in preferred securities:

Limited voting rights. Generally, preferred security holders (such as the Fund) have no voting rights with respect to the issuing company unless preferred dividends have been in arrears for a specified number of periods, at which time the preferred security holders may elect a number of directors to the issuer’s board. Generally, once all the arrearages have been paid, the preferred security holders no longer have voting rights.

In the case of certain preferred securities, holders generally have no voting rights, except (i) if the issuer fails to pay dividends for a specified period of time or (ii) if a declaration of default occurs and is continuing. In such an event, preferred security holders generally would have the right to appoint and authorize a trustee to enforce the trust or special purpose entity’s rights as a creditor under the agreement with its operating company.

Special redemption rights. In certain circumstances, an issuer of preferred securities may redeem the securities prior to their stated maturity date. For instance, for certain types of preferred securities, a redemption may be triggered by a change in federal income tax or securities laws. As with call provisions, a redemption by the issuer may negatively impact the return of the security held by the Fund.

Payment deferral. Generally, preferred securities may be subject to provisions that allow an issuer, under certain conditions, to skip (“non-cumulative” preferred securities) or defer (“cumulative” preferred securities) distributions. Non-cumulative preferred securities can defer distributions indefinitely. Cumulative preferred securities typically contain provisions that allow an issuer, at its discretion, to defer distributions payments for up to 10 years. If the Fund owns a preferred security that is deferring its distribution, the Fund may be required to report income for tax purposes while it is not receiving any income.

Subordination. Preferred securities are subordinated to bonds and other debt instruments in a company’s capital structure and therefore are subject to greater credit risk than those debt instruments.

Liquidity. Preferred securities may be substantially less liquid than many other securities, such as U.S. government securities or common stock.

Financial services industry. The preferred securities market is comprised predominately of securities issued by companies in the financial services industry. Therefore, preferred securities present substantially increased risks at times of financial turmoil, which could affect financial services companies more than companies in other sectors and industries.

Regulatory risk. Issuers of preferred securities may be in industries that are heavily regulated and that may receive government funding. The value of preferred securities issued by these companies may be affected by changes in government policy, such as increased regulation, ownership restrictions, deregulation or reduced government funding.

Emerging Markets Risk

Non-U.S. or Canadian issuers or U.S. or Canadian issuers with significant non-U.S. or non-Canadian operations may be subject to risks in addition to or different than those of issuers that are located in or principally operated in the United States or Canada due to political, social and economic developments abroad, different regulatory environments and laws, potential

seizure by the government of company assets, higher taxation, withholding taxes on dividends and interest and limitations on the use or transfer of portfolio assets.

Other non-U.S. or non-Canadian investment risks include the following:

- (i) Enforcing legal rights may be difficult, costly and slow in such countries, and there may be special problems enforcing claims against non-U.S. or non-Canadian governments;
- (ii) Non-U.S. or non-Canadian companies may not be subject to accounting standards or governmental supervision comparable to U.S. or Canadian companies, and there may be less public information about their operations;
- (iii) Non-U.S. or non-Canadian markets may be less liquid and more volatile than U.S. or Canadian markets;
- (iv) The North American markets and non-North American markets often rise and fall at different times or by different amounts due to economic or other developments particular to a given country or region. This phenomenon would tend to lower the overall price volatility of a portfolio that included both North American and non-North American securities. Sometimes, however, global trends will cause the North American and non-North American markets to move in the same direction, reducing or eliminating the risk reduction benefit of international investing;
- (v) Securities traded on foreign exchanges, particularly in emerging markets countries, may be subject to further risks due to the inexperience of local investment professionals and financial institutions, the possibility of permanent or temporary termination of trading, and greater spreads between bid and asked prices for securities. In addition, non-U.S. or non-Canadian exchanges and investment professionals are subject to less governmental regulation, and commissions may be higher than in the United States or Canada. Also, there may be delays in the settlement of such exchange transactions;
- (vi) The Fund's income from non-Canadian issuers may be subject to withholding taxes. In some countries, the Fund also may be subject to taxes on trading profits and, on certain securities transactions, transfer or stamp duties tax;
- (vii) Some countries, particularly in emerging markets, restrict to varying degrees foreign investment in their securities markets. In some circumstances, these restrictions may limit or preclude investment in certain countries or may increase the cost of investing in securities of particular companies; and
- (viii) Emerging markets generally do not have the level of market efficiency and strict standards in accounting and securities regulation to be on par with advanced economies. Investments in emerging markets come with much greater risk due to political instability, domestic infrastructure problems and currency volatility.

Political and Economic Risks

The values of municipal securities may be adversely affected by local political and economic conditions and developments. Adverse conditions in an industry significant to a local economy could have a correspondingly adverse effect on the financial condition of local issuers. Other factors that could affect municipal securities include a change in the local, state, or national economy, demographic factors, ecological or environmental concerns, statutory limitations on the issuer's ability to increase taxes, and other developments generally affecting the revenue of issuers (for example, legislation or court decisions reducing state aid to local governments or mandating additional services). This risk would be heightened to the extent that the Fund invests a substantial portion of the below Investment Grade quality portion of the Portfolio in the bonds of similar projects (such as those relating to the education, health care, housing, transportation, or utilities industries), in industrial development bonds, or in particular types of municipal securities (such as general obligation bonds, private activity bonds or moral obligation bonds) that are particularly exposed to specific types of adverse economic, business or political events.

To the extent that the Fund invests a significant portion of its assets in the securities of issuers located in a given state or U.S. territory, it will be disproportionately affected by political and economic conditions and developments in that state or territory. In addition, economic, political or regulatory changes in that state or territory could adversely affect Governmental Bond issuers in that state or territory and therefore the value of the Portfolio.

Zero Coupon Bonds Risk

As interest on zero coupon bonds is not paid on a current basis, the values of the bonds are subject to greater fluctuations than are the value of bonds that distribute income regularly and may be more speculative than such bonds. Accordingly, the values of zero coupon bonds may be highly volatile as interest rates rise or fall. In addition, while zero coupon bonds generate income for purposes of generally accepted accounting standards and for purposes of the Tax Act, they do not generate cash flow and thus could cause the Fund to be forced to liquidate securities at an inopportune time in order to distribute cash.

Use of Leverage

One element of the Fund's investment strategy is the utilization of leverage. By adding leverage, the Fund has the potential to enhance returns but this also involves additional risks. There can be no assurance that the leveraging strategy employed for the Fund will enhance returns. The use of leverage may reduce returns (both distributions and capital) to Unitholders. If the securities in the Portfolio suffer a substantial decrease in value, the leverage component will magnify the decrease in value of the Units. If a loan facility is called by a lender, or if assets of the Fund have to be liquidated in order to comply with the terms of the borrowings, the Fund may have to liquidate its assets at a time when market conditions are not favourable, resulting in a loss.

The expenses and fees incurred in respect of the leverage may exceed the incremental capital gains/losses and income generated by the incremental investment by the Fund. In addition, the Fund may not be able to renew such borrowings on acceptable terms at the expiry of its term or in the event of early termination.

Significant Redemptions

If Unitholders of a substantial number of Units exercise their redemption rights, the number of Units outstanding and the NAV could be significantly reduced. A significant number of redemptions would increase the management expense ratio of the Fund. Many closed-end funds, like the Fund, with an annual redemption feature have experienced significant redemptions and as a result, some have ceased to be economically feasible and have been terminated or merged with other funds. The Manager may terminate the Fund upon filing a press release if, in the opinion of the Manager, it would be in the best interest of the Fund and the Unitholders to terminate the Fund.

Market Disruptions

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. Those 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 securities that may be held from time to time.

For all securities traded on public exchanges, each exchange typically has the right to suspend or limit trading in all securities that it lists. Such a suspension could render it impossible to liquidate its positions and thereby expose the Fund to losses. In addition, there is no guarantee that non-exchange markets will remain liquid enough to close out positions.

Global Financial Developments

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 countries, economic growth in China, military conflicts in the Middle East and Europe and a reduction in quantitative easing by the U.S. Federal Reserve, 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 Fund and the value of the Portfolio. A substantial drop in the markets in which the Fund invests could be expected to have a negative effect on the Fund.

Reliance on the Manager and the Portfolio Manager

Unitholders will be dependent on the ability of the Manager to effectively manage the Fund in a manner consistent with the investment objectives, strategy and restrictions of the Fund. Performance of the investments in the Portfolio will be dependent on the Portfolio Manager, which provides investment advisory services to the Fund. There is no certainty that the individuals who are principally responsible for providing administration and investment advisory services to the Fund will continue to be employed by the Manager and the Portfolio Manager respectively.

Portfolio Manager's Evaluation of Securities

Securities which the Portfolio Manager believes are fundamentally undervalued may not ultimately be valued in the capital markets at prices and/or within the time frame the Portfolio Manager anticipates. In particular, purchasing securities at prices which the Portfolio Manager believes to be distressed or below fair value is no guarantee that the price of such securities will not decline further.

Currency Exposure

As the Fund will own securities denominated predominantly in U.S. dollars, the NAV of the Fund, when measured in Canadian dollars, will, to the extent this has not been hedged against, be affected by changes in the value of the U.S. dollar relative to the Canadian dollar. The Fund may not be fully hedged and accordingly no assurance can be given that the Fund will not be adversely impacted by changes in foreign exchange rates or other factors. The use of hedges, if used, involves special risks, including to the extent the 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 Fund if the 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.

Risks Relating to Trading Price of the Units

The Units may trade in the market at a discount to the NAV per Unit and there can be no assurance that the Units will trade at a price equal to the NAV per Unit. Units will be redeemable at 100% of the NAV per Unit on an Annual Redemption Date less any costs associated with the redemption, including commissions, wire transfer fees and such other costs charged to the Fund by third parties, if any. While the redemption right provides Unitholders the option of annual liquidity at the NAV per Unit, there can be no assurance that it will reduce trading discounts of the Units.

Potential Conflicts of Interest

The Manager and the Portfolio Manager and their respective directors and officers and affiliates and associates may engage in the promotion, management or investment management of other accounts, funds or trusts which invest primarily in the securities held by the Fund.

Although officers, directors and professional staff of the Manager and the Portfolio Manager will devote as much time to the Fund as is deemed appropriate to perform their duties, they may have conflicts in allocating their time and services among the Fund and the other funds managed by the Manager and the Portfolio Manager, as the case may be.

Changes in Legislation

There can be no assurance that income tax, securities and other laws will not be changed in a manner which adversely affects the distributions or dividends received by the Fund or by the Unitholders.

Taxation of the Fund

If the Fund fails to or ceases to qualify as a mutual fund trust under the Tax Act, the income tax considerations described under the heading "Income Tax Considerations" would be materially and adversely different in certain respects. There can be no assurance that Canadian federal income tax laws and the administrative policies and assessing practices of the CRA respecting the treatment of mutual fund trusts will not be changed in a manner which adversely affects the Unitholders.

The tax treatment of gains and losses realized by the Fund will depend on whether such gains or losses are treated as being on income or capital account, as described in this paragraph, all of which is subject to the DFA Rules discussed below. In determining its income for tax purposes, the Fund will treat gains or losses realized on the disposition of Portfolio Securities held by it as capital gains and losses. Generally, the Fund will include gains and deduct losses on income account in connection with investments made through certain derivatives, including certain short sales of securities, except where such derivatives are used to hedge Portfolio Securities held on capital account provided there is sufficient linkage or the short sale is a short sale of “Canadian securities” for purposes of the Tax Act, and will recognize such gains or losses for tax purposes at the time they are realized by the Fund. The Fund also intends to take the position that gains or losses in respect of foreign currency hedges entered into in respect of amounts invested in the Portfolio will constitute capital gains and capital losses to the Fund if the Portfolio Securities are capital property to the Fund and there is sufficient linkage. Designations with respect to the Fund’s income and capital gains will be made and reported to Unitholders on the foregoing basis. The CRA’s practice is not to grant advance income tax rulings on the characterization of items as capital gains or income and no advance income tax ruling has been requested or obtained. If these foregoing dispositions or transactions of the Fund are determined not to be on capital account, the net income of the Fund for tax purposes and the taxable component of distributions to Unitholders could increase. Any such redetermination by the CRA may result in the Fund being liable for unremitted withholding taxes on prior distributions made to Unitholders who were not resident in Canada for purposes of the Tax Act at the time of the distribution. Such potential liability may reduce the NAV of the Fund and NAV per Unit.

The Tax Act contains recently enacted rules (the “**DFA Rules**”) that target certain financial arrangements (described in the DFA Rules as “derivative forward agreements”) that seek to deliver a return based on an “underlying interest” (other than certain excluded underlying interests) for purposes of the DFA Rules. The DFA Rules are broad in scope and, as currently drafted, could apply to other agreements or transactions (including certain forward currency contracts and other derivatives). If the DFA Rules were to apply to any derivatives utilized by the Fund the gains in respect of which would otherwise be capital gains, gains realized in respect of the property underlying such derivatives could be treated as ordinary income rather than capital gains. Counsel understand that, in response to inquiries from industry participants, the Department of Finance (Canada) is considering potential clarifications to the DFA Rules as regards their potential application to currency hedges.

The taxation of certain investments in the Fund may be uncertain under Canadian tax law as to amount and timing of recognition of income, gains or losses and characterization of income, gains or losses and may be less favourable to the Fund or Unitholders as Canadian taxpayers than to taxpayers in the jurisdiction of the investment having regard to, among other things, tax credits or subsidies, withholding tax or the fact that the investment structure is designed with investors resident in the jurisdiction of the investment in mind and not Canadian resident investors like the Fund. Certain investments of the Fund may result in a deemed accrual or receipt of income even though the Fund will not receive the income on a current basis or in cash. This may result in the Fund having to sell other investments, including when it is not advisable to do so.

The SIFT Rules will apply to a mutual fund trust that is a SIFT Trust. The Fund should not be a SIFT Trust for the purposes of these rules because the Fund should not hold “non-portfolio property”, as defined in the SIFT Rules, based on its investment restrictions, as described under the heading “Investment Restrictions”. If the SIFT Rules were to apply to the Fund, they may have an adverse impact on the Fund including on distributions received by Unitholders.

The Fund intends to invest in foreign securities. Many foreign countries preserve their right under domestic tax laws and applicable tax conventions with respect to taxes on income and on capital (“Tax Treaties”) to impose tax on dividends and interest paid or credited to persons who are not resident in such countries. While the Fund intends to make its investments in such a manner as to mitigate the amount of foreign taxes incurred under foreign tax laws and subject to any applicable Tax Treaties, investments in selected foreign securities may subject the Fund to foreign taxes on dividends and interest paid or credited to the Fund and any gains realized on the disposition of such securities. Any foreign taxes incurred by the Fund will generally reduce the value of the Fund and amounts payable to Unitholders. 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 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 Fund’s income and the Fund designates its income from a foreign source in respect of a Unitholder of the Fund, the Unitholder will, for the purposes of computing its foreign tax credits, be entitled to treat the Unitholder’s proportionate share of foreign taxes paid by the Fund in respect of such income as foreign taxes paid by the Unitholder. The availability of foreign tax credits to a Unitholder of the Fund is subject to the detailed rules in the Tax Act.

