

Brookfield

**BROOKFIELD GLOBAL INFRASTRUCTURE SECURITIES
INCOME FUND**
(the “Fund”)

ANNUAL INFORMATION FORM
(“AIF”)

March 27, 2024

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FORWARD-LOOKING STATEMENTS

Certain statements made by the Fund in this AIF are “forward-looking statements”. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as “expects”, “anticipates”, “plans”, “believes”, “estimates”, “intends”, “targets”, “projects”, “forecasts” or negative versions thereof and other similar expressions, or future or conditional verbs such as “may”, “will”, “should”, “would” and “could”, and similar expressions. Forward-looking statements are based on expectations, estimates and projections at the time the statements were made and 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 investment risks inherent in the pursuit of the investment objectives and strategies of the Fund. See “*Risk Factors*”.

These and other factors should be considered carefully and readers should not place undue reliance on the Fund’s forward-looking statements. The forward-looking statements are made as of the date of this AIF, and the Fund does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required to do so by applicable laws.

NAME, FORMATION AND HISTORY OF THE FUND

Brookfield Global Infrastructure Securities Income Fund (the “**Fund**”) is an investment fund established under the laws of the Province of Ontario pursuant to a declaration of trust dated June 24, 2013 and amended and restated on January 1, 2020 (the “**Declaration of Trust**”). On January 1, 2020, the original declaration of trust was amended and restated to, among other things: (i) reflect the appointment of Brookfield Public Securities Group LLC (“**PSG**” or the “**Manager**”) as the manager of the Fund; (ii) make such changes to maintain the status of the Fund as a “mutual fund trust” for purposes of the Tax Act (as defined herein); and (iii) make other conforming changes. PSG also replaced Brookfield Investment Management (Canada) Inc. (“**BIM Canada**”) as the manager of the Fund. Prior to these amendments, BIM Canada was also replaced as the trustee of the Fund by certain of its affiliates. PSG also acts as the investment manager of the Fund (in such capacity, the “**Investment Manager**”) and represents the public securities platform of Brookfield Asset Management Ltd. (“**Brookfield Asset Management**”). PSG is an indirect wholly owned subsidiary of Brookfield Asset Management ULC (“**BAM ULC**”). Brookfield Corporation (“**BN**”) holds a 75% interest in BAM ULC, while Brookfield Asset Management holds a 25% interest in BAM ULC. PSG, Brookfield Asset Management, BAM ULC and BN are together referred to as “**Brookfield**” herein. The principal office of the Fund is located at 181 Bay Street, Suite 300, Brookfield Place, Toronto, Ontario M5J 2T3. The fiscal year-end of the Fund is December 31.

The Fund completed its initial public offering with the issuance of 32,500,000 units of the Fund (the “**Units**”) on July 18, 2013 and 1,900,000 Units pursuant to an over-allotment option on July 31, 2013 at a price of \$10.00 per Unit for gross proceeds of \$344,000,000 and net proceeds of \$325,140,000 after deducting issuance costs and expenses of \$18,860,000.

On July 23 2021, the Fund filed a prospectus supplement dated July 23, 2021 to its base shelf prospectus dated February 10, 2020 (together the “**2021 Prospectus**”) for the distribution of Units to the public having an aggregate value of up to \$25,000,000 and entered into an equity distribution agreement dated July 23, 2021 (the “**2021 Distribution Agreement**”) with National Bank Financial Inc. (the “**Agent**”) pursuant to which the Fund could distribute Units under the 2021 Prospectus from time to time through the Agent, as agent, in accordance with the terms of the 2021 Distribution Agreement. Sales of Units under the 2021 Prospectus were completed as “at-the-market distributions” as defined in National Instrument 44-102 *Shelf Distributions* (“**NI 44-102**”) and, pursuant to the 2021 Distribution Agreement, the Units were distributed at the market prices prevailing at the time of the sale. The Fund paid to the Agent compensation for its services in acting as agent in connection with the sale of Units pursuant to the 2021 Distribution Agreement of up to 2.5% of the gross sale price per Unit sold (the “**Commission**”). On March 10, 2022, the 2021 Distribution Agreement terminated in accordance with its terms. During the year ended December 31, 2021, the Fund issued 474,800 Units under the 2021 Prospectus at a weighted average price of \$6.93 per Unit for gross proceeds of \$3,358,798, and incurred Commissions of \$67,176, for net proceeds of \$3,291,622 before expenses. Subsequent to December 31, 2021, the Fund issued 306,500 Units under the 2021 Prospectus at a weighted average price of \$6.59 per Unit for gross proceeds of \$2,060,313, and incurred commissions of \$41,206, for net proceeds of \$2,019,107 before expenses.

On March 22, 2022, the Fund filed a prospectus supplement dated March 22, 2022 to its base shelf prospectus dated March 18, 2022 (together the “**2022 Prospectus**”) for the distribution of Units to the public having an aggregate value of up to \$40,000,000 and entered into an equity distribution agreement dated March 22, 2022 (the “**2022 Distribution Agreement**”) with the Agent pursuant to which the Fund could distribute Units under the 2022 Prospectus from time to time through the Agent, as agent, in accordance with the terms of the 2022 Distribution Agreement. Sales of Units under the 2022 Prospectus were completed as “at-the-market distributions” as defined in NI 44-102 and, pursuant to the 2022 Distribution Agreement, the Units were distributed at the market prices prevailing at the time of the sale. The Fund paid to the Agent the Commission in compensation for its services in acting as agent in connection with the sale of Units pursuant to the 2022 Distribution Agreement. During the year ended December 31, 2022, the Fund issued 962,200 Units under the 2022 Prospectus at a weighted average price of \$6.25 per Unit for gross proceeds of \$6,137,486, and incurred commissions of \$122,750, for net proceeds of \$6,014,736 before expenses. During the year ended December 31, 2023, the Fund did not issue any additional Units under the 2022 Prospectus.