The after-tax return from an investment in Units to a Unitholder resident in Canada for the purposes of the Tax Act will depend in part on the Unitholder’s ability to recognize for purposes of the Tax Act foreign taxes paid by or on behalf of the Unitholder through foreign tax credits under the Tax Act (see “Income Tax Considerations”). A Unitholder’s ability to recognize foreign taxes through foreign tax credits may be affected where the Unitholder does not have sufficient taxes

otherwise payable under Part I of the Tax Act or sufficient foreign source income in the taxation year the foreign taxes are paid or where the Unitholder has other foreign sources of income or losses or has paid other foreign taxes. Furthermore, foreign tax credits will be dependent upon the Canadian federal and provincial tax rates and foreign tax rates that will prevail in future years to apply to applicable sources of income. Unitholders are therefore advised to consult their own tax advisors in regard to foreign tax credits.

A Unitholder that is a Registered Plan will not be entitled to a foreign tax credit under the Tax Act in respect of any foreign tax paid by the Fund and designated in respect of the Registered Plan. As a result, the after tax return from an investment in Units to a Unitholder that is a Registered Plan may be adversely affected.

Operating History

The Fund is a newly organized investment trust with no previous operating history. There is currently no public market for the Units and there can be no assurance that an active public market for the Units will develop or be sustained after completion of the Offering.

Not a Trust Company

The Fund is not a trust company and, accordingly, is not registered under the trust company legislation of any jurisdiction. Units are not “deposits” within the meaning of the Canada Deposit Insurance Corporation Act (Canada) and are not insured under provisions of that Act or any other legislation.

Nature of Units

The Units are neither fixed-income nor equity securities of a company. The Units represent a fractional interest in the net assets of the Fund. Units are dissimilar to debt instruments in that there is no principal amount owing to Unitholders. Unitholders will not have the statutory rights normally associated with ownership of shares of a corporation including, for example, the right to bring “oppression” or “derivative” actions.

No Ownership Interest

An investment in Units does not constitute an investment by Unitholders in the assets included in the Portfolio. Unitholders will not own the assets held by the Fund. Unitholders will have no recourse or rights against the assets of the Fund.

Enforcement of Rights

The Portfolio Manager is a U.S. entity. Accordingly, there may be difficulty in enforcing legal rights against the Portfolio Manager, or its individual representatives, because it and all or substantially all of its assets are located outside of Canada.

DISTRIBUTION POLICY

In accordance with the Fund’s investment objective to provide Unitholders with monthly cash distributions, the Fund intends to make monthly cash distributions to Unitholders of record on the last Business Day of each month (each, a “**Distribution Record Date**”). Distributions will be paid on a Business Day designated by the Manager that will be no later than the 15th day of the following month (each, a “**Distribution Payment Date**”). The Fund will not have a fixed monthly distribution amount but will at least annually in December each year determine and announce expected monthly distributions for the following calendar year based on the Manager’s and the Portfolio Manager’s estimate of distributable cash flow in the Fund. Based on the Manager’s current estimates, the initial monthly cash distribution target for the Fund is \$0.04166 per Unit per month (\$0.50 per annum) to yield 5% on the subscription price per Unit. The initial cash distribution will be payable to Unitholders of record on April 30, 2015, based on an anticipated Closing Date of February 24, 2015.

Based on current estimates and assuming (i) an aggregate size of the Offering of \$100 million, (ii) the use of the anticipated initial leverage of 28% of Total Assets, (iii) the employment of the investment strategies as described under “Investment Strategies”, (iv) the fees and expenses described under “Fees and Expenses”, (v) foreign exchange rates remain constant, and (vi) the current price of, and interest (net of any withholding tax) on, the securities anticipated to be included in the Portfolio, it is expected that the Fund will be able pay such distributions at the initial target level and maintain a stable NAV per Unit. If the total return of the Portfolio is less than the amount necessary to fund the monthly distributions and all expenses of the Fund, and if the Manager chooses to nevertheless ensure that the monthly distributions are paid to Unitholders, this will result

in a portion of the capital of the Fund being returned to Unitholders, and accordingly, NAV per Unit would be reduced. **The amount of monthly distributions may fluctuate from month to month and there can be no assurance that the Fund will make any distribution in any particular month or months. The amount of monthly distributions may vary if there are changes in any of the factors that affect the net cash flow on the Portfolio, including the amount of leverage employed by the Fund and the other assumptions noted above.** See “Investment Strategies – Leverage”.

Amounts distributed on the Units that represent returns of capital are generally non-taxable to a Unitholder but reduce the Unitholder’s adjusted cost base of the Units for tax purposes. See “Income Tax Considerations”.

If in any taxation year, after the monthly distributions, there would remain in the Fund additional net income or net realized capital gains, the Fund will be required to pay or make payable such net income and net realized capital gains as one or more year-end special distributions to Unitholders as is necessary to ensure that the Fund will not be liable for income tax on such amounts under Part I of the Tax Act (after taking into account all available deductions, credits and refunds). Such special distributions may be paid in the form of Units and/or cash. Any special distributions payable in Units will increase the aggregate adjusted cost base of a Unitholder’s Units. Immediately following payment of such a special distribution in Units, the number of Units outstanding will be automatically consolidated such that each Unitholder will hold after the consolidation the same number of Units as the Unitholder held before the non-cash distribution, except in the case of a non-resident Unitholder to the extent tax was required to be withheld in respect of the distribution. See “Income Tax Considerations”.

Distribution Reinvestment Plan

The Fund intends to adopt a distribution reinvestment plan (the “**Reinvestment Plan**”) which will provide that all monthly cash distributions made by the Fund shall, at the election of each Unitholder, be automatically reinvested in additional Units on each Unitholder’s behalf in accordance with the terms of the Reinvestment Plan and the distribution reinvestment plan services agreement (the “**Reinvestment Plan Services Agreement**”) to be entered into by the Fund, the Manager and Computershare Trust Company of Canada, in its capacity as agent under the Reinvestment Plan (the “**Plan Agent**”) to establish the Reinvestment Plan. Notwithstanding the foregoing, Unitholders who are non-residents of Canada for purposes of the Tax Act or that are partnerships which are not “Canadian partnerships” (as defined in the Tax Act) will not be able to participate in the Reinvestment Plan and Unitholders who cease to be resident in Canada for purposes of the Tax Act or cease to be “Canadian partnerships” (as defined in the Tax Act) will be required to terminate such Unitholders’ participation in the Reinvestment Plan. The Manager expects that the Reinvestment Plan will commence in respect of the first distribution payable to the Unitholders of record on April 30, 2015.

Subject to the foregoing, all monthly cash distributions will be automatically reinvested in additional Units on behalf of those Unitholders who are residents of Canada for purposes of the Tax Act or that are “Canadian partnerships” (as defined in the Tax Act) and elect to participate in the Reinvestment Plan (each such Unitholder being a “**Plan Participant**”). Such distributions due to Plan Participants will be paid to the Plan Agent and applied to the purchase of Units on behalf of Plan Participants in the following manner. If the trading price of the Units on the TSX (or such other exchange or market on which the Units are then listed and primarily traded) (the “**Trading Price**”) on the relevant Distribution Payment Date plus estimated brokerage fees and commissions is below the NAV per Unit determined on the previous Business Day, the Plan Agent will purchase the Units on the TSX (or such other exchange or market on which the Units are trading) except the Plan Agent will endeavor to terminate purchases in the open market and cause the Fund to issue the remaining Units if, following commencement of the purchases, the Trading Price, plus brokerage fees and commissions, exceeds the NAV per Unit determined on the previous Business Date. Provided the Plan Agent can terminate purchases on the open market, the remaining Units will be issued by the Fund from treasury at a price equal to the greater of (i) the NAV per Unit on the relevant Distribution Payment Date or (ii) 95% of the Trading Price on the Distribution Payment Date. It is possible that the average purchase price per Unit paid by the Plan Agent may exceed the Trading Price at the relevant Distribution Payment Date, resulting in the purchase of fewer Units than if the distribution had been paid entirely by Units issued by the Fund. Applicable brokerage fees and commissions incurred in connection with purchases of Units made in the market pursuant to the Reinvestment Plan will be paid by and from the accounts of Plan Participants.

The Units purchased in the market or from the Fund will be allocated on a *pro rata* basis to the Plan Participants. The Plan Agent will credit a Plan Participant’s account in respect of Units acquired on behalf of such Plan Participant under the Reinvestment Plan. The Fund will not issue fractional Units. Accordingly, Plan Participants will not be permitted to reinvest the portion of a cash distribution that would otherwise result in fractional Units being issued. In such circumstances, the Plan Participants will be entitled to retain the portion of the cash distribution that is not reinvested. No certificates representing Units issued or purchased pursuant to the Reinvestment Plan will be issued. **The automatic reinvestment of the**

distributions under the Reinvestment Plan will not relieve Plan Participants of any income tax applicable to such distributions. See “Income Tax Considerations”.

If the Units are thinly traded, purchases in the market under the Reinvestment Plan may significantly affect the trading price. Depending on market conditions, direct reinvestment of cash distributions by Unitholders in the market may be more, or less, advantageous than the reinvestment arrangements under the Reinvestment Plan. The Plan Agent’s fees for administering the Reinvestment Plan will be paid by the Fund.

To participate in the Reinvestment Plan, beneficial holders may elect to participate under the Reinvestment Plan by notifying their investment advisor, or any other broker, dealer, bank or trust company through which they hold their Units. A CDS Participant will then complete and sign an authorization form notifying the Plan Agent that a beneficial holder intends to participate under the Reinvestment Plan. The authorization form directs the Plan Agent to reinvest all of the participating holder’s cash distributions in the purchase of additional Units on behalf of the holder. Unitholders will be able to terminate their participation in the Reinvestment Plan by providing, or by causing to be provided, written notice to the Manager at least 10 Business Days’ prior to a Distribution Record Date for a distribution. Such notice, if actually received by the Manager no later than 10 Business Days prior to a Distribution Record Date for a distribution, will have effect in respect of the distribution to be made as of such date. Thereafter, distributions to such holders will be in cash. The Manager will be able to terminate the Reinvestment Plan, in its sole discretion, upon not less than 30 days’ notice to the Plan Participants and the Plan Agent. The Manager will also be able to amend, modify or suspend the Reinvestment Plan at any time in its sole discretion, provided that it gives notice of that amendment, modification or suspension to Unitholders, which notice may be given by the Fund by issuing a press release. The Fund will not be required to issue Units into any jurisdiction where that issuance would be contrary to applicable laws.

PURCHASES OF UNITS

Method to Purchase Units

Prospective purchasers may acquire Units by cash payment. Prospective purchasers may purchase Units through any one of the Agents or any member of a sub-agency group that the Agents may form. Closing of the Offering will take place on or about February 24, 2015, or such later date as may be agreed upon by the Fund and the Agents, but, in any event, not later than 90 days after a receipt for the final prospectus is issued. The offering price was determined by negotiation between the Agents and the Fund. See “Plan of Distribution”.

REDEMPTIONS

Annual Redemptions of Units

Commencing in 2016, Units may be surrendered annually for redemption during the period from the first Business Day in August until 5:00 p.m. (Toronto time) on the last Business Day in August of each year (the “**Notice Period**”). Subject to the Fund’s right to suspend redemptions in certain circumstances, Units properly surrendered for redemption during the Notice Period will be redeemed on the second last Business Day in September of each year following the relevant Notice Period (the “**Annual Redemption Date**”) and the Unitholder will receive a redemption price per Unit equal to 100% of the NAV per Unit as determined on the Annual Redemption Date, less any costs associated with the redemption, including commissions, wire transfer fees and such other costs charged to the Fund by third parties, if any, on or before the Redemption Payment Date (the “**Annual Redemption Price**”).

Monthly Redemptions

In addition to the annual redemption right, Unitholders may make a redemption request at any time, in which case the Fund will redeem the Units on the second last Business Day of each month (“**Monthly Redemption Date**”), subject to certain conditions, and in order to effect such a redemption, the Units must be surrendered by no later than 5:00 p.m. (Toronto time) on the date which is the last Business Day of the month preceding the month in which the Monthly Redemption Date falls. Payment of the redemption price will be made on the Redemption Payment Date, subject to the Manager’s right to suspend redemptions in certain circumstances. A Unitholder who properly surrenders a Unit for redemption during the Notice Period for an annual redemption will receive the Annual Redemption Price.

A Unitholder who properly surrenders a Unit for redemption on a Monthly Redemption Date, will receive the amount (the “**Monthly Redemption Price**”), if any, equal to the lesser of (i) 95% of the Market Price and (ii) 100% of the Closing Market Price of a Unit on the applicable Monthly Redemption Date, less, in each case, any costs associated with the

redemption including commissions and such other costs, if any. Notwithstanding the foregoing, the Monthly Redemption Price with respect to a Unit being redeemed on such date will not be greater than the NAV per Unit on the Monthly Redemption Date.

Pursuant to the Declaration of Trust, the Fund may 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. Any such allocations and designations will reduce the redemption price otherwise payable to the redeeming Unitholder.

Exercise of Redemption Right

An owner of Units who desires to exercise redemption privileges thereunder must do so by causing a CDS Participant to deliver to CDS on behalf of the owner a written notice (the “**Redemption Notice**”) of the owner’s intention to redeem Units. An owner who desires to redeem Units should ensure that the CDS Participant is provided with notice of his or her intention to exercise his or her redemption privilege sufficiently in advance of the relevant notice date so as to permit the CDS Participant to deliver notice to CDS and so as to permit CDS to deliver notice to the registrar and transfer agent of the Fund in advance of the required time. The form of Redemption Notice will be available from a CDS Participant or the registrar and transfer agent. Any expense associated with the preparation and delivery of Redemption Notices will be for the account of the owner exercising the redemption privilege.

Except as provided under “Suspension of Redemptions”, by causing a CDS Participant to deliver to CDS a notice of the owner’s intention to redeem Units, an owner shall be deemed to have irrevocably surrendered his or her Units for redemption and appointed such CDS Participant to act as his or her exclusive settlement agent with respect to the exercise of the redemption privilege and the receipt of payment in connection with the settlement of obligations arising from such exercise.

Any Redemption Notice delivered by a CDS Participant regarding an owner’s intent to redeem which CDS determines to be incomplete, not in proper form or not duly executed shall for all purposes be void and of no effect and the redemption privilege to which it relates shall be considered for all purposes not to have been exercised thereby. A failure by a CDS Participant to exercise redemption privileges or to give effect to the settlement thereof in accordance with the owner’s instructions will not give rise to any obligations or liability on the part of the Fund or the Manager to the CDS Participant or to the owner.