The beneficial interest in the net assets and net income of the Fund is divided into Units, each of which represents an equal, undivided interest in the net assets of the Fund. The Units are listed for trading on the Toronto Stock Exchange (“**TSX**”) under the symbol “**BGI.UN**”.

During the year ended December 31, 2023, redemption proceeds of \$6,009,518.47 were paid for the redemption of 1,486,070 Units.

The amount of quarterly distributions may fluctuate from quarter to quarter and there can be no assurance that the Fund will make any distribution in any particular quarter or quarters. Amounts distributed on the Units that represent returns of capital are generally non-taxable to a holder of Units (“**Unitholder**”) but reduce the Unitholder’s adjusted cost base of the Units for Canadian federal income tax purposes. See “*Income Tax Considerations*”.

The Fund must comply with the requirements of National Instrument 81-102 – *Investment Funds* (“**NI 81-102**”) applicable to non-redeemable investment funds, subject to any exemptions therefrom applicable to the Fund. For greater certainty, to the extent there is a conflict or inconsistency between the information in this annual information form and NI 81-102, the requirements of NI 81-102 shall govern the Fund, subject to any exemptions therefrom applicable to the Fund.

As of March 27, 2024, there were 16,227,350 Units issued and outstanding.

INVESTMENT OBJECTIVES, STRATEGY AND RESTRICTIONS OF THE FUND

Investment Objectives

The investment objectives of the Fund are to:

- (a) provide Unitholders with quarterly cash distributions;
- (b) maximize total return for Unitholders through distributions and capital appreciation; and

- (c) preserve capital.

The Fund is invested in a portfolio comprised primarily of equity securities of publicly-traded global infrastructure companies that own and operate infrastructure assets (the “**Portfolio**”). The Portfolio is actively managed by the Investment Manager.

Investment Strategy

The Investment Manager seeks to achieve the investment objectives of the Fund by investing primarily in equity securities of publicly-traded global infrastructure companies. For the purposes of the Fund, an “**infrastructure company**” means any company that derives at least 50% of its revenue or profits from the ownership or operation of infrastructure assets which include physical structures, networks and systems for transportation, energy, water and sewage and communication.

The Investment Manager employs a value-based stock selection methodology with an emphasis on fundamental, bottom-up stock selection.

The Investment Manager focuses on the free cash flow generation of infrastructure companies with an emphasis on primary research including asset inspections, site visits, management meetings, financial modeling and sensitivity analysis. Investment decisions are made based on total return expectations. The Fund generally invests in four main infrastructure sectors: (1) Transportation; (2) Energy; (3) Communications; and (4) Water. Diversification across global regions, including exposure to higher-growth emerging markets, is also factored into portfolio construction.

The Fund may invest in infrastructure companies organized as master limited partnerships (“**MLPs**”) and, to a lesser extent, fixed income securities of infrastructure companies. MLPs are publicly traded limited partnerships or limited liability companies primarily engaged in the midstream portion of the energy chain. Their interests, or units, trade on public securities exchanges like the shares of a corporation but can avoid the entity-level U.S. taxation generally applicable to publicly traded entities if they comply with certain requirements, such as deriving at least 90% of their annual gross income from certain passive sources.

Use of Derivatives

The Fund may use derivatives for a variety of purposes, including but not limited to (i) for purposes of hedging (as defined in NI 81-102) and (ii) as a substitute for purchasing or selling securities.

Foreign Currency Hedging

The Portfolio may be exposed to foreign currency. From time to time, between 0% and 100% of the value of the Portfolio’s non-Canadian currency exposure may be hedged back to the Canadian dollar. It is not intended that distributions on the securities held in the Portfolio (the “**Portfolio Securities**”) will be hedged.

Leverage

The Fund may utilize various forms of leverage including borrowings under loan facilities and margin purchases. The Fund may also utilize leverage obtained 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 33% of Total Assets (the “**Leverage Threshold**”). Derivatives and shorting used solely for purposes of hedging (as defined in NI 81-102) are not included in the Leverage Threshold calculation.

Short Selling

The Investment Manager may also short securities from time to time. Short exposure in the Portfolio, for purposes other than hedging (as defined in NI 81-102), shall not exceed 10% of the aggregate fair value of the assets of the Fund as determined in accordance with the terms of the Declaration of Trust (“**Total Assets**”) determined on a daily marked-to-market basis.

Covered Option Writing

The Investment Manager may sell call options on securities comprising not more than 15% of the Total Assets determined at the time such options are written to generate additional income and/or to provide downside protection. Because call options may be written only in respect of securities that are in the Portfolio, the call options will be covered at all times.

Investment Restrictions

Investment Restrictions of the Fund

The investment activities of the Fund are to be conducted in accordance with, among other things, NI 81-102 and the following investment restrictions which provide that the Fund will not:

- (i) invest, directly or indirectly, more than 10% of the aggregate value of the Total Assets in the securities of any single issuer, other than (a) securities issued or guaranteed by the Government of Canada or a province or territory thereof or securities issued or guaranteed by the U.S. Government or its agencies and instrumentalities or (b) any wholly-owned entity holding securities of publicly traded MLPs;
- (ii) employ leverage, including through shorting and through notional 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 33% of the Total Assets determined at the time of borrowing provided that if at any time leverage exceeds the Leverage Threshold, the Investment Manager will, as soon as practicable thereafter cause the leverage to be reduced below such 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);
- (iii) invest less than 70% of the Total Assets, as determined at the time of investment, in securities of publicly-traded issuers in the infrastructure sector;

- (iv) invest more than 20% of the Total Assets, other than for purposes of hedging (as defined in NI 81-102), in fixed income securities of infrastructure companies;
- (v) have short exposure, other than for purposes of hedging (as defined in NI 81-102), in excess of 10% of the Total Assets as determined on a daily marked-to-market basis;
- (vi) invest, directly or indirectly, more than 25% of the Total Assets, determined at the time of investment, in infrastructure companies organized as MLPs;
- (vii) invest less than 60% of the Total Assets invested in equities, determined at the time of investment, in securities of companies with a market capitalization of at least US\$1 billion;
- (viii) invest more than 30% of the Total Assets, determined at the time of investment, other than for purposes of hedging (as defined in NI 81-102), in securities of infrastructure companies that are domiciled in emerging markets (defined for this purpose as any country that is included in the MSCI Emerging Market Index or a replacement or alternative index);
- (ix) write call options in respect of more than 15% of the Total Assets;
- (x) write call options unless the security underlying the option is held by the Fund;
- (xi) dispose of any security that is subject to a call option written by the Fund unless such option has either terminated or expired;
- (xii) guarantee the securities or obligations of any person other than the Manager, and then only in respect of the activities of the Fund;
- (xiii) engage in securities lending that does not constitute a “securities lending arrangement” for purposes of the *Income Tax Act* (Canada) (together with the regulations thereunder, the “**Tax Act**”);
- (xiv) purchase securities of an issuer if, as a result of such purchase, the Fund would be required to make a take-over bid that is a “formal bid” for purposes of the *Securities Act* (Ontario) or the equivalent provision of applicable securities laws of any other jurisdiction;
- (xv) purchase securities from, sell securities to, or otherwise contract for the acquisition or disposition of securities with the Manager or any of its affiliates, any officer, director or shareholder of the Manager, any person, trust, firm or corporation managed by the Manager or any of its affiliates or any firm or corporation in which any officer, director or shareholder of the Manager may have a material interest (which, for these purposes, includes beneficial ownership of more than 9.9% of the voting securities of such entity) unless, with respect to any purchase or sale of securities, either: (i) any such transaction is effected through normal market facilities, pursuant to a non-pre-arranged trade, and the purchase price

approximates the prevailing market price; or (ii) is approved by the Manager's Independent Review Committee (as defined below);

- (xvi) 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 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;
- (xvii) invest in any security that would be a "tax shelter investment" within the meaning of section 143.2 of the Tax Act;
- (xviii) invest in any security of an issuer that would be a "foreign affiliate" of the Fund for purposes of the Tax Act;
- (xix) 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;
- (xx) 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
- (xxi) make or hold any investments that would result in the Fund itself being a "SIFT trust" within the meaning of the provisions of the Tax Act providing for a tax on certain income earned by a "SIFT partnership" or distributed by a "SIFT trust", as those terms are defined in the Tax Act (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 (xxi) above which must be complied with at all times 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. In addition, the Fund intends to comply at all times with the restrictions in paragraph (xx) above, which may also necessitate the selling of investments from time to time.

Notwithstanding the foregoing, at the Investment Manager’s discretion, the Portfolio may be invested entirely in cash or cash equivalents.

Unitholder approval by way of Extraordinary Resolution (as defined below) is required to change the investment restrictions and investment objectives of the Fund.

DESCRIPTION OF THE SECURITIES OF THE FUND

General

The Fund is authorized to issue an unlimited number of Units. Except with respect to non-resident Unitholders, all Units have equal rights and privileges. Each Unit is entitled to one vote at all meetings of Unitholders and 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, and distributions upon the termination of the Fund (other than distributions to a redeeming Unitholder of capital gains realized to facilitate the redemption). Units are issued only as fully paid and are non-assessable.

As of March 27, 2024, there were 16,227,350 Units issued and outstanding.

Distribution Policy

In accordance with the Fund’s investment objectives, the Fund intends to continue to make quarterly distributions to Unitholders of record on the last Business Day (as defined herein) of March, June, September and December (each, a “**Distribution Date**”). Distributions are to be paid on a Business Day designated by the Manager that will be no later than the 15th Business Day of the month following the Distribution Date (each, a “**Distribution Payment Date**”). The Fund does not have a fixed quarterly distribution but distributions are currently targeted to be \$0.15 per Unit (\$0.60 per annum). The amount of quarterly distributions may fluctuate from quarter to quarter and there can be no assurance that the Fund will make any distributions in any particular quarter or quarters. See “*Risk Factors*”. For the purposes of this AIF, a “**Business Day**” is any day on which the TSX is open for business.