Any and all Units which have been properly surrendered to the Fund for redemption are, subject to the Fund’s right to recirculate Units described below, deemed to be outstanding until (but not after) the close of business on the applicable Valuation Day, unless the redemption proceeds are not paid on or before the applicable Redemption Payment Date in which event such Units will remain outstanding.

Suspension of Redemptions

The Manager may suspend the redemption of Units or payment of redemption proceeds: (i) during any period when normal trading is suspended on stock exchanges or other markets on which securities owned by the Fund are listed and traded, if these securities represent more than 50% by value or underlying market exposure of total assets of the Fund without allowance for liabilities and if these securities are not traded on any other exchange that represents a reasonably practical alternative for the Fund or (ii) for a period not exceeding 60 days, with the consent of the securities regulatory authorities. The 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 such requests shall be advised by the Manager of the suspension and that the redemption will be effected at a price determined on the first Business Day following the termination of the suspension. All such Unitholders shall have and shall be advised that they have the right to withdraw their requests for redemption. The suspension shall terminate in any event 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 then exists. To the extent not inconsistent with official rules and regulations promulgated by any government body having jurisdiction over the Fund, any declaration of suspension made by the Manager shall be conclusive.

Resale of Units Tendered for Redemption

The Fund may enter into a recirculation agreement with a recirculation agent whereby such recirculation agent will agree to use commercially reasonable efforts to find purchasers for Units tendered for redemption prior to the relevant Monthly Redemption Date or Annual Redemption Date, as applicable. The Fund may, but is not obligated to, require a recirculation agent to seek such purchasers. In such event, the amount to be paid to the Unitholder on or before the Redemption Payment Date will be an amount equal to the proceeds of the sale thereof less any applicable fees and commissions. Such amount will not be less than the amount that a Unitholder would have been otherwise entitled to receive on a Redemption Payment Date.

INCOME TAX CONSIDERATIONS

In the opinion of Blake, Cassels & Graydon LLP, counsel to the Fund, and Stikeman Elliott LLP, counsel to the Agents, the following is, as of the date hereof, a summary of the principal Canadian federal income tax considerations under the Tax Act generally applicable to the acquisition, holding and disposition of Units by a Unitholder who acquires Units pursuant to this 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 and at all relevant times, is resident in Canada, deals at arm's length and is not affiliated with the Fund and holds Units as capital property. Generally, the Units will be considered to be capital property to a Unitholder provided that the Unitholder does not hold the 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 Unitholders who might not otherwise be considered to hold Units as capital property may, in certain circumstances, be entitled to have such Units and all other "Canadian securities" as defined in the Tax Act owned or subsequently acquired by them treated as capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act. Unitholders should consult their own tax advisors as to whether an election under subsection 39(4) of the Tax Act is available or advisable in their circumstances. This summary does not apply to a Unitholder who has entered or will enter into a "derivative forward agreement" as that term is defined in the Tax Act with respect to the Units.

This summary is based on the facts set out in this prospectus, certificates of the Manager and the lead Agent regarding certain factual matters, 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 counsel's understanding of the current administrative policies and assessing practices of the CRA made publicly available prior to the date hereof.

This summary assumes that the Tax Proposals will be enacted as currently proposed although no assurance can be given that the Tax Proposals will be enacted in the form publicly announced or at all. Except for the Tax Proposals, this summary does not take into account or anticipate any changes in the law or administrative policy or assessing practice, whether by way of legislative, governmental or judicial decision or action, nor does it take into account other federal or any provincial, territorial or foreign tax legislation or considerations.

This summary also assumes that the Fund will comply with its investment restrictions at all relevant times.

This summary is also based on the assumption that the Fund will at no time be a SIFT Trust. Provided that the Fund does not hold "non-portfolio property" as defined in the SIFT Rules, it will not be a SIFT Trust. Based upon its investment restrictions, as described under the heading "Investment Restrictions", the Fund will not hold any "non-portfolio property".

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 considerations relating to the deductibility of interest on money borrowed to acquire Units. Moreover, the income and other tax consequences of acquiring, holding or disposing of Units will vary according to the status of the investor, the province or provinces in which the investor resides or carries on business and, generally, the investor's particular circumstances. Accordingly, this summary is of a general nature only and is not intended to constitute advice to any particular investor. **Investors should consult their own tax advisors with respect to the income tax consequences of investing in Units, based on their particular circumstances.**

Status of the Fund

This summary is based on the assumptions that the Fund will qualify at all times as a "unit trust" and a "mutual fund trust" within the meaning of the Tax Act, that the Fund will validly elect under the Tax Act to be a mutual fund trust from the date it was established and that the Fund will not reasonably at any time be considered to be established or maintained primarily for the benefit of non-resident persons 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).

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 (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 (c) any combination of the activities described in (a) and (b), and (iii) the Fund must comply with certain minimum requirements respecting the ownership and dispersal of Units (the “**minimum distribution requirements**”). In this regard, counsel has been advised that the Manager intends to (i) cause the Fund to qualify as a unit trust throughout the existence of the Fund, and (ii) ensure that the Fund’s undertaking conforms with the above-mentioned restrictions for mutual fund trusts. The Manager has advised counsel that it has no reason to believe that, following the Closing, the Fund will not comply with the minimum distribution requirements at all material times. The Manager has advised counsel that it intends to ensure that the Fund will meet the requirements necessary for it to qualify as a mutual fund trust no later than the Closing Date and at all times thereafter and to file the necessary election so that the Fund will qualify as a mutual fund trust since its inception.

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

Provided that the Fund qualifies as a “mutual fund trust” within the meaning of the Tax Act or the Units are listed on a “designated stock exchange” for purposes of the Tax Act (which currently includes the TSX), the Units will be qualified investments under the Tax Act for Registered Plans. See “Income Tax Considerations – Taxation of Registered Plans” for the consequences of holding Units in Registered Plans.

Taxation of the Fund

The Manager has advised counsel that the Fund will elect to have a taxation year that ends on December 15 of each calendar year. The Fund will generally 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 the amount paid or payable to Unitholders (i) where the taxation year ends on December 15, in the calendar year in which the taxation year ends; or (ii) where the taxation year ends (or is deemed to end) at any other time, prior to the end of such taxation year. The Manager has advised counsel that the Fund intends to make distributions to Unitholders as described under “Distribution Policy” and to deduct, in computing its income in each taxation year, such amount as will be sufficient to ensure that the Fund will not be liable for income tax under Part I of the Tax Act for each year other than such tax on net realized capital gains that will be recoverable by the Fund in respect of such year by reason of the capital gains refund mechanism.

With respect to indebtedness, the Fund is 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 Fund before the end of that year, including on a conversion, redemption or repayment on maturity, except to the extent that such interest was included in computing the Fund’s income for a preceding year or may be considered a recovery of the Fund’s cost and excluding any interest that accrued prior to the time 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 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 interest will not be included in the proceeds of disposition for purposes of computing any capital gain or loss. Certain investments of the Fund may result in a deemed accrual or receipt of income even though the Fund will not receive the income on a current basis or in cash.

In computing its income for tax purposes, the Fund is 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 Portfolio Security.

The Fund is entitled to deduct an amount equal to the reasonable expenses that it incurs in the course of issuing Units. Such issue expenses paid by the Fund and not reimbursed, including the Agents’ fees, are deductible by the Fund ratably over a five year period subject to reduction in any taxation year which is less than 365 days. Generally, the Fund is also entitled to deduct reasonable administrative expenses and interest payable by it on money borrowed to purchase Portfolio Securities. 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 in the Tax Act.

Upon the actual or deemed disposition of a Portfolio Security, 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 Portfolio Securities with the objective of receiving distributions and income thereon and will take the position that gains and losses realized on the disposition thereof are capital gains and capital losses. The Manager has also advised counsel that, if available, the Fund intends to make an election under subsection 39(4) of the Tax Act so that all Portfolio Securities that are “Canadian securities” (as defined in the Tax Act), including Canadian securities acquired in connection with short sales, will be deemed to be capital property to the Fund.

Generally, subject to the DFA Rules discussed below, the Fund will include gains and deduct losses on income account in connection with investments made through certain derivatives, including certain short sales of securities that are not Canadian securities, 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 Fund.

One-half of the amount of any capital gain (a “**taxable capital gain**”) realized by the Fund in a taxation year on the disposition of Portfolio Securities that are capital property of the Fund must be included in computing the Fund’s income for the year, and one-half of the amount of any capital loss (an “**allowable capital loss**”) realized by the Fund in a taxation year must be deducted against any taxable capital gains realized by the Fund in the year. Allowable capital losses for a taxation year in excess of taxable capital gains for that year may be carried back and deducted by the Fund in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net realized taxable capital gains in accordance with the provisions of the Tax Act.

The Fund 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 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 Fund for such taxation year which may arise upon the sale or other disposition of Portfolio Securities in connection with the redemption of Units.

The Fund may enter into transactions denominated in currencies other than the Canadian dollar, including the acquisition of Portfolio Securities. The cost and proceeds of disposition of securities, interest and all other amounts are 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 Fund may be affected by fluctuations in the value of foreign currencies relative to the Canadian dollar. Subject to the DFA Rules discussed below, gains or losses in respect of currency hedges entered into in respect of amounts invested in the Portfolio will likely constitute capital gains and capital losses to the Fund if the Portfolio Securities are capital property to the Fund provided there is sufficient linkage.

The Tax Act contains recently enacted rules (the “**DFA Rules**”) that target certain financial arrangements (described in the DFA Rules as “derivative forward agreements”) that seek to deliver a return based on an “underlying interest” (other than certain excluded underlying interests) for purposes of the DFA Rules. The DFA Rules are broad in scope and, as currently drafted, could apply to other agreements or transactions (including certain forward currency contracts and other derivatives). If the DFA Rules were to apply to any derivatives utilized by the Fund the gains in respect of which would otherwise be capital gains, gains realized in respect of the property underlying such derivatives could be treated as ordinary income rather than capital gains. Counsel understand that, in response to inquiries from industry participants, the Department of Finance (Canada) is considering potential clarifications to the DFA Rules as regards their potential application to currency hedges.

The Fund 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 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 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 Fund’s income, the Fund may designate in respect of a Unitholder a portion of its foreign source income that can reasonably be considered to be part of the Fund’s income distributed to such 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 foreign tax paid by, the Unitholder for the purposes of the foreign tax credit provisions of 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 or reinvested in additional Units pursuant to the Reinvestment Plan) in the taxation year. In general, amounts paid or payable by the Fund to a Unitholder after December 15 and before the end of the calendar year are deemed to have been paid or become payable to the Unitholder on December 15. Provided that appropriate designations are made by the Fund, such portion of the net realized taxable capital gains of the Fund, the foreign source income of the Fund and the taxable dividends 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. Amounts designated as taxable dividends from taxable Canadian corporations will be subject to the gross-up and dividend tax credit rules, including the enhanced gross-up and tax credit applicable to designated eligible dividends.

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 in order to enable the Fund to utilize, in the taxation year, losses from prior years without affecting the ability of the Fund to distribute its income annually. Such 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. The non-taxable portion of the Fund's net realized capital gains for a taxation year, the taxable portion of which was designated in respect of a Unitholder for the year, that is paid or payable (whether in cash or in Units) to the Unitholder for that taxation year will not be included in the Unitholder's income for the year. Any other amount in excess of the Unitholder's share of the Fund's net income for a taxation year paid or payable to the Unitholder for the year will not generally be included in the Unitholder's income, but 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 to zero.

Any losses of the Fund for purposes of the Tax Act cannot be allocated to, and cannot be treated as a loss of, a Unitholder.

On the disposition or deemed disposition of a Unit (whether on a sale, redemption or otherwise), a Unitholder will realize a capital gain (or capital loss) to the extent that the Unitholder's proceeds of disposition (which do not include any amount of capital gains made payable by the Fund to the Unitholder which represent capital gains realized by the Fund in connection with its disposition of securities in order to fund the redemption) 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 (including on a distribution in the form of Units or the reinvestment in additional Units pursuant to the Reinvestment Plan), the cost of the newly acquired Units will be averaged with the adjusted cost base of all 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 from the Fund 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. See "Distribution Policy". Any additional Units acquired by a Unitholder on the reinvestment of distributions will generally have a cost equal to the amount reinvested. If a Unitholder participates in the Reinvestment Plan and the Unitholder acquires a Unit from the Fund at a price that is less than the then fair market value of the Unit, it is the administrative position of the CRA that the Unitholder must include the difference in income and that the cost of the Unit will be correspondingly increased.

Pursuant to the Declaration of Trust, the Fund may 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. Any such allocations and designations will reduce the redemption price otherwise payable to the Unitholder and, therefore, the Unitholder's proceeds of disposition.

If, at any time, the Fund delivers Portfolio Securities to any Unitholder upon a redemption of a Unitholder's Units on the termination of the Fund, the Unitholder's proceeds of disposition of the Units will 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 Fund on the disposition of such distributed property. The cost of any property distributed by the Fund in specie 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. Such distributed property may or may not be a qualified investment for Registered Plans. If such distributed property is not a qualified investment for Registered Plans, such Registered Plans (and, in the case of certain Registered Plans, the annuitants, beneficiaries or subscribers thereunder or holders thereof) may be subject to adverse tax consequences including, in the case of registered education savings plans, revocation of such Registered Plans.

One-half of any capital gain (a “**taxable capital gain**”) realized by a Unitholder or a taxable capital gain designated in respect of a Unitholder in a taxation year of the Unitholder will be included in the Unitholder’s income for that year and one-half of any capital loss (an “**allowable capital loss**”) realized by the Unitholder in a taxation year of the Unitholder must be deducted from taxable capital gains realized by the Unitholder or designated by the Fund in respect of the Unitholder 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 net realized taxable capital gains in accordance with the provisions of the Tax Act.

In general terms, net income of the Fund paid or payable to a Unitholder that is designated as taxable dividends from taxable Canadian corporations or as net realized taxable capital gains as well as taxable capital gains realized by the Unitholder on the disposition of Units may increase the Unitholder’s liability for alternative minimum tax.

Taxation of Registered Plans

Amounts of income and capital gains included in a Registered Plan’s income are generally not taxable under Part I of the Tax Act, provided that the Units are qualified investments for the Registered Plan. See “Income Tax Considerations – Status of the Fund”. Unitholders should consult their own advisors regarding the tax implications of establishing, amending, terminating or withdrawing amounts from a Registered Plan.

Notwithstanding the foregoing, the holder of a tax-free savings account or the annuitant under a registered retirement savings plan or registered retirement income fund will be subject to a penalty tax in respect of Units held by such tax-free savings account, registered retirement savings plan or registered retirement income fund, as the case may be, if such Units are a “prohibited investment” for such Registered Plans for the purposes of the Tax Act. The Units will not be a “prohibited investment” for trusts governed by a tax-free savings account, registered retirement savings plan or registered retirement income fund unless the holder of the tax-free savings account or the annuitant under the registered retirement savings plan or registered retirement income fund, 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. Generally, a holder or annuitant, as the case may be, will not have a significant interest in the Fund unless the holder or annuitant, as the case may be, owns interests as a beneficiary under the Fund that have a fair market value of 10% or more of the fair market value of the interests of all beneficiaries under the Fund, either alone or together with persons and partnerships with which the holder or annuitant, as the case may be, does not deal at arm’s length. In addition, the Units will not be a “prohibited investment” if the Units are “excluded property” as defined in the Tax Act for trusts governed by a tax-free savings account, registered retirement savings plan or registered retirement income fund.

Holders or annuitants should consult their own tax advisors with respect to whether Units would be prohibited investments, including with respect to whether the Units would be “excluded property” as defined in the Tax Act.

Tax Implications of the Fund’s Distribution Policy

The NAV per Unit will reflect any income and gains of the Fund that have accrued or have been realized but have not been paid or made payable at the time Units are acquired. A Unitholder who acquires Units, including on a distribution in the form of Units or a reinvestment in additional Units pursuant to the Reinvestment Plan, may become taxable on the Unitholder’s share of such income and gains of the Fund notwithstanding that such amounts may have been reflected in the price paid by the Unitholder for the Units. The consequences of acquiring Units late in a calendar year will generally depend on whether one or more special distributions to Unitholders are necessary to ensure that the Fund will not be liable for non-refundable income tax under Part I of the Tax Act. In particular, where a Unitholder acquires Units in a calendar year after December 15 of such year, such Unitholder 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 Units were acquired.

ORGANIZATION AND MANAGEMENT DETAILS OF THE FUND

Manager of the Fund

Fiera Capital Corporation (“**Fiera**” or the “**Manager**”) is the manager and promoter of the Fund and is responsible for the day-to-day operations of the Fund. The Manager, in its capacity as investment fund manager of the Fund, will retain the Portfolio Manager to act as portfolio manager to the Fund. The Manager is registered in the categories of portfolio manager and exempt market dealer in all Provinces and Territories of Canada. Fiera is also registered in the category of investment fund manager in the Provinces of Ontario, Québec and Newfoundland and Labrador. In addition, the Manager is registered in Québec, as a derivatives portfolio manager pursuant to the *Derivatives Act* (Québec), in Ontario as a commodity trading manager pursuant to the *Commodity Futures Act* (Ontario) and in Manitoba as an adviser pursuant to the *Commodity Futures Act* (Manitoba).

The Manager is a publicly-traded independent money manager with approximately \$85 billion in assets under management as at September 30, 2014. The firm has grown substantially since 2003 through a combination of organic growth and strategic acquisitions, including YMG Capital Management in 2006, Sceptre Investment Counsel Limited in 2010, Natcan Investment Management Inc. in 2012 and assets under management from UBS Global Asset Management (Canada) Inc. and from GMP Investment Management L.P. (held through its affiliate Fiera Quantum L.P.) in 2013. On October 31, 2013, Fiera acquired Bel Air Investment Advisors LLC, a Los Angeles-based firm, and Wilkinson O’Grady & Co. Inc., an investment manager based in New York. On September 2, 2014, Fiera acquired Propel Capital Corporation and thereafter wound-up Propel into Fiera. Fiera is one of only a handful of full service, multi-product investment firms in Canada, offering clients a proven top-tier track record in equity and fixed income management as well as depth and expertise in asset allocation and alternative investments. This diversified offering of investment products and services are made available to a diverse group of clients including, pensions plans, foundations and endowments, charitable organizations, financial institutions, securities dealers, investment funds, and individual high net worth and retail investors.

Fiera’s head office is located at 1501 McGill College Avenue, Suite 800, Montreal, Québec H3A 3M8 and its registered office is located at 1 Adelaide Street East, Toronto, Ontario M5C 2V9.

Details of the Management Agreement

The Manager will provide or arrange for the provision of all administrative services and investment management services required by the Fund including the execution of its investment strategies.

Pursuant to the management agreement between the Manager and the Fund to be entered into on or before the Closing Date (the “**Management Agreement**”), the Manager will be appointed as the manager to direct the operations and affairs of the Fund.

Under the terms of the Management Agreement, the Manager is responsible for providing, or causing to be provided, management, portfolio management and administrative services and facilities to the Fund, including, without limitation (a) entering into, on behalf of the Fund, the Portfolio Management Agreement; (b) authorizing and paying expenses incurred on behalf of the Fund; (c) appointing the Custodian, registrar and transfer agent, auditors, legal counsel and other organizations or professionals serving the Fund; (d) providing office space and facilities; (e) preparing accounting, management and other reports, including such interim and annual reports to Unitholders, financial statements, tax reporting to Unitholders, filings and income tax returns as may be required by applicable law; (f) monitoring the ability of the Fund to pay distributions; (g) communicating with Unitholders; (h) ensuring that the Net Asset Value per Unit is calculated and published; (i) ensuring that the Fund complies with all regulatory and statutory requirements and applicable stock exchange listing requirements; (j) calling meetings of Unitholders as required; (k) providing such other managerial and administrative services as may be reasonably required for the ongoing business and administration of the Fund; and (l) monitoring and reviewing the services provided by third parties where the Manager further delegated administration of the Fund.

The Manager may delegate certain of its powers to third parties at no additional cost to the Fund where, in the discretion of the Manager, it would be in the best interests of the Fund to do so. The Manager will be responsible for monitoring and reviewing the services provided to such third parties on an ongoing basis.

The Manager will enter into the Portfolio Management Agreement with the Portfolio Manager and the Fund, pursuant to which the Portfolio Manager acts as portfolio manager to the Fund.

The Manager is required to exercise its powers and perform its duties honestly, in good faith and in the best interests of the Fund and to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. The Management Agreement provides that the Manager will not be liable in any way for any default, failure or defect of the assets of the Fund if it has satisfied the duties and the standard of care, diligence and skill set forth above. The Manager will incur liability, however, in cases of wilful misconduct, bad faith, negligence or breach of its standard of care. Among other restrictions imposed on the Manager, it may not dissolve the Fund or wind up the affairs of the Fund except if, in its opinion, it would be in the best interests of the Unitholders to terminate the Fund or otherwise in accordance with the provisions of the Declaration of Trust.

In consideration for these services, the Fund will pay to the Manager the Management Fee (and the Manager will pay the Portfolio Manager a portion of such fee) and reimburse the Manager for all reasonable costs and expenses incurred by the Manager on behalf of the Fund. See “Fees and Expenses”. In addition, the Manager and each of its directors, officers, employees, consultants and agents are indemnified and will be reimbursed by the Fund to the fullest extent permitted by law against all liabilities and expenses (including judgments, fines, penalties, interest, amounts paid in settlement with the approval of the Fund, and counsel fees and disbursements on a solicitor and client basis) reasonably incurred in connection with the services provided to the Fund described herein or as a director, officer, employee, consultant or agent thereof, including in connection with any civil, criminal, administrative, investigative or other action, suit or proceeding to which any such person may hereafter be made a party by reason of being or having been the manager, the portfolio manager, trustee or a director, officer, employee, consultant or agent thereof, except for liabilities and expenses resulting from the person’s wilful misconduct, bad faith, negligence, breach of their standard of care, or material breach or default of their obligations under the Management Agreement.

The appointment of the Manager continues in effect until the termination of the Fund unless terminated earlier by the Fund or in accordance with the Management Agreement. The appointment of the Manager may be terminated by the Fund: (i) on 10 days’ notice for any uncured material breach following 30 days’ notice of such breach to the Manager; or (ii) immediately, upon the insolvency, liquidation or bankruptcy of the Manager. The Manager may also resign by giving 90 days’ prior written notice to the Fund. The Manager is deemed to have resigned if the Manager (i) ceases to be resident in Canada for the purposes of the Tax Act; or (ii) ceases to carry out its functions of managing the Fund in Canada. Any removal of the Manager becomes effective only upon the appointment of a successor manager. Such appointment must be approved by an Ordinary Resolution, unless the successor is an affiliate of the Manager, in which case, no notice or approval of Unitholders is required. Unitholders may terminate the appointment of the Manager by way of an Extraordinary Resolution. Upon termination, the Manager is entitled to the payment of its fee and the reimbursement of the Manager’s expenses up to the date of its termination.

Directors and Executive Officers of Manager and Promoter

The name, municipality of residence, position with the Manager and current principal occupation of each of the directors and executive officers of the Manager are set out below:

Name and Municipality of Residence	Director or Executive Officer Since	Position with the Manager	Principal Occupation
Todd Morgan Los Angeles, California	2013	Director	Senior Managing Director and Chairman of Fiera Private Wealth North America
Denis Berthiaume Longueuil, Québec	2010	Director (Appointee of Desjardins Financial Corporation Inc.)	Senior Vice President and General Manager, Wealth Management and Life and Health Insurance, Desjardins Group
Pierre Blanchette Laval, Québec	2010	Senior Vice President, Finance	Senior Vice President, Finance, Fiera
Sylvain Brosseau Repentigny, Québec	2010	President and Chief Operating Officer, Ultimate Designated Person and Director	President and Chief Operating Officer and Director, Fiera
Jean-Guy Desjardins Westmount, Québec	2010	Director, Chairman of the Board, Chief Executive Officer	Chairman of the Board and Chief Executive Officer, Fiera
Violaine Des Roches Montreal, Québec	2010	Senior Vice President, Legal Affairs and Compliance and Chief Compliance Officer and Corporate Secretary	Senior Vice President, Legal Affairs and Compliance and Secretary, Fiera

Name and Municipality of Residence	Director or Executive Officer Since	Position with the Manager	Principal Occupation
Marcel Larochelle Montreal, Québec	2014	Executive Vice President and Chief Financial Officer	Executive Vice President and Chief Financial Officer, Fiera
Raymond Laurin Lévis, Québec	2013	Director (Appointee of Desjardins Financial Corporation Inc.)	Corporate Director
Jean C. Monty Montreal, Québec	2010	Director	Corporate Director
Brian A. Davis Toronto, Ontario	2014	Director (Appointee of National Bank of Canada)	Co-President and Co-Chief Executive Officer of National Bank Financial
David Pennycook Toronto, Ontario	2010	Vice Chairman and Executive Vice President, Institutional Markets and Director	Vice Chairman and Executive Vice President, Institutional Markets and Director, Fiera
Lise Pistono Laval, Québec	2013	Director	Vice President and Chief Financial Officer of DJM Capital Inc. and Corporate Director
Sylvain Roy Montreal, Québec	2013	Chief Investment Officer and Executive Vice President, Alternative Strategies	Chief Investment Officer and Executive Vice President, Alternative Strategies, Fiera
Arthur R.A. Scace Toronto, Ontario	1989	Director	Corporate Director
David R. Shaw Toronto, Ontario	2006	Lead Director	Founder and Chief Executive Officer of Knightsbridge Human Capital Management Inc.
Alain St-Hilaire Longueuil, Québec	2010	Senior Vice President, Human Resources and Corporate Communications	Senior Vice President, Human Resources and Corporate Communications, Fiera
Robert Trépanier St-Bruno, Québec	2010	Senior Vice President, Operations and Information Technology	Senior Vice President, Operations and Information Technology, Fiera
Alexandre Viau St-Lambert, Québec	2012	Executive Vice President, Strategic Investment Partnerships	Executive Vice President, Strategic Investment Partnerships, Fiera
Louis Vachon Baconsfield, Québec	2010	Director (Appointee of National Bank of Canada)	President and Chief Executive Officer of National Bank of Canada
Raj Lala Toronto, Ontario	2014	Executive Vice President, Retail Markets	Executive Vice President, Retail Markets, Fiera
Paul Vaillancourt Cochrane, Alberta	2014	Executive Vice President, Private Wealth	Executive Vice President, Private Wealth, Fiera

Each of the foregoing individuals has held his or her present principal occupation or other executive offices with the same company or its predecessors or affiliates for the past five years, except (i) Merri L. Jones who prior to 2010 was an independent consultant for the Canadian investment industry and President and Chief Executive Officer at AGF Private Investment Management Limited; (ii) Raymond Laurin who acted as Chief Financial Officer of Desjardins Group from May 2008 to 2012; and Mr. Laurin retired from the Desjardins Group in January 2013; (iii) Marcel Larochelle who prior to 2014 was President and Chief Executive Officer of UBS Global Asset Management (Canada) as well as President and Chief Executive Officer of UBS Bank Canada; (iv) Todd Morgan who prior to 2014 was Senior Managing Director of Bel Air Investment Advisors LLC; (v) Brian A. Davis who prior to 2014 was Executive Vice President Corporate Development and Governance at the National Bank Financial Inc.; (vi) Raj Lala who prior to 2014 was Chief Executive Officer and President of Propel Capital Corporation; and (vii) Paul Vaillancourt who prior to Dec 2012 was Chief Executive Officer and Chief Investment Officer of Canadian Wealth Management Ltd., a subsidiary of Societe General Private Banking Canada, and prior to March 2010 was Senior Vice President and Director Portfolio Strategy and Portfolio Manager for Fiduciary Trust Company of Canada, a subsidiary of Franklin Templeton Investments.

Portfolio Manager of the Fund

Nuveen Asset Management, LLC (the “**Portfolio Manager**” or “**Nuveen**”) will act as the portfolio advisor to the Fund. Nuveen will be responsible for portfolio advisory and investment management services that are provided to the Fund in

connection with the Portfolio pursuant to a portfolio management agreement between the Manager and the Portfolio Manager (the “**Portfolio Management Agreement**”).

Nuveen is a U.S. registered investment advisor and had approximately \$130 billion of asset under management as at September 30, 2014 in strategies and products for both retail and institutional clients around the world. Nuveen offers a broad range of investment strategies in a variety of asset classes, including global equities and fixed income, infrastructure, real estate and quantitative asset allocation. The principal office of Nuveen is located at 333 West Wacker Drive, Chicago, Illinois 60606.

Nuveen Asset Management LLC, is a wholly owned subsidiary of Nuveen Investments, Inc., which was founded in 1898 as a firm that advised public entities on financing infrastructure projects. Today, Nuveen manages approximately \$95 billion in infrastructure debt securities, making them one of the largest active managers of infrastructure debt in the world. Nuveen Investments, Inc. is the leading sponsor of closed-end funds globally with 97 funds and approximately \$60 billion in assets under management as at September 30, 2014.

Infrastructure Sector	Exposure (\$ Billions)
General Obligation	\$26.3
Healthcare	\$13.9
Dedicated Tax	\$9.9
Transportation	\$8.6
Education	\$6.8
Water/Sewer	\$6.1
Electric Power	\$4.7
Escrowed	\$4.6
Tobacco	\$2.9
Real Estate	\$2.5
Other	\$8.9
	\$95 billion

As shown below, Nuveen has a dedicated research staff of 23 sector specialists who solely focus on infrastructure projects and infrastructure debt along with one of the largest portfolio management team in the industry as well.