The following table sets out the distributions per Unit announced by the Fund during 2023:

<u>Record Date</u>	<u>Distribution</u>
March 31, 2023	\$0.15
June 30, 2023	\$0.15
September 29, 2023	\$0.15
December 29, 2023	\$0.15

It is anticipated that returns on the Portfolio over the life of the Fund will be derived primarily from dividends and other income received on the Portfolio Securities and net realized capital gains from the sale of the Portfolio Securities. 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*".

Distributions include all distribution payments regardless of source and may include net income, capital gains, and/or returns of capital ("**ROC**"). ROC should not be confused with yield or income. The Fund's portfolio will be required to appreciate or otherwise generate returns of 13.42% per annum to allow the Fund to pay quarterly distributions at the current target level and to maintain a stable Net Asset Value per Unit. Based on the 2023 yield of securities currently held by the Fund, the Fund's portfolio generated annualized income from dividends and other distributions of approximately 6.26% net of withholding taxes. Therefore, the Fund's portfolio would be required to appreciate or generate an additional return of 7.16% per annum to allow the Fund to pay quarterly distributions at the current target level and to maintain a stable Net Asset Value per Unit. If the return on the Fund's portfolio is less than the amount necessary to fund the quarterly distributions at the current level and all expenses of the Fund and if the Manager chooses nevertheless to pay quarterly distributions to Unitholders, this would result in a portion of the capital of the Fund being returned to Unitholders and, accordingly, the Net Asset Value per Unit would be reduced. The amount of distributions may fluctuate from quarter to quarter and there can be no assurance that the Fund will make any distribution in any particular quarter or that distributions will be paid at the current distribution target.

If in any taxation year, after any quarterly distributions, there would otherwise remain in the Fund additional net income or net realized capital gains, the Fund will be required to pay or make payable one or more special year-end distributions of such portion of the remaining net income and net realized capital gains in such year 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 after a *pro rata* distribution of Units to all Unitholders in satisfaction of any non-cash distribution, the number of outstanding Units will 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. See "*Income Tax Considerations*".

Distribution Reinvestment Plan

The Fund offers a distribution reinvestment plan (the "**Reinvestment Plan**") which provides that all quarterly 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. 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) are not 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.

Distributions due to plan participants are 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 listed and primarily traded) on the relevant Distribution Payment Date plus estimated brokerage fees and commissions is below the NAV per Unit (as defined below) 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 market price, plus brokerage fees and commissions, exceeds the NAV per Unit determined on the previous Business Day. 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 market price on the Distribution Payment Date. 58,127 Units were issued in 2023 pursuant to the Reinvestment Plan. Unitholders may obtain a copy of the Reinvestment Plan by contacting the Manager. See “*Income Tax Considerations*”.

Meetings and Acts Requiring Unitholder Approval

While the Fund does not intend to hold annual meetings of Unitholders, a meeting of Unitholders may be convened by the Manager by a written requisition specifying the purpose of the meeting and must be convened if requisitioned by Unitholders holding not less than 10% of the Units then outstanding by a written requisition specifying the purpose of the meeting. Not less than 21 days’ and not more than 50 days’ notice must be given of any meeting of Unitholders.

The quorum at any meeting of all Unitholders is one Unitholder present in person or represented by proxy holding 10% of the Units except for the purpose of any meeting called to consider item (d) below in which case the quorum shall be Unitholder(s) holding 15% 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 for not less than 10 days and at the adjourned meeting the Unitholders then present in person or represented by proxy will form the necessary quorum. At any meeting of Unitholders, each Unitholder will be entitled to one vote for each Unit registered in the Unitholder’s name.

In addition to the requirements under NI 81-102, the following matters require the approval of Unitholders by resolution passed by at least 66 $\frac{2}{3}$ % of the votes cast at a meeting called and held for such purpose (an “**Extraordinary Resolution**”), other than item (f), which requires approval of Unitholders by a simple majority vote at a meeting called and held for such purpose:

- (a) a change in the investment objectives of the Fund;
- (b) a change in the investment restrictions of the Fund;
- (c) 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;
- (d) a change of the manager of the Fund, other than a change resulting in an affiliate of such person assuming such position;

- (e) a change in the trustees of the Fund, other than a change resulting in an affiliate of the Manager being appointed as trustee of the Fund;
- (f) a change in the auditors of the Fund;
- (g) a reorganization (other than a Permitted Merger (as defined below)) with, or transfer of assets to, a mutual fund trust, if
 - (i) the Fund ceases to continue after the reorganization or transfer of assets; and
 - (ii) the transaction results in Unitholders becoming securityholders in the mutual fund trust;
- (h) a reorganization (other than a Permitted Merger) with, or acquisition of assets of, a mutual fund trust, if
 - (i) the Fund continues after the reorganization or acquisition of assets;
 - (ii) the transaction results in the securityholders of the mutual fund trust becoming Unitholders of the Fund; and
 - (iii) the transaction would be a significant change to the Fund;
- (i) a termination of the Fund, other than as described under “*Other Material Information – Termination of the Fund*” or in connection with a Permitted Merger;
- (j) an amendment, modification or variation in the provisions or rights attaching to the Units;
- (k) the issuance of additional Units, other than: (i) for net proceeds not less than 100% of the NAV per Unit calculated as of the close of business on the Business Day immediately prior to the pricing of such offering; (ii) by way of Unit distribution; or (iii) pursuant to the Reinvestment Plan; and
- (l) 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, provided that it satisfies requirements of NI 81-102 which provide, among other things, that:

- (a) the fund(s) with which the Fund is merged must be managed by the Manager or an affiliate of the Manager;
- (b) Unitholders are permitted to redeem their Units at a redemption price equal to 100% of the NAV per Unit, less any costs of funding the redemption, including commissions prior to the effective date of the merger;

- (c) a reasonable person would consider the funds being merged to have substantially similar investment objectives;
- (d) the Manager must have determined in good faith that there will be no increase in the management expense ratio borne by the Unitholders as a result of the merger;
- (e) the merger of the funds is completed on the basis of an exchange ratio determined with reference to the net asset value per unit of each fund; and
- (f) the merger of the funds will be accomplished on a tax-deferred rollover basis for Unitholders.

If the Manager determines that a merger is a Permitted Merger and it complies with NI 81-102, 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 issue a press release at least 30 days prior to the proposed effective date thereof disclosing details of the proposed merger and will comply with all applicable laws including the requirements of the TSX concerning mergers involving listed investment funds. 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 will be subject to different risk factors.

The Unitholders will also be permitted to vote on any modification, amendment, alteration or deletion of rights, privileges or restrictions attaching to the Units which would have a material adverse effect on the interest of the Unitholders. No amendment may be made to the Declaration of Trust which would have the effect of reducing the expenses reimbursable to the Manager.

Reporting to Unitholders

The Fund will furnish to Unitholders such financial statements of the Fund (including interim unaudited and annual audited financial statements, accompanied by management reports of fund performance) and other reports as are from time to time required by applicable law, including prescribed forms needed for the completion of Unitholders' tax returns under the Tax Act and equivalent provincial legislation.

Limitation on Non-Resident Ownership

At no time may persons who are non-residents of Canada for purposes of the Tax Act and/or partnerships that are not "Canadian partnerships" within the meaning of the Tax Act (or any combination thereof) be the beneficial owners of a majority of the Units. The registrar for the Units, at the direction of the Manager, may require declarations as to the jurisdictions in which beneficial owners of Units are resident and, if a partnership, its status as a Canadian partnership. If the Manager becomes aware, as a result of the registrar 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 Manager may make a public announcement thereof. If the Manager determines that more than 40% of the Units are beneficially held by non-residents, or that such situation is imminent, upon notice from the Manager, the registrar shall send a notice to such Unitholders that are non-residents, chosen in inverse order to

the order of acquisition or in such manner as the Manager 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 purposes of the Tax Act. If the Unitholders receiving such notice have not disposed of the specified number of Units or provided the registrar or the Manager with satisfactory evidence that they are not non-residents within such period, the registrar may on behalf of such Unitholders dispose of such Units and, in the interim, shall direct the Trustees to suspend the voting and distribution rights attached to such Units. Upon such disposition, the affected holders shall cease to be beneficial holders of Units and their rights shall be limited to receiving the net proceeds of disposition of such Units.

Book-Entry Only System

Registration of interests in and transfers of the Units is made only through the book-based system administered by CDS Clearing and Depository Services Inc. (“CDS”). All rights of Unitholders must be exercised through, and all payments or other property to which such Unitholders are entitled are made or delivered by CDS or the CDS participant through which such securities are held. Upon purchase of Units, the Unitholders receive only a customer confirmation from the registered dealer which is a CDS participant and from or through which the Units are purchased.

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.

VALUATION OF SECURITIES

Valuation Policies and Procedures of the Fund

The net asset value of the Fund (the “**Net Asset Value of the Fund**” or “**NAV of the Fund**”) on a particular date will be equal to the aggregate fair value of the assets of the Fund, less the aggregate fair value of the liabilities of the Fund expressed in Canadian dollars, as determined in accordance with the terms of the Declaration of Trust. The net asset value per Unit on any day may be obtained by dividing the Net Asset Value of the Fund on such day by the number of Units then outstanding (the “**Net Asset Value per Unit**” or “**NAV per Unit**”).

In determining the NAV of the Fund at any time:

- (i) the value of any cash on hand or on deposit, bill, demand note and account receivable, prepaid expense, distribution, dividend or other amount received (or declared to holders of record of securities owned by the Fund on a date before the Valuation Date (as defined below) as of which the net asset value is being determined, and to be received) and interest accrued and not yet received shall be deemed to be the full amount thereof provided that if the Manager has determined that any such deposit, bill, demand note, account receivable, prepaid expense, distribution, dividend or other amount received (or declared to holders of record of securities owned by the Fund on a date before the Valuation Date as of which the net asset value is being determined, and to be received) or interest accrued and not

yet received is not otherwise worth the full amount thereof, the value thereof shall be deemed to be such value as the Manager determines to be the fair value thereof;