Nuveen Asset Management Fixed-Income Portfolio Management Team

Co-Head of Fixed Income	Years of Experience	Years with Firm
John Miller, CFA	21	18
Tony Rodriguez	30	12

Portfolio Manager	Years of Experience	Years with Firm
Doug Baker, CFA	16	8
Paul Brennan, CFA	23	23
Daniel Close, CFA	16	14
Mathew Diamond	15	3
Martin Doyle, CFA	27	27
Christopher Drahn, CFA	34	34
Jeff Ebert	23	23
Thomas Ellis	14	14
Christopher Fama	26	22
John Fruit, CFA	26	13
Michael Hamilton	25	25
Steve Hlavin	11	11
Evan Kallberg, CFA	28	28
Chad Kemper	15	15
Steven Krupa	35	35

Portfolio Manager	Years of Experience	Years with Firm
Wan-Chong Kung, CFA	30	21
Brenda Langenfeld, CFA	10	10
Steve Lee, CFA	19	7
Mackenzie Meyer, CFA	12	3
Chris Neuharth, CFA	33	14
Marie Newcome, CFA	22	10
Jason O'Brien, CFA	21	21
Tim Palmer, CFA	28	11
Ronald Perry	37	1
Scott Romans, PhD	14	14
Tim Ryan, CFA	31	4
Jeff Schmitz, CFA	27	8
Michael Sheyker, CFA	26	26
Thomas Spalding, CFA	38	38
Douglas White, CFA	31	27

Nuveen Asset Management Infrastructure Bond Research Team

Director of Research	Years of Experience	Years with Firm
Jon Stevens	34	30

Research Analyst	Years of Experience	Years with Firm
Shawn O'Leary	12	5
Glen Anderson	31	31
Thomas Berry	17	17
Stephen Candido, CFA	18	18
Andrew Clark, CFA	18	7
Kristen DeJong, CFA	8	6
Beth Dougherty	9	4
Michelle Dougherty, CPA	14	14
Andrew Folland	23	19
Michael Gasparac, CFA	23	6
Charles Hachten, PhD	8	8
Doug Johnston, CFA	18	15

Research Analyst	Years of Experience	Years with Firm
Kenneth Kauffman, CFA	25	16
Margot Kleinman	9	5
Lori McDonald	15	6
Brenda Ojendyk, PhD	11	11
Ryan Rosberg, CFA	14	7
Michael Rosenthal	32	32
Ellen Rossi	13	8
Molly Shellhorn	9	5
Cathryn Steeves, PhD	18	18
Phil Traven, CFA	10	4
Sue Delgado		

Portfolio Manager Investment Team

A description of the experience and background of each of the individuals at the Portfolio Manager who will have primary responsibility for the management of the Portfolio is set out below:

Daniel J. Close, CFA, manages a number of tax-exempt municipal fixed income portfolios and related institutional accounts. He also serves as portfolio manager for national closed-end funds and is the lead portfolio manager for the firm's Taxable Municipal strategies.

Dan began his career in the financial industry in 1998 and joined Nuveen Asset Management in 2000. Prior to his current position, he served as a research analyst covering the corporate-backed, energy, transportation and utility sectors. Before joining the firm, he worked as an analyst at Banc of America Securities specializing in originating and structuring asset-backed securities.

Dan received a B.S. in business from Miami University in Ohio and an M.B.A. at the J. L. Kellogg School of Management at Northwestern University. He also holds the Chartered Financial Analyst designation and is a member of the CFA Institute and the CFA Society of Chicago

Jeffrey J. Ebert is the head of the High-Grade Credit Sector Team and a member of the Fixed Income Strategy Committee, which establishes investment policy for all taxable fixed income products. As a senior fixed income portfolio manager, he co-manages the Core Bond, Core Plus Bond and Multi-Sector Bond Strategies, as well as related institutional portfolios. Jeff began working in the financial industry when he joined the firm in 1991. He became a portfolio manager in 2001. A graduate of the University of St. Thomas, Jeff earned a B.A. in economics/business administration and an M.B.A. in finance.

Jeffrey T. Schmitz, CFA, is the co-manager of the High Yield Bond and Real Asset Income strategies and related institutional portfolios. He has co-managed High Yield Bond since 2008 and Real Asset Income since its inception in 2011. He is also a member of the High-Yield Credit and Emerging Markets Sector Teams. In his co-manager roles, he conducts credit analysis and monitors credit quality for debt securities, focusing on energy, healthcare and pharmaceuticals, technology and emerging corporate markets. He began working in the financial industry in 1987. Prior to joining the firm in 2006, Jeff worked as a senior credit research analyst at Deephaven Capital Management, as a trading risk manager at Cargill Financial Services, and in various risk oversight roles with the Office of the Comptroller of the Currency. Jeff received a B.A. in finance from the University of St. Thomas and an M.B.A. in finance from the University of Minnesota's Carlson School of Management. He holds the Chartered Financial Analyst designation and is a member of the CFA Institute and the CFA Society of Minnesota.

Details of the Portfolio Management Agreement

Under the Portfolio Management Agreement, the Portfolio Manager covenants to act honestly and in good faith with a view to the best interests of the Fund and, in connection therewith, to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances. Pursuant to the Portfolio Management Agreement, the Portfolio Manager, its affiliates and any of its officers, directors, employees, shareholders and agents shall be indemnified out

of the Fund's property against all losses (other than loss of profits), expenses and liabilities incurred by any of them in connection with any matter relating to its respective duties under the Portfolio Management Agreement, unless any such indemnified person committed a material breach or default of its obligations under the Portfolio Management Agreement or an act or omission involving wilful misconduct, bad faith, negligence or reckless disregard of such person's duties under the Portfolio Management Agreement or breached the standard of care set forth above.

The Portfolio Management Agreement, unless terminated as described below, will continue until the termination of the Fund. The Portfolio Manager may terminate the Portfolio Management Agreement, without payment of any penalty, in the following circumstances: (i) upon 60 days' notice; (ii) immediately upon termination of the Management Agreement; (iii) in the event that the Manager is in material breach of the Portfolio Management Agreement and the material breach has not been cured within 20 business days of notice thereof by the Manager; (iv) if there is a dissolution and commencement of winding-up of the Manager; (v) if the Manager becomes bankrupt or insolvent or makes a general assignment for the benefit of the creditors or a receiver is appointed in respect of the Manager or a substantial portion of the assets of the Manager; (vi) if the assets of the Manager become subject to seizure or confiscation by any public or governmental organization; (vii) if the Manager has lost any registration, license or other authorization or cannot rely on an exemption therefrom required by the Manager for it to perform the services delegated to it thereunder; or (viii) if the Manager has breached its standard of care or acted with wilful misconduct, fraud or negligence.

The Manager may terminate the Portfolio Management Agreement, without payment of any penalty, in the following circumstances: (i) upon 60 days' notice; (ii) in the event that the Portfolio Manager is in material breach of this Agreement and the material breach has not been cured within 20 business days of notice thereof to the Portfolio Manager; (iii) immediately if there is a dissolution and commencement of winding-up of the Portfolio Manager; (iv) immediately if the Portfolio Manager becomes bankrupt or insolvent or makes a general assignment for the benefit of the creditors or a receiver is appointed in respect of the Portfolio Manager or a substantial portion of the assets of the Portfolio Manager; (v) immediately if the assets of the Portfolio Manager become subject to seizure or confiscation by any public or governmental organization; (vi) immediately if the Portfolio Manager has lost any registration, license or other authorization or cannot rely on an exemption therefrom required by the Portfolio Manager for it to perform the services delegated to it thereunder; (vii) immediately if the Portfolio Manager has breached its standard of care or acted with wilful misconduct, fraud or negligence; or (viii) immediately in the event of persistent trading errors by the Portfolio Manager.

The Portfolio Management Agreement will not be subject to termination under clause (ii) in the preceding paragraph if a material breach by the Portfolio Manager cannot be cured within 20 business days of notice thereof but the Portfolio Manager commences the cure within the 20 business day period and completes the cure as soon as practicable and in no case more than 30 days of such notice. In addition, if the Portfolio Manager purchases or sells a security for the Portfolio or takes any other action with respect to the assets of the Portfolio that through inadvertence violates any investment strategy or restriction set forth in the Portfolio Management Agreement and the violation has or will have a material adverse effect on the Portfolio then it will not be considered a material breach for purposes of the termination right in clause (ii) in the preceding paragraph if the Portfolio Manager takes action that returns the Portfolio to compliance with such investment strategy or restriction within the cure period described above, as the same may be extended by agreement in writing by the parties to the Portfolio Management Agreement.

The Manager is responsible for payment of the fees of the Portfolio Manager.

The Portfolio Manager is not currently registered as an adviser with the Ontario Securities Commission or any other provincial or territorial regulatory authority in Canada. The Portfolio Manager will provide portfolio management services to the Fund pursuant to the "international adviser" exemption under Section 8.26 of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*. To the extent applicable, there may be difficulty in enforcing legal rights against the Portfolio Manager because it is not resident of Canada and all or a substantial portion of its assets are located outside of Canada.

Brokerage Arrangements

The primary consideration in all Portfolio transactions will be prompt execution of orders in an efficient manner on favourable terms. In selecting and monitoring dealers, the Portfolio Manager considers the dealer's reliability, the quality of its execution services on a continuing basis and its financial condition. When more than one dealer is believed to meet these criteria, preference may be given to dealers who provide research or statistical material or other services to the Fund or the Portfolio Manager, or its affiliates.

Conflicts of Interest

The services of the Manager and the Portfolio Manager, and their respective officers and directors are not exclusive to the Fund. The Manager and the Portfolio Manager and any of their 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 or the Portfolio Manager.

Securities held by the Fund may also be held by other investment funds or clients for which the Portfolio Manager or its affiliates provide investment advice. Because of different investment objectives or other factors, a particular security may be bought for one or more investment funds or clients when one or more other investments funds or clients are selling the same security. If opportunities for purchase or sale of securities by the Portfolio Manager for the Fund or for other investment funds or clients for which the Portfolio Manager renders investment advice arise for consideration at or about the same time, transactions in such securities will be effected, insofar as feasible, for the respective investment funds or clients on an equitable basis in accordance with the Portfolio Manager's trade allocation policy in effect from time to time.

The Fund will refer conflict of interest matters to the Independent Review Committee for review or approval. See "Organization and Management Details of the Fund - Independent Review Committee".

Independent Review Committee

National Instrument 81-107 – *Independent Review Committee for Investment Funds* of the Canadian Securities Administrators ("NI 81-107") requires all publicly offered investment funds, such as the Fund, to establish an independent review committee (the "IRC"). The IRC will be required to be comprised of a minimum of three members, each of whom must be independent of the Manager, entities related to the Manager and the Fund.

The IRC functions in accordance with applicable securities law, including NI 81-107. The mandate of the IRC is to review and provide its decisions to the Manager on conflict of interest matters that the Manager has referred to the IRC for review. The Manager is required to identify conflict of interest matters inherent in its management of the Fund and request input from the IRC in respect of how it manages those conflicts of interest, as well as its written policies and procedures outlining its management of those conflicts of interest.

In performing their duties, members of the IRC are required to act honestly, in good faith and in the best interests of the Fund and to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. The IRC will report annually to Unitholders which report will be available free of charge upon request to the Manager and will also be posted on Fiera's website at www.fieracapital.ca.

Each member of the IRC is paid an annual fee of \$1,800 (the Chair of the IRC is paid an annual fee of \$2,700). These fees and other reasonable expenses of the IRC will be paid pro rata 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. The Manager has appointed the following members to the IRC:

Gerry O'Connor: Mr. O'Connor is the founder and President, Blackrock Corporate Services, an independent consulting company specializing in the provision of defined benefit and defined contribution pension plan and investment services to pension plan sponsors. He has more than 20 years of experience in the pension industry.

From 1997 to 2003, his career at Sun Life Assurance Company of Canada included responsibilities as Director, Investment Advisory Services, Group Retirement Services; Director, Planning; AVP Business Development and AVP Retail Integration. From 1995 to 1997, he served as Director and Company Secretary, Canada Starch Company Inc. and Chairman, Pension Committee. His corporate responsibilities included pension plan governance and administration; fiduciary responsibility and due diligence; investment and risk management; compliance with federal and provincial pension legislation; financial reporting; liaison with actuarial firms; employee and pensioner communications. From 2006-2010, he served as Director, The Toronto Board of Trade. He served as a Director, T.E. Financial from 2000 to 2003.

Mr. O'Connor holds a B.A. Degree from the National University of Ireland, University College Dublin (1967).

Mr. O'Connor is the Chair of the IRC.

Mark Leung: Mr. Leung is the Head of Finance & Accounting at INC Early Phase, a division of INC Research, a global clinical research organization. He has more than 20 years of experience in the financial industry.

From 2002 to 2008, he was the chief financial officer at DecisionLine Clinical Research Corporation, a clinical research organization that was acquired by Kendle International Inc. in 2008. From 2000 to 2002, he served as Assistant Director, Accounting, at Syndesis Limited. From 1997 to 2000, he served as controller at Triversity Inc. From 1996 to 1997 he served as financial planning manager at Cotton Ginny Ltd. From 1994 to 1996, he served as financial accounting manager at KFC Canada. From 1989 to 1994, he was an auditor at PricewaterhouseCoopers LLP.

Mr. Leung was a past President and has served as Director, CMHA York Region, since 2002.

Michael Boyd: Mr. Boyd has over 36 years of investment management experience in the Canadian financial services industry in credit, investment banking, venture capital and private equity. He is currently a director of several publicly traded and private companies and serves on two other independent review committees.

Mr. Boyd founded Argosy Bridge Fund L.P. in 2002, an institutionally funded limited partnership specializing in short-term bridge financings, and was managing general partner until 2008. From 1997 to 2002, he served as Managing Director at HSBC Capital (Canada) Inc. and was involved with raising a private equity fund, with \$85 million in assets under management, and managing its investing strategy. During this time, Mr. Boyd was also involved in bridge lending transactions. Prior to 1997, Mr. Boyd served in various capacities at Marleau Lemire Securities Inc., BG Acorn Capital Fund, Citibank Canada, TD Capital Group and RoyNat Inc.

Mr. Boyd has served on the board of directors of a number of public and private companies and is a member of the Institute of Corporate Directors.

Mr. Boyd holds an Honours BA in Philosophy and Psychology from the University of Western Ontario (1974) and an MBA degree from the Ivey School of Business (1976).

The Trustee

Computershare Trust Company of Canada at its principal offices in Toronto is the trustee of the Fund. The Trustee is responsible for certain aspects of the administration of the Fund as described in the Declaration of Trust. The address of the Trustee is 100 University Ave., 9th Floor – North Tower, Toronto, Ontario M5J 2Y1.