- (ii) the value of any security that is listed or traded upon a stock exchange (or if more than one, on the principal stock exchange for the security, as determined by the Manager) and is freely transferable shall be determined by taking the latest available sale price or lacking any recent sales or any record thereof, at the “bid” price at the close of business on such day and if sold short at the “asked” price at the close of business on such day, plus, in the case of listed securities, for greater certainty, accrued interest, as calculated in accordance with market practice, as at the Valuation Date on which the net asset value is being determined, all as reported by any means in common use;
- (iii) the value of any security traded over the counter which is freely transferable shall be valued at the “bid” price at the close of business on such day if held long by a major dealer or an independent pricing service, and at the “asked” price at the close of business on such day if held short by a major dealer or an independent pricing service, unless included in the NASDAQ National Market System, in which case they are valued based upon their sales price (if such prices are available);
- (iv) the value of any security or other asset for which a market quotation is not readily available will be its fair value at the Valuation Time (as defined below) on the Valuation Date on which the net asset value is being determined as determined by the valuation agent, with input from the Manager (generally the valuation agent will value such security at cost until there is a clear indication of an increase or decrease in value);
- (v) the value of all assets of the Fund, quoted or valued in terms of foreign currency, the value of all funds on deposit and contractual obligations payable to the Fund in foreign currency and the value of all liabilities and contractual obligations payable by the Fund in foreign currency shall be determined using the applicable rate of exchange current at, or as nearly as practicable to, the Valuation Time on the Valuation Date;
- (vi) the value of any futures contract or forward contract shall be the gain or loss with respect thereto that would be realized if, at the Valuation Time on the Valuation Date, the position in the futures contract or the forward contracts, as the case may be, were to be closed out in accordance with its terms unless daily limits are in effect in which case fair value shall be based on the current market value of the underlying interest;
- (vii) where a covered clearing corporation option, option on futures or over-the-counter option is written, the premium received by the Fund shall be reflected as a deferred credit which shall 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 shall be treated as an unrealized gain or loss on investment. The

deferred credit shall be deducted in arriving at the Net Asset Value. The securities which are the subject of a written clearing corporation option, or over-the-counter option shall be valued at their current market value;

- (viii) the value of any swaps will be valued at a rate, determined at the Valuation Time on the Valuation Date provided by a pricing source selected by the Manager;
- (ix) the value of any investment in an investment fund (excluding those that trade on a stock exchange) will be valued at the net asset value of the holding in such investment fund as provided by such investment fund at, or as nearly practicable to, the Valuation Time on the Valuation Date;
- (x) short term investments shall be valued at cost plus accrued interest which approximates fair value; and
- (xi) listed securities subject to a hold period will be valued as described above with an appropriate discount as determined by the Manager and investments in private companies and other assets for which no published market exists will be valued at fair market value as determined by the Manager.

If a security cannot be valued under the foregoing principles or if the foregoing principles are at any time considered by the Manager to be inappropriate under the circumstances for any reason, then notwithstanding such principles, the Manager, as the case may be, may make such valuation as it considers fair and reasonable.

The valuation agent calculates the value of the Portfolio Securities for which there exists a published market on the basis of quoted prices in such market. For this purpose, a published market means any market on which such securities are traded if the prices are regularly published in a newspaper or business or financial publication of general and regular paid circulation. The process of valuing investments for which no published market exists is based on inherent uncertainties and the resulting values may differ from values that would have been used had a ready market existed for the investments and may differ from the prices at which the investments may be sold.

For financial statement reporting purposes, the fair value of the Fund's investments are measured in accordance with CPA Handbook Section 3855: Financial Instruments – *Recognition and Measurement*, which for publicly listed securities is based on the closing bid price for securities held long and closing ask price for securities held short on the recognized stock exchange on which the investments are listed or principally traded. Pursuant to National Instrument 81-106 – *Investment Fund Continuous Disclosure*, the net asset value of investment funds is calculated based on the fair value of investments using the closing or last trade price. The net assets per Unit for financial reporting purposes and NAV per Unit for redemption purposes could be different due to the use of different valuation techniques.

CALCULATION OF NET ASSET VALUE OF THE FUND

The NAV of the Fund and the NAV per Unit are calculated as of 4:00 p.m. (Toronto time), or such other time as the Manager deems appropriate (the “**Valuation Time**”) on each Business Day, and includes any other day on which the Manager elects, in its discretion, to calculate the NAV of the

Fund and the NAV per Unit (each, a “**Valuation Date**”). The NAV of the Fund and the NAV per Unit are available to the Unitholders at no cost at <https://publicsecurities.brookfield.com>.

PURCHASES OF UNITS

Other than as described herein, the Fund does not currently intend to issue additional Units on a continuous or regular basis. However, if the Manager determines that to do so would be in the best interests of the Fund and the Unitholders, the Fund is permitted to issue additional Units; provided, however, that in the absence of Unitholder approval by Extraordinary Resolution, the net proceeds per Unit to be received by the Fund shall not be less than the most recently calculated Net Asset Value per Unit prior to the pricing of such issuance.

REDEMPTION OF UNITS

Annual Redemptions

Units are redeemable at the option of Unitholders on the last Business Day of September of each year (the “**Annual Redemption Date**”). Units so redeemed will be redeemed at a redemption price per Unit equal to the Net Asset Value per Unit on such day, less any costs associated with the redemption, including commissions, if any, to fund such redemption. The Units must be surrendered for redemption at least 15 days prior to the applicable Annual Redemption Date and payment of the proceeds of redemption will be made on or before the 15th Business Day of the following month.

On September 29, 2023, 1,486,070 Units were so redeemed.