The Trustee or any successor trustee may resign upon 90 days' written notice to the Manager or may be removed by an Extraordinary Resolution passed at a meeting of Unitholders called for such purpose. Any such resignation or removal will become effective only on the appointment of a successor trustee. If, after notice of resignation has been received from the Trustee, no successor has been appointed within 90 days of such notice, the Trustee, the Manager or any Unitholder may apply to a court of competent jurisdiction for the appointment of a successor trustee. In addition, the Manager may remove the Trustee in accordance with the Declaration of Trust. The Trustee must be removed if the Trustee ceases to (i) be resident in Canada for purposes of the Tax Act; (ii) carry out its function of managing the Fund in Canada; or (iii) exercise the main powers and discretions of the trustee of the Fund in Canada. The Manager will provide notice of such event upon at least 30 days' notice to Unitholders of such termination by way of press release. Any such termination will become effective only on the appointment of a successor trustee by the Manager.

Pursuant to the Declaration of Trust, the Trustee is required to exercise its powers and discharge its duties honestly, in good faith and in the best interests of the Fund and to exercise the degree of care, diligence and skill that a reasonably prudent trustee would exercise in comparable circumstances. The Declaration of Trust provides that the Trustee will not be liable in carrying out its duties under the Declaration of Trust except in cases of wilful misconduct, bad faith, negligence or breach of its standard of care and duty. The Declaration of Trust provides that the Trustee will not be liable in any way for any default, failure or defect in any of the securities of the Portfolio if it has satisfied the duties and the standard of care, diligence and skill set forth above. The Trustee and each of its directors, officers, and employees will be indemnified by the Fund for all liabilities and expenses reasonably incurred in connection with any action, suit or proceeding that is proposed or commenced or other claim that is made against the Trustee or any of its officers, directors or employees in the exercise of its duties under the Declaration of Trust, except those resulting from such person's wilful misconduct, bad faith, negligence, or breach of their standard of care in relation to the matter in respect of which indemnification is claimed. In addition, the Declaration of Trust contains other customary provisions limiting the liability of the Trustee and indemnifying the Trustee in respect of certain liabilities incurred by it in carrying out its duties.

The Trustee is entitled to receive fees from the Fund as described under “Fees and Expenses – Ongoing Expenses” and to be reimbursed by the Fund for all expenses which are reasonably incurred by the Trustee in connection with the activities of the Fund.

The Custodian

CIBC Mellon Trust Company (the “**Custodian**”), at its principal offices in Toronto, Ontario, will be appointed the custodian and valuation agent of the Fund’s assets on or prior to the Closing Date pursuant to the Custodian Agreement. The Custodian may employ sub-custodians as considered appropriate in the circumstances.

The Manager or the Custodian may terminate the Custodian Agreement without any penalty: (a) upon at least 90 days’ written notice or such lesser notice as the other may agree to; or (b) immediately, if (i) any party to the agreement becomes insolvent, or makes, an assignment for the benefit of creditors, (ii) a petition in bankruptcy is filed by or against that party and is not discharged within 30 days, or (iii) proceedings for the appointment of a receiver for that party are commenced and not discontinued within 30 days.

The Custodian shall exercise the same degree of care, diligence and skill in the safekeeping of the Fund’s accounts and providing the services described under the Custodian Agreement that a reasonably prudent person would exercise in the circumstances, or, if higher, the degree of care, diligence and skill that the Custodian uses in respect of its own property of a similar nature in its custody.

The Custodian shall indemnify and hold harmless the Manager and the Fund in respect of all direct loss, damage or expense arising out of any breach of the standard of care (as previously set forth) by the Custodian, provided, however, that the liability for any loss, damage or expense to which the above indemnity would apply shall be limited as follows: (a) in the case of a loss of a security, the security shall be replaced where commercially practicable and reasonably feasible; (b) where replacement of such security is not commercially practicable and reasonably feasible, the Manager shall be paid the market value of such security at the time the loss is discovered; and (c) in any other case, the amount of any interest or income arising from the security to which the Manager or the Fund, as the case may be, is entitled, but which is not received by the Manager of the Fund shall be paid to it.

In addition to and without derogation from any other indemnity afforded to any of them under the Custodian Agreement or otherwise by law, the Fund shall indemnify and hold harmless the Custodian, from any loss, damage or expense, including reasonable counsel fees and expenses, arising in connection with the Custodian Agreement, except to the extent caused by a breach of the standard of care as set forth in this section.

Auditor

The auditor of the Fund is PricewaterhouseCoopers LLP, Chartered Professional Accountants at its principal address PwC Tower, 18 York Street, Suite 2600, Toronto, Ontario M5J 0B2. The auditors of the Fund may not be changed unless the IRC has approved the change and Unitholders have received at least 60 days’ notice before the effective date of the change.

Transfer Agent and Registrar

Computershare Investor Services Inc. will be appointed the registrar, transfer agent and distribution agent for the Units.

The register and transfer ledger for the Units will be kept by the Transfer Agent, at their principal offices located in Toronto, Ontario.

Promoter

Fiera has taken the initiative in founding and organizing the Fund and accordingly may be considered to be a “promoter” of the Fund within the meaning of applicable securities legislation of certain provinces and territories of Canada. Except as otherwise described herein, Fiera will not receive any benefits, directly or indirectly, from the issuance of the Units offered hereunder. See “Fees and Expenses”.

CALCULATION OF NET ASSET VALUE

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

Valuation Policies and Procedures of the Fund

In determining the NAV of the Fund at any time:

- (i) the value of any cash on hand, on deposit or on call, prepaid expenses, cash dividends declared and interest accrued and not yet received, is deemed to be the face amount thereof, unless the Trustee determines that any such deposit or call loan is not worth the face amount thereof, in which event the value thereof is deemed to be such value as the Trustee determines to be the reasonable value thereof;
- (ii) the value of any bonds, debentures, and other debt obligations are valued by taking the average of the bid and ask prices on a Valuation Day at such times as the Trustee, in its discretion, deems appropriate. Short-term investments including notes and money market instruments are valued at cost plus accrued interest;
- (iii) the value of any security, index futures or index options thereon which is listed on any recognized exchange is determined by the closing sale price at the Valuation Time or, if there is no sale price, the average between the closing bid and the closing asked price on the day on which the Net Asset Value of the Fund is being determined, all as reported by any report in common use or authorized as official by a recognized stock exchange; provided that if such stock exchange is not open for trading on that date, then on the last previous date on which such stock exchange was open for trading;
- (iv) the value of any security or other asset for which a market quotation is not readily available is its fair market value as determined by the Trustee;
- (v) the value of any security, the resale of which is restricted or limited, is the lesser of the value thereof based on reported quotations in common use and that percentage of the market value of securities of the same class, the trading of which is not restricted or limited by reason of any representation, undertaking or agreement or by law, equal to the percentage that the Fund's acquisition cost was of the market value of such securities at the time of acquisition; provided that a gradual taking into account of the actual value of the securities may be made where the date on which the restriction will be lifted is known;
- (vi) purchased or written clearing corporation options, options on futures, over-the-counter options, debt like securities and listed warrants are valued at the current market value thereof;
- (vii) where a covered clearing corporation option, option on futures or over-the-counter option is written, the premium received by the Fund will be reflected as a deferred credit which will be valued at an amount equal to the current market value of the clearing corporation option, option on futures or over-the-counter option that would have the effect of closing the position. Any difference resulting from revaluation of such options will be treated as an unrealized gain or loss on investment. The deferred credit will be deducted in arriving at the Net Asset Value of the Fund. The securities, if any, which are the subject of a written clearing corporation option, or over-the counter option are valued at their then current market value;
- (viii) the value of a futures contract, or a forward contract, is the gain or loss with respect thereto that would be realized if, at the Valuation Time, the position in the futures contract, or the forward contract, as the case may be, were to be closed out unless daily limits are in effect in which case fair value will be based on the current market value of the underlying interest;
- (ix) margin paid or deposited in respect of futures contracts and forward contracts is reflected as an account receivable and margin consisting of assets other than cash is noted as held as margin;
- (x) all securities, property and assets of the Fund valued in a foreign currency and all liabilities and obligations of the Fund payable by the Fund in foreign currency are converted into Canadian funds by applying the rate of

exchange obtained from the best available sources to the Trustee, including, but not limited to, the Trustee or any of its affiliates;

- (xi) all expenses or liabilities (including fees payable to the Trustee or the Manager) of the Fund are calculated on an accrual basis; and
- (xii) the value of any security or property to which, in the opinion of the Trustee, the above valuation principles cannot be applied (whether because no price or yield equivalent quotations are available as above provided, or for any other reason) is the fair value thereof determined in such manner as the Trustee from time to time provides.

The Trustee is entitled to rely on any values or quotations supplied to it by a third party, including the Manager, and is not required to make any investigation or inquiry as to the accuracy, completeness or validity of such values or quotations. Provided that the Trustee acts in accordance with its standard of care, it will be held harmless by the Fund and will not be responsible for any losses or damages resulting from relying on such information.

Reporting of Net Asset Value

The Net Asset Value per Unit as at each Valuation Day will be available to the financial press for publication and at no cost, through the internet, at www.fieracapital.com. The Manager will also provide such information at no cost to Unitholders who so request by calling 514-954-3300 or toll-free at 1-800-361-3499.

DESCRIPTION OF THE UNITS

The Offering consists of a minimum of 2,000,000 Units and a maximum of 15,000,000 Units. The following is a summary of the material attributes and characteristics of the Units as set out in the Declaration of Trust. This summary does not purport to be complete and is subject to, and qualified by, the terms of the Declaration of Trust.

Description of the Units Distributed

The Fund is authorized to issue an unlimited number of transferable, redeemable units which evidence the proportionate ownership interest of a Unitholder in the capital of the Fund.

The Units are freely transferable, except as restricted by the Trustee in order to comply with any applicable laws, regulations or other requirements imposed by regulatory authorities or to obtain, maintain or renew any licences, rights, status or powers pursuant to any applicable laws, regulations or other requirements imposed by any stock exchange or other applicable regulatory authorities.

Except as described under “Non-Resident Unitholders”, each Unit entitles the Unitholder to the same rights and obligations as a holder of any other Unit and no Unitholder is entitled to any privilege, priority or preference in relation to any other Unitholder. Each Unit entitles the Unitholder to one vote at all meetings of all Unitholders. Each Unitholder is entitled to participate equally with respect to any and all distributions made by the Fund, including distributions of net income and net realized capital gains, if any (other than capital gains allocated and designated as payable to a redeeming Unitholder). Any special distributions of net income and/or realized net capital gains payable in Units will increase the aggregate adjusted cost base of a Unitholder’s Units. See “Income Tax Considerations”. Immediately after a pro rata distribution of Units to all Unitholders in satisfaction of any non-cash distribution, the number of outstanding Units will automatically be consolidated such that each Unitholder will hold, after the consolidation, the same number of Units as the Unitholder held before the non-cash distribution, except in the case of a non-resident Unitholder to the extent tax was required to be withheld in respect of the distribution. On termination or liquidation of the Fund, the Unitholders of record are entitled to receive on a pro rata basis all of the assets of the Fund remaining after payment of all liabilities of the Fund.

No holder of a fraction of a Unit, as such, is entitled to notice of, or to attend or to vote at, meetings of Unitholders, except to the extent that such fractional Units may represent in the aggregate one or more whole Units.

Units are transferable and, in certain circumstances, redeemable at the option of the Fund. Unitholders have rights of redemption and will be entitled to receive distributions declared by the Fund. See “Redemption of Units” and “Distribution Policy”.

On December 16, 2004, the *Trust Beneficiaries' Liability Act, 2004* (Ontario) came into force. This statute provides that holders of units of a trust are not, as beneficiaries, liable for any act, default, obligation or liability of the trust if, when the act or default occurs or the liability arises (i) the trust is a reporting issuer under the *Securities Act* (Ontario) and (ii) the trust is governed by the laws of Ontario. The Fund is a reporting issuer under the *Securities Act* (Ontario) and it is governed by the laws of Ontario as a result of the provisions of the Declaration of Trust.

The Declaration of Trust provides that the Fund may not issue additional Units (or securities convertible into or exchangeable for Units) following completion of the Offering except: (i) at a price that yields net proceeds per Unit to the Fund of not less than 100% of NAV per Unit calculated immediately prior to the pricing of such offering (and, for greater certainty, in making such determination, if such NAV per Unit is calculated prior to a record date for a distribution in respect of Units being issued, the most recently calculated NAV per Unit for the purposes of determining the subscription price will be adjusted to account for any distributions which will have been declared payable in respect of such Units and which will not be received by the subscriber); (ii) by way of Unit distributions; or (iii) pursuant to the Reinvestment Plan.

Market Purchases

The Fund will have the right (but not the obligation), exercisable in its sole discretion, at any time to purchase Units in the market, subject to any applicable regulatory and stock exchange requirements and limitations. It is expected that such purchases, if made, will be made as normal course issuer bids through the facilities and under the rules of the exchange or market on which the Units are listed, if applicable, as provided for in the Declaration of Trust or as otherwise permitted by applicable securities laws.

Following the closing of this Offering, the Fund may submit an application to the Canadian securities regulatory authorities to obtain the necessary regulatory approvals in order that the Fund may arrange for one or more securities dealers to find purchasers for any such Units. There is no guarantee that the Fund will make such application or, if made, receive the necessary regulatory and stock exchange approvals.

Book-Entry Only System

Registration of interests in, and transfers of, the Units will be made only through non-certificated interests issued under the Book-Entry Only System. On the Closing Date, non-certificated interests representing the aggregate number of Units subscribed for under the Offering will be recorded in the name of CDS, or its nominee, on the register of the Fund maintained by the Transfer Agent. Units must be purchased, converted, transferred and surrendered for redemption through a CDS Participant. All rights of Unitholders must be exercised through, and all payments or other property to which such Unitholders are entitled will be made or delivered by, CDS or the CDS Participant through which the Unitholder holds such Units. Upon purchase of any Units, the Unitholder will receive only a customer confirmation from the registered dealer which is a CDS Participant and from or through which the Units are purchased.

The Fund, the Manager, and the Agents will not have any liability for (i) records maintained by CDS relating to the beneficial interests in the Units or the book-based entry accounts maintained by CDS, (ii) maintaining, supervising or reviewing any records relating to such beneficial ownership interests or (iii) any advice or representation made or given by CDS and made or given with respect to the rules and regulations of CDS or any action taken by CDS or at the direction of the CDS Participants.

The ability of a beneficial owner of Units to pledge such Units or otherwise take action with respect to such holder's interest in such Units (other than through a CDS Participant) may be limited due to the lack of a physical certificate.

UNITHOLDER MATTERS

The following description of the Declaration of Trust does not purport to be complete and is subject to, and is qualified in its entirety by, the terms of the Declaration of Trust.