Monthly Redemptions

Units may be surrendered for redemption by a Unitholder at any time, subject to certain conditions, and in order to effect such a redemption on a Monthly Redemption Date (as defined below), the Units must be surrendered by no later than 5:00 p.m. (Toronto time) on the date which is the 10th Business Day of the month preceding the Monthly Redemption Date. Payment of the redemption price will be made on or before the 15th Business Day following the Monthly Redemption Date, subject to the Manager’s right to suspend redemptions in certain circumstances. For these purposes, the “**Monthly Redemption Date**” means the second last Business Day of each month other than the month of the Annual Redemption Date (if available).

Unitholders surrendering a Unit for redemption, except in connection with the Annual Redemption Date (if available), will receive the redemption price per Unit equal to the lesser of (i) 95% of the weighted average trading price of the Units on the principal exchange or market on which the Units are quoted for trading for the 10 Business Days immediately preceding the applicable Monthly Redemption Date and (ii) 100% of the Closing Market Price (as defined herein) of a Unit on the applicable Monthly Redemption Date, less, in each case, any costs and expenses incurred by the Fund in order to fund such redemption. For these purposes, the “**Closing Market Price**” means, on a particular date: (i) an amount equal to the closing price of the Units on the principal exchange or market on which the Units are quoted for trading if there was a trade on such date and the exchange or market provides a closing price; (ii) an amount equal to the weighted average of the highest and lowest prices of the Units if there was trading on such date on the principal exchange

or market on which Units are quoted for trading and the exchange or market provides only the highest and lowest trading prices of the Units traded on such date; or (iii) the weighted average of the last bid and last asking prices if there was no trading on the date.

There were no Units redeemed in 2023 pursuant to monthly redemptions.

Exercise of Redemption Right

A Unitholder who desires to exercise redemption privileges must do so by causing a CDS Participant through which he or she holds his or her Units to deliver to CDS at its office in the City of Toronto on behalf of the Unitholder, a written notice of the Unitholder's intention to redeem Units by no later than 5:00 p.m. (Toronto time) on the applicable notice date described above. A Unitholder 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 right sufficiently in advance of the redemption deadline so as to permit the CDS Participant to deliver a notice to CDS by 5:00 p.m. (Toronto time) on the notice date described above. A Unitholder not holding their Units through a CDS Participant who desires to exercise redemption privileges must deliver to the Manager at its office in the City of Toronto a written notice of such Unitholder's intention to redeem Units by no later than 5:00 p.m. (Toronto time) on the applicable notice date described above.

By causing a CDS Participant to deliver to CDS a notice of the Unitholder's intention to redeem Units, such Unitholder will be deemed to have irrevocably surrendered his or her Units for redemption and appointed such CDS Participant or Manager, as the case may be, 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, provided that the Manager may from time to time prior to the redemption date permit the withdrawal of a redemption notice on such terms and conditions as the Manager may determine, in its sole discretion, provided that such withdrawal will not adversely affect the Fund. Any expenses associated with the preparation and delivery of the redemption notice will be for the account of the Unitholder exercising the redemption privilege.

Any redemption notice that CDS or the Manager, as the case may be, determines to be incomplete, not in proper form or not duly executed will, 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 holder of the Units.

The Manager may, without the approval of Unitholders, change the redemption rights attached to the Units on not less than 30 days' notice to Unitholders by increasing the number of times in each year that Units may be redeemed by Unitholders (at a redemption price per Unit to be determined by the Manager), so long as such change does not result in the Fund being a mutual fund for securities law purposes and provided that no such change may be made without Unitholder approval if it would eliminate the rights of Unitholders to redeem their Units on a Monthly Redemption Date.

Allocations of Gains to Redeeming Unitholders

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. Under related rules in the Tax Act, a taxable capital gain in respect of an amount so allocated and designated to a redeeming Unitholder may only be deductible to the Fund to the extent of half the amount of the gain that would otherwise be realized by the Unitholder on the redemption of Units. Accordingly, the taxable component of distributions by the Fund to non-redeeming Unitholders could be greater than it would be in the absence of the above-mentioned rules.

Suspension of Redemptions

The Manager may suspend the redemption of Units or the 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 the 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) with the prior permission of the securities regulatory authorities for a period not exceeding 30 days during which the Manager determines that conditions exist which render impractical the sale of assets of the Fund or which impair the ability of the Manager to determine the value of the assets of the Fund. 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.

RESPONSIBILITY FOR FUND OPERATIONS

Manager

PSG acts as the manager of the Fund. The principal office of PSG is located at 225 Liberty Street, 35th Floor, New York, New York 10281. Its telephone number is 855-777-8001, its e-mail address is publicsecurities.enquiries@brookfield.com and its website address is <https://publicsecurities.brookfield.com>.

Duties and Services Provided by PSG

The Manager has been appointed to act as the manager of the Fund pursuant to the Declaration of Trust and was given the authority to manage the activities and day to day operations of the Fund,

including the investment advisory and portfolio management services and providing and arranging for the provision of marketing and administrative services required by the Fund. The Manager may delegate certain of its duties to third parties.

The Manager is required to exercise its powers and discharge its duties as manager honestly, in good faith and in the best interests of the Fund and to exercise the care, diligence and skill of a reasonably prudent person in similar circumstances. The Manager will not be liable for any default, failure or defect in any of the Portfolio Securities or any losses in the NAV of the Fund if it has satisfied the duties and the standard of care, diligence and skill set forth above. However, the Manager will incur liability in cases of willful misconduct, bad faith, gross negligence or disregard of the Manager's standard of care.