Meetings of Unitholders

Not less than 21 days' notice will be given of any meeting of Unitholders. The quorum at any meeting is two Unitholders present in person or represented by proxy holding not less than 5% of the outstanding Units. Quorum for a meeting held to consider an Extraordinary Resolution is two Unitholders present in person or represented by proxy holding not less than 10% of the outstanding Units. If no quorum is present at such meeting when called, the meeting, if called on the requisition of

Unitholders, will be terminated and otherwise will be adjourned by the Manager to a date and time determined by the Manager, and at the adjourned meeting the Unitholders then present in person or represented by proxy will form the necessary quorum.

The Fund does not intend to hold annual meetings of Unitholders. However, the Fund will undertake to the TSX to hold annual meetings of Unitholders if so requested by the TSX.

Matters Requiring Unitholder Approval

Pursuant to the terms of the Declaration of Trust, Unitholder approval of a matters is required if applicable laws provide that such approval is required including those matters specified in NI 81-102. In addition, pursuant to the Declaration of Trust, the following matters require the approval of Unitholders by an Extraordinary Resolution:

- (i) a change in the investment objectives of the Fund as described under “Investment Objectives”;
- (ii) a change in the investment restrictions of the Fund as described under “Investment Restrictions”;
- (iii) any change in the basis of calculating fees or other expenses that are charged to the Fund which could result in an increase in charges to the Fund other than a fee or expense charged by a person or company that is at arm’s length to the Fund;
- (iv) except as described under “Organization and Management Details of the Fund –Manager of the Fund”, a change in the Manager of the Fund, other than a change resulting in an affiliate of such person assuming such position;
- (v) except as described under “Organization and Management Details of the Fund – The Trustee”, a change in the Trustee of the Fund, other than a change resulting in an affiliate of such person assuming such position;
- (vi) a termination of the Fund, other than as described under “Termination of the Fund” or in connection with a Permitted Merger;
- (vii) an amendment, modification or variation in the provisions or rights attaching to the Units;
- (viii) a reduction in the frequency of calculating the NAV per Unit.

In addition, the Manager may, without obtaining Unitholder approval, merge the Fund (a “**Permitted Merger**”) with another fund or funds in accordance with applicable laws. If the Manager determines that a merger is a Permitted Merger, the Manager can effect the merger, including any required changes to the Declaration of Trust, without seeking Unitholder approval for the merger or such amendments. If a decision is made to merge, the Manager will send Unitholders written notice at least 60 days prior to the proposed effective date thereof disclosing details of the proposed merger. While the funds to be merged will have similar investment objectives, the funds may have different investment strategies, guidelines and restrictions and, accordingly, the units of the merged funds may be subject to different risk factors.

Amendments to the Declaration of Trust

Notwithstanding the foregoing, the Trustee is entitled to amend the Declaration of Trust without the consent of, or notice to, the Unitholders, to:

- (i) remove any conflicts or other inconsistencies which may exist between any terms of the Declaration of Trust and any provisions of any law, regulation or requirements of any governmental authority applicable to or affecting the Fund;
- (ii) make any change or correction in the Declaration of Trust which is of a typographical nature or is required to cure or correct any ambiguity or defective or inconsistent provision, clerical omission, mistake or manifest error contained therein;
- (iii) bring the Declaration of Trust into conformity with applicable laws, rules and policies of Canadian securities regulators or with current practice within the securities or investment fund industries, provided such

amendments do not in the opinion of the Manager adversely affect the pecuniary value of the interest of the Unitholders or restrict any protection for the Trustee or the Manager or increase their respective responsibilities;

- (iv) maintain the status of the Fund as a “mutual fund trust” for the purposes of the Tax Act or to respond to amendments to the Tax Act or to the interpretation or administration thereof;
- (v) provide added protection or benefit to Unitholders; or
- (vi) add additional classes of units of the Fund.

Except for changes to the Declaration of Trust which require the approval of Unitholders or changes described above which do not require approval of or prior notice to Unitholders, the Declaration of Trust may be amended from time to time by the Trustee or at the request of the Manager (if the Trustee is not the Manager) upon not less than 30 days’ prior written notice to Unitholders.

Reporting to Unitholders

The Fund will furnish to Unitholders such financial statements (including interim unaudited and annual audited financial statements) and other reports including the management report of fund performance as are from time to time required by applicable law to be furnished by the Fund, including prescribed forms needed for the completion of Unitholders’ tax returns under the Tax Act and equivalent provincial legislation. Such financial statements and reports will also be available on the Manager’s website at www.fieracapital.ca.

The Fund will comply with all of the continuous disclosure requirements applicable to it as a reporting issuer under applicable securities laws. Prior to any meeting of Unitholders, the Fund will provide to Unitholders (along with notice of such meeting) all such information as is required by applicable law to be provided to Unitholders.

Accounting and Reporting

The Fund’s fiscal year will be the calendar year. The annual financial statements of the Fund shall be audited by the Fund’s auditor in accordance with Canadian generally accepted auditing standards. The auditor will be asked to report on the fair presentation of the annual financial statements in accordance with IFRS. The Manager will ensure that the Fund complies with all applicable reporting and administrative requirements, including preparing and issuing unaudited interim financial statements.

The Manager will keep adequate books and records reflecting the activities of the Fund. A Unitholder or his or her duly authorized representative will have the right to examine the books and records of the Fund during normal business hours at the offices of the Manager. Notwithstanding the foregoing, a Unitholder shall not have access to any information that, in the opinion of the Manager, should be kept confidential in the interests of the Fund.

Non-Resident Holders

At no time may persons who are non-residents of Canada or partnerships which are not “Canadian partnerships” for the purposes of the Tax Act (or any combination thereof) (“**non-residents**”) be the beneficial owners of a majority of the Units and the Trustee shall inform the Registrar and Transfer Agent of this restriction. The Trustee may require declarations as to the jurisdictions in which beneficial owners of Units are resident. If the Trustee becomes aware, as a result of requiring such declarations as to beneficial ownership or otherwise, that the beneficial owners of 40% of the Units then outstanding are, or may be, non-residents, or that such a situation is imminent, the Trustee may make a public announcement thereof and shall not accept a subscription for Units from or issue or register a transfer of Units to a person unless the person provides a declaration that the person is not a non-resident. If the Trustee determines that 45% or more of the Units then outstanding are beneficially held by non-residents, the Trustee shall send a notice to such non-resident Unitholders, chosen in inverse order to the order of acquisition or in such other manner as the Trustee may consider equitable and practicable, requiring them to dispose of their Units or a portion thereof within a specified period of not less than 30 days to residents of Canada or partnerships which are “Canadian partnerships” for the purposes of the Tax Act. If the Unitholders receiving such notice have not disposed of the specified number of Units or provided the Trustee with satisfactory evidence that they are not non-residents within such period, the Trustee may, on behalf of such Unitholders, dispose of such Units and, in the interim, shall suspend the voting and distribution rights attached to such Units. Upon such disposition, the affected Unitholders shall cease to be beneficial holders of Units and their rights shall be limited to receiving the net proceeds of disposition of such Units.

Notwithstanding the foregoing, the Trustee may determine not to take any of the actions described above if the Trustee has been advised by legal counsel that the failure to take any such actions would not adversely impact the status of the Fund as a mutual fund trust for purposes of the Tax Act or, alternatively, may take such other action or actions as may be necessary to maintain the status of the Fund as a mutual fund trust for purposes of the Tax Act.

International Information Reporting

Pursuant to the Canada-United States Enhanced Tax Information Exchange Agreement entered into between Canada and the United States on February 5, 2014 (the “IGA”) and related Canadian legislation in the Tax Act, the dealers through which Unitholders hold their Units are required to report certain information with respect to Unitholders who are U.S. residents and U.S. citizens (including U.S. citizens who are residents and/or citizens of Canada), and certain other “U.S. Persons”, as defined under the IGA (excluding Registered Plans), to the CRA. The CRA is expected to provide the information to the U.S. Internal Revenue Service.

TERMINATION OF THE FUND

The Fund does not have a fixed termination date. Pursuant to the Declaration of Trust, the Fund may be terminated at any time by the Manager provided that the prior approval of Unitholders has been obtained by a simple majority vote at a meeting called and held for such purpose (an “Ordinary Resolution”) passed at a meeting of Unitholders called for that purpose; provided, however, that the Manager may, in its discretion, terminate the Fund without the approval of Unitholders if, in the opinion of the Manager, it is no longer economically practical to continue the Fund or it would be in the best interests of the Fund. The Fund will issue a press release not earlier than 15 days later than 90 days prior to the effective date of the termination of the Fund. Upon termination, the net assets of the Fund will be distributed to Unitholders on a pro rata basis. Immediately prior to the termination of the Fund, including on the termination date, the Manager will, to the extent possible, convert the assets of the Fund to cash and after paying or making adequate provision for all of the Fund’s liabilities, distribute the net assets of the Fund to the Unitholders as soon as practicable after the date of termination. Any unliquidated assets may be distributed in specie rather than in cash, subject to compliance with any securities or other laws applicable to such distributions. See “Description of the Units” and “Unitholder Matters - Matters Requiring Unitholder Approval”.

The Declaration of Trust provides that prior to the termination of the Fund the Manager will dispose of all of the Fund’s assets and will satisfy or make appropriate provision for all liabilities of the Fund. The Declaration of Trust provides that the Manager may, in its discretion and upon not less than 30 days’ prior written notice to Unitholders, postpone any termination date by a period of up to 180 days if the Manager determines that it will be unable to convert all of its assets to cash prior to any termination date and the Manager determines that it would be in the best interests of Unitholders to do so.

USE OF PROCEEDS

The Fund will use the net proceeds of the Offering (including any net proceeds from the exercise of the Over-Allotment Option), together with any borrowings, to invest in the Portfolio in accordance with the investment objectives and investment restrictions of the Fund.

The net proceeds from the sale of Units (prior to the exercise of the Over-Allotment Option) will be as follows:

	Minimum Offering ⁽¹⁾	Maximum Offering ⁽¹⁾⁽²⁾
Gross proceeds to the Fund	\$20,000,000	\$150,000,000
Agents’ fees ⁽³⁾	\$1,050,000	\$7,875,000
Expenses of the Offering ⁽³⁾	\$300,000	\$800,000
Net proceeds to the Fund	\$18,650,000	\$141,325,000

Notes:

(1) There will be no Closing unless a minimum of 2,000,000 Units are sold. If subscriptions for a minimum of 2,000,000 Units have not been received within 90 days following the date of issuance of a final receipt for this prospectus, this Offering may not continue unless an amendment to this prospectus is filed.

(2) The Fund has granted to the Agents an Over-Allotment Option, exercisable for a period of 30 days from the Closing Date, to purchase additional Units, at a price of \$10.00 per Unit, in an amount up to 15% of the aggregate number of Units issued at Closing on the same terms as set forth above solely to cover over-allotments, if any. If the Over-Allotment Option is exercised in full, under the maximum Offering, the price to the public, the Agents’ fees and the net proceeds to the Fund before deducting the expenses of the Offering will be \$172,500,000, \$9,056,250 and \$163,443,750, respectively. This prospectus also

qualifies the grant of the Over-Allotment Option and the distribution of Units issuable on the exercise of the Over-Allotment Option. A purchaser who acquires Units forming part of the Agents' over-allocation position acquires such Units under this prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. See "Plan of Distribution".

(3) Subject to a maximum of 1.5% of the gross proceeds of the Offering.

PLAN OF DISTRIBUTION

Pursuant to the Agency Agreement, the Agents have agreed to conditionally offer the Units for sale, as agents of the Fund, on a best efforts basis, if, as and when issued by the Fund and accepted by the Agents in accordance with the conditions contained in the Agency Agreement, and subject to approval of certain legal matters by Blake, Cassels & Graydon LLP on behalf of the Fund and Stikeman Elliott LLP on behalf of the Agents.

The Agents will receive a fee equal to \$0.525 (5.25%) per Unit sold and will be reimbursed for reasonable out-of-pocket expenses incurred by them.

The Agents may form a sub-agency group including other qualified investment dealers and determine the fee payable to the members of such group, which fee will be paid by the Agents out of their fees. While the Agents have agreed to use their best efforts to sell the Units offered hereby, the Agents will not be obligated to purchase Units that are not sold.

The Offering price of \$10.00 per Unit (payable in cash) was established by negotiation between the Agents and the Manager. There is currently no market through which the Units can be sold.

The Fund has granted the Agents an option (the "**Over-Allotment Option**"), exercisable for a period of 30 days from the closing of the Offering to purchase up to 15% of the aggregate number of the Units issued at the Closing on the same terms as set forth above. If the Over-Allotment Option is exercised in full, under the maximum Offering, the price to the public, the Agents' fee and the net proceeds to the Fund before deducting the expenses of the Offering will be \$172,500,000, \$9,056,250 and \$163,443,750, respectively.

If subscriptions for a minimum of 2,000,000 Units (\$20,000,000) have not been received within 90 days following the date of issuance of a final receipt for this prospectus, the Offering may not continue unless an amendment to this prospectus is filed and a receipt therefor has been issued. Under the terms of the Agency Agreement, the Agents may, at their discretion on the basis of their assessment of the state of the financial markets and upon the occurrence of certain stated events, terminate the Agency Agreement. In the event the minimum offering is not achieved by the Fund and the necessary consents are not obtained or if the Closing does not occur for any reason, subscription proceeds received from prospective purchasers will be returned to such purchasers promptly without interest or deduction. Subscriptions for Units will be received subject to rejection or allotment in whole or in part. Subscription proceeds pursuant to the Offering will be received by the Agents and held in trust in a segregated account until subscriptions for the minimum Offering are received and the other closing conditions of the Offering have been satisfied. The right is reserved to close the subscription books at any time without notice. Closing is expected to occur on or about February 24, 2015, but, in any event, not later than 90 days after a receipt for the final prospectus is issued. The TSX has conditionally approved the listing of the Units. The listing is subject to the Fund fulfilling all of the TSX requirements on or before April 21, 2015, including distributions of Units to a minimum number of public holders.

Pursuant to policy statements of the Ontario Securities Commission and the Autorité des marchés financiers, the Agents may not, throughout the period of distribution under this prospectus, bid for or purchase Units. The foregoing restriction is subject to exceptions, on the condition that the bid or purchase is not engaged in for the purpose of creating actual or apparent active trading in, or raising the price of, the Units. These exceptions include a bid or purchase permitted under the by-laws and rules of the TSX relating to market stabilization and passive market making activities and a bid or purchase made for or on behalf of a customer where the order was not solicited during the period of distribution. Subject to the foregoing and applicable laws an Agent may, in connection with this Offering, over-allot or effect transactions in connection with its over-allotted position. Such transactions, if commenced, may be discontinued at any time.

Pursuant to the Agency Agreement, the Fund and the Manager have agreed to indemnify the Agents and their controlling persons, directors, officers and employees against certain liabilities.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Each of the Manager, the Portfolio Manager and the Trustee will receive fees from the Fund for its services and will be reimbursed by the Fund for all reasonable expenses and liabilities incurred in connection with the operation and management of the Fund. See “Fees and Expenses”.

PROXY VOTING DISCLOSURE FOR PORTFOLIO SECURITIES HELD

The Manager has delegated the right and obligation to vote proxies relating to the Portfolio Securities to the Portfolio Manager as part of the Portfolio Manager’s portfolio management responsibilities.

Pursuant to the terms of the Portfolio Management Agreement, Nuveen shall be authorized to exercise all rights and privileges incidental to ownership of the securities comprising the Portfolio in accordance with Nuveen’s proxy voting policy which will be adopted by the Fund for the voting of proxies in compliance with applicable legislation. Nuveen has adopted a proxy voting policy to ensure that proxies are voted in the best interest of its clients. In determining how to vote proxies, Nuveen follows the proxy voting policies of an independent third party, Institutional Shareholder Services, Inc. Certain conflicts of interest or specific situations may call for a vote that does not follow the third party’s proxy voting policy. Such conflicts of interest or specific situations are addressed by Nuveen’s management with ultimate oversight by Nuveen’s Proxy Voting Committee.

The Manager will publish these records for the period ending June 30 of each year. This annual proxy voting record will be made available no later than August 31 of each year and will be posted on its website at www.fieracapital.com. A copy of the Proxy Voting Policy will also be available to Unitholders on request, at no cost, by contacting the Manager at 1-800-994-9002.

MATERIAL CONTRACTS

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

- (i) the Declaration of Trust described under “Organization and Management Details of the Fund”, “Description of the Units” and “Unitholder Matters”;
- (ii) the Agency Agreement described under “Plan of Distribution”;
- (iii) the Management Agreement described under “Organization and Management Details of the Fund – Manager of the Fund – Details of the Management Agreement”;
- (iv) the Portfolio Management Agreement described under “Organization and Management Details of the Fund – Portfolio Manager of the Fund”; and
- (v) the Custodian Agreement described under “Organization and Management Details of the Fund”.

Copies of the foregoing documents, after the execution thereof, may be inspected during business hours at the principal office of the Fund during the course of distribution of the Units offered hereby. Any of the foregoing contracts that are not executed prior to the filing of this prospectus will be filed with the securities regulatory authorities forthwith after such contract is entered into.

EXPERTS

The matters referred to under “Income Tax Considerations” and certain other legal matters relating to the securities offered hereby will be passed upon by Blake, Cassels & Graydon LLP, on behalf of the Fund and Stikeman Elliott LLP, on behalf of the Agents.

The auditor of the Fund is PricewaterhouseCoopers LLP, Chartered Professional Accountants, who have prepared an independent auditor’s report dated January 26, 2015 on the statement of financial position of the Fund as of January 26, 2015. PricewaterhouseCoopers LLP, Chartered Professional Accountants is independent with respect to the Fund within the meaning of the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of Ontario.

PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces and territories, the securities legislation further provides a purchaser with remedies for rescission, or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of these rights or consult with a legal adviser.

INDEPENDENT AUDITOR'S REPORT

To the Unitholder and the Trustee of Investment Grade Infrastructure Bond Fund (the "Fund")

We have audited the accompanying statement of financial position of the Fund as at January 26, 2015 and the related notes, which comprise a summary of significant accounting policies and other explanatory information (the financial statement).

Management's responsibility for the financial statement

Management is responsible for the preparation and fair presentation of the financial statement in accordance with those requirements of International Financial Reporting Standards relevant to preparing such financial statement and for such internal control as management determines is necessary to enable the preparation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statement presents fairly, in all material respects, the financial position of the Fund as at January 26, 2015 in accordance with those requirements of International Financial Reporting Standards relevant to preparing such a financial statement.

Toronto, Canada
January 26, 2015

(signed) *PricewaterhouseCoopers LLP*
Chartered Professional Accountants
Licensed Public Accountants

**INVESTMENT GRADE INFRASTRUCTURE BOND FUND
STATEMENT OF FINANCIAL POSITION**

As at January 26, 2015

ASSETS

Current Assets	
Cash	<u>\$10.00</u>
Total Assets	<u>\$10.00</u>
Net assets attributable to holder of redeemable units (1 Unit) (Note 1)	<u>\$10.00</u>
Net assets attributable to holder of redeemable units per unit	<u>\$10.00</u>

Approved by the Manager:

FIERA CAPITAL CORPORATION

(Signed) SYLVAIN BROUSSEAU
PRESIDENT AND CHIEF OPERATING OFFICER

(Signed) PIERRE BLANCHETTE
SENIOR VICE PRESIDENT, FINANCE

The accompanying notes are an integral part of this financial statement.

INVESTMENT GRADE INFRASTRUCTURE BOND FUND
NOTES TO STATEMENT OF FINANCIAL POSITION

1. GENERAL INFORMATION

Investment Grade Infrastructure Bond Fund (the “**Fund**”), a closed-end investment trust, was established under the laws of the Province of Ontario by a declaration of trust made as of January 26, 2015 (the “**Declaration of Trust**”). The Manager of the Fund is Fiera Capital Corporation (“**Fiera**” or the “**Manager**”). The beneficial interest in the net assets and net income of the Fund is divided into transferable units of the Fund (the “**Units**”). On January 26, 2015, the Fund was settled and issued one Unit for \$10.00 cash to a director of the Manager and as such is the Fund’s ultimate parent as at that date. Computershare Trust Company of Canada acts as trustee of the Fund and performs the duties and services and exercises the rights accorded to it in the Declaration of Trust. The address of the registered office is 1 Adelaide Street East, Suite 600, Toronto, Ontario M5C 2V9.

The Fund’s investment objectives are to:

- (i) provide holders of the Units (“**Unitholders**”) with monthly cash distributions; and
- (ii) preserve capital and provide the opportunity for capital appreciation.

The Fund has been created to invest in an actively managed portfolio comprised primarily of investment grade fixed income securities of issuers that own, operate or develop infrastructure assets in United States (the “**Portfolio**”).

The Portfolio will be managed by Nuveen Asset Management, LLC (“**Nuveen**” or the “**Portfolio Manager**”). Nuveen, as portfolio manager, will actively manage the Portfolio in connection with the selection, purchase and sale of securities.

The Fund intends to make monthly cash distributions to Unitholders of record on the last business day of each month. Distributions will be paid on a business day designated by the Manager that will be no later than the 15th day of the following month. The Fund will not have a fixed monthly distribution amount but intends to at least annually in December each year determine and announce expected monthly distributions for the following calendar year based on the Manager’s and Portfolio Manager’s estimate of distributable cash flow in the Fund.

The Portfolio will be invested primarily in assets denominated in U.S. dollars. From time to time, 0% to 100% of the value of the Portfolio’s non-Canadian currency exposure may be hedged back to the Canadian dollar by the Manager.

The Fund may utilize various forms of leverage including borrowings under loan facilities and margin purchases. The Fund may also obtain leverage through shorting and through notional exposure under derivatives provided that aggregate exposure obtained through shorting and derivatives based on the market value of the notional exposure determined on a daily basis and borrowings determined at the time of borrowing shall not exceed 40% of Total Assets (the “**Leverage Threshold**”). Derivatives and shorting used solely for purposes of hedging (as defined in NI 81-102) will not be included in the Leverage Threshold calculation.

The statement of financial position was authorized for issue by the Manager on January 26, 2015.

2. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in preparation of this financial statement are set out below:

Basis of Presentation:

The statement of financial position of the Fund has been prepared in accordance with International Financial Reporting Standards (“**IFRS**”) relevant to preparing such a financial statement. The statement of financial position has been prepared under the historical cost convention.

Functional and Presentation Currency:

The financial statement is presented in Canadian dollars, which is the Fund’s functional and presentation currency.

Net Assets Attributable to Holders of Redeemable Units per Unit

The NAV per Unit on any day will be obtained by dividing the NAV of the Fund by the number of Units then outstanding at the time the calculation is made.

Redeemable Units:

The Fund's obligation for net assets attributable to a holder of redeemable units is presented at the redemption amount that is payable if the holder exercises the right to put the units back to the Fund on the annual redemption date. The Fund's outstanding redeemable units are classified as financial liabilities in accordance with the requirements of International Accounting Standard 32 Financial Instruments: Presentation.

Cash:

Cash is held by counsel in trust. Cash comprises cash on deposit and is stated at fair value.

The Fund has retained CIBC Mellon Trust Company (the "Custodian") under a custodial services agreement between the Manager and the Custodian, as it may be amended from time to time.

Calculation of Net Asset Value:

The net asset value of the Fund is calculated as the aggregate fair value of the Fund's assets, less the aggregate fair value of the Fund's liabilities. The trustee will calculate the net asset value of the Fund on each business day at the close of regular trading on the Toronto Stock Exchange, normally 4:00 p.m. (Toronto time) in accordance with industry practices.

Fair Value:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The carrying values of cash and the Fund's obligations for net assets attributable to the holder of redeemable units approximate their fair values.

3. AGENCY AGREEMENT

The Fund, the Manager and the Portfolio Manager have entered into an agency agreement with CIBC World Markets Inc., RBC Dominion Securities Inc., National Bank Financial Inc., Scotia Capital Inc., TD Securities Inc., BMO Nesbitt Burns Inc., GMP Securities L.P., Desjardins Securities Inc., Raymond James Ltd., Canaccord Genuity Corp., Dundee Securities Ltd., Mackie Research Capital Corporation and Manulife Securities Incorporated (collectively, the "Agents") dated as of January 26, 2015 pursuant to which the Fund has agreed to create, issue and sell, and the Agents have agreed to offer for sale to the public, a minimum of 2,000,000 Units and a maximum of 15,000,000 Units at \$10.00 per Unit.

The Fund has granted to the Agents an option exercisable for a period of 30 days following the closing of the offering of the Units to purchase additional Units in an amount up to 15% of the aggregate number of Units issued at the closing of the offering on the same terms as the offering of Units to cover over-allotment, if any.

4. MANAGEMENT FEES AND OTHER EXPENSES

The Agents' fees will be \$0.525 per Unit (5.25%). In addition to the Agents' fees, the Fund will pay the expenses incurred in connection with the Offering (subject to a maximum of 1.5% of the gross proceeds of the Offering). The expenses in connection with the offering will be charged against net assets attributable to holders of redeemable units.

An annual management fee (the "Management Fee") equal to 1.00% of the NAV of the Fund, calculated daily and payable monthly in arrears, plus applicable taxes, will be paid to the Manager. The Manager is responsible for paying the fees payable to the Portfolio Manager out of the Management Fee.

The Fund will pay for all ordinary expenses incurred in connection with its operation and administration.

Any arrangements for additional services between the Fund and the Manager, or any affiliate thereof, that have not been described in this prospectus will be on terms that are no less favourable to the Fund than those available from arm's length

persons (within the meaning of the Tax Act) for comparable services and the Fund will pay all expenses associated with such additional services.

5. UNITHOLDER EQUITY

Annual Redemption

Commencing in 2016, Units may be surrendered annually for redemption during the period from the first Business Day in August until 5:00 p.m. (Toronto time) on the last Business Day in August of each year (the “**Notice Period**”). Subject to the Fund’s right to suspend redemptions in certain circumstances, Units properly surrendered for redemption during the Notice Period will be redeemed on the second last Business Day in September of each year following the relevant Notice Period (the “**Annual Redemption Date**”) and the Unitholder will receive a redemption price per Unit equal to 100% of the NAV per Unit as determined on the Annual Redemption Date, less any costs associated with the redemption, including commissions, wire transfer fees and such other costs charged to the Fund by third parties, if any, on or before the redemption payment date.

Monthly Redemptions

In addition to the annual redemption right, Unitholders may make a redemption request at any time, in which case the Fund will redeem the Units on the second last Business Day of each month (“**Monthly Redemption Date**”), subject to certain conditions, and in order to effect such a redemption, the Units must be surrendered by no later than 5:00 p.m. (Toronto time) on the date which is the last Business Day of the month preceding the month in which the Monthly Redemption Date falls. Payment of the redemption price will be made on the Redemption Payment Date, subject to the Manager’s right to suspend redemptions in certain circumstances.

A Unitholder who properly surrenders a Unit for redemption on a Monthly Redemption Date, will receive the amount (the “**Monthly Redemption Price**”), if any, equal to the lesser of (i) 95% of the Market Price and (ii) 100% of the Closing Market Price of a Unit on the applicable Monthly Redemption Date, less, in each case, any costs associated with the redemption including commissions and such other costs, if any.

Notwithstanding the foregoing, the Monthly Redemption Price with respect to a Unit being redeemed on such date will not be greater than the NAV per Unit on the Monthly Redemption Date.

CERTIFICATE OF THE FUND, THE MANAGER AND THE PROMOTER

Dated: January 26, 2015

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of each of the provinces and territories of Canada.

**Investment Grade Infrastructure Bond Fund
by its Manager, Fiera Capital Corporation**

(Signed) JEAN-GUY DESJARDINS
Chairman of the Board and Chief Executive Officer

(Signed) MARCEL LAROCHELLE
Executive Vice President and Chief
Financial Officer

**On behalf of the Board of Directors of
Fiera Capital Corporation**

(Signed) SYLVAIN BROUSSEAU
Director

(Signed) RAYMOND LAURIN
Director

**FIERA CAPITAL CORPORATION
as Promoter**

(Signed) JEAN-GUY DESJARDINS
Chairman of the Board and Chief Executive Officer

CERTIFICATE OF THE AGENTS

Dated: January 26, 2015

To the best of our knowledge, information and belief, this prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of each of the provinces and territories of Canada.

CIBC WORLD MARKETS INC.

(Signed) MICHAEL D. SHUH

RBC DOMINION SECURITIES INC.

(Signed) CHRISTOPHER BEAN

NATIONAL BANK FINANCIAL INC.

(Signed) TIMOTHY EVANS

SCOTIA CAPITAL INC.

(Signed) RAJIV BAHL

TD SECURITIES INC.

(Signed) CAMERON GOODNOUGH

BMO NESBITT BURNS INC.

(Signed) ROBIN G. TESSIER

GMP SECURITIES L.P.

(Signed) ANDREW KIGUEL

DESJARDINS SECURITIES INC.

(Signed) BETH SHAW

RAYMOND JAMES LTD.

(Signed) J. GRAHAM FELL

CANACCORD GENUITY CORP.

(Signed) RON SEDRAN

DUNDEE SECURITIES LTD.

(Signed) AARON UNGER

**MACKIE RESEARCH
CAPITAL CORPORATION**

(Signed) DAVID KEATING

**MANULIFE SECURITIES
INCORPORATED**

(Signed) DAVID MACLEOD



FIERACAPITAL