Unless the Manager resigns or is removed as described below, the Manager will continue as manager of the Fund until the termination of the Fund. The Manager may resign as the manager of the Fund if the Fund is in breach or default of the provisions of the Declaration of Trust, and, if capable of being cured, any such breach or default has not been cured within 30 days' notice of such breach or default to the Fund and the Manager is deemed to have resigned if the Manager becomes bankrupt or insolvent. In the event that the Manager is in material breach or default of the provisions of the Declaration of Trust, and, if capable of being cured, any such breach or default has not been cured within 30 days' notice of such breach or default to the Manager, the Trustees (as defined below) shall give notice thereof to Unitholders and such Unitholders, upon approval by way of Extraordinary Resolution, may direct the Trustees to remove the Manager and appoint a successor manager.

The Manager and each of its directors, officers, employees and agents will be indemnified by the Fund for all liabilities, costs and expenses incurred in connection with any action, suit or proceeding that is proposed or commenced, or other claim that is made against, the Manager, or any of its officers, directors, employees or agents, in the exercise of its duties as manager of the Fund, except those resulting from the Manager's willful misconduct, bad faith, negligence or disregard of the Manager's standard of care.

The management services provided by the Manager are not exclusive to the Fund and nothing in the Declaration of Trust prevents the Manager from providing similar management services to other investment funds and other clients (whether or not their investment objectives and policies are similar to those of the Fund) or from engaging in other activities.

Directors and Officers of the Manager

Name and Municipality of Residence	Position with the Manager	Principal Occupation
David Levi, CFA <i>New Jersey, USA</i>	Chief Executive Officer, Manager and Ultimate Designated Person	Chief Executive Officer of the Manager and Managing Partner of BAM

<u>Name and Municipality of Residence</u>	<u>Position with the Manager</u>	<u>Principal Occupation</u>
Brian Hurley <i>New Jersey, USA</i>	General Counsel, Secretary and Manager	General Counsel and Managing Director of the Manager and Managing Partner of BAM
Brian Hourihan <i>Conneticut, USA</i>	Head of Compliance and Regulatory Counsel	Head of Compliance of the Manager
Liam O'Connor <i>Illinois, USA</i>	Director of Finance and Controller	Director of the Manager
Adam Sachs <i>New Jersey, USA</i>	Chief Compliance Officer	Director of the Manager

David Levi, CFA. David Levi is a Managing Partner at Brookfield Asset Management Inc. and Chief Executive Officer of PSG. He has over 25 years of industry experience in asset management. David's background includes extensive strategy-related, client-facing and business development experience globally within both the institutional and high net worth markets. Prior to joining Brookfield in 2014, David was Managing Director and Head of Global Business Development at Nuveen Investments, after holding similar positions at AllianceBernstein Investments and Legg Mason and senior strategy roles within J.P. Morgan Asset Management. David is a Fellow of the 2019 class of the Aspen Finance Leaders Fellowship, is a member of the Aspen Global Leadership Network, and holds the Chartered Financial Analyst designation. He earned a Master of Business Administration degree from Columbia University and a Bachelor of Arts degree from Hamilton College.

Brian Hurley. Brian Hurley has 22 years of industry experience and is General Counsel for PSG as well as a Managing Partner of Brookfield Asset Management Inc. In this role, he oversees the legal and regulatory functions and is also actively involved in PSG's investment funds business, including product and business development matters. Prior to joining Brookfield in 2010, Brian was an attorney at Paul, Hastings LLP and a member of the Investment Management Practice Group, where he focused his practice on representing investment advisers and various forms of investment companies. Brian earned a Juris Doctor degree from Columbia University and a Bachelor of Arts degree from the College of the Holy Cross.

Brian Hourihan. Brian has 28 years of industry experience and is Global Chief Compliance Officer and Regulatory Counsel for PSG. He oversees the regulatory department and is responsible for the implementation of compliance control structures, new regulatory requirements, and related policies and procedures. Prior to joining the firm in 2017, Brian was the Regulatory Compliance Officer for Northstar Financial Services Group, LLC. In this role, Brian was responsible for strengthening the compliance processes and controls across the Northstar organization, and for providing regulatory and compliance solutions to Northstar's clients and investment products. Prior to Northstar, Brian was a Senior Vice President and Deputy General Counsel for OppenheimerFunds, Inc., and held positions at other top tier asset management firms including MFS Investment Management, Fidelity Investments, and Scudder Kemper. He has also served as

Senior Counsel in the Division of Investment Management at the U.S. Securities and Exchange Commission. Brian earned his Master of Laws, Securities and Financial Regulation from Georgetown University, his Juris Doctor degree from The Catholic University, Columbus School of Law, and his Bachelor of Arts degree from Boston College.

Liam O'Connor. Liam has 22 years of industry experience and is a Director in PSG. He is responsible for internal and external financial reporting, budgeting and overseeing the accounting operations of the firm. Prior to joining the firm in 2010, Liam was an auditor in the financial services practice at RSM for eight years. He earned a Bachelor of Arts degree in Accounting from the University of Northern Iowa.

Adam Sachs. Adam has 15 years of industry experience and is a Director in PSG. He is responsible for the firm's portfolio surveillance, compliance testing, and regulatory reporting functions. In addition to these responsibilities, Adam is designated as the Manager's Chief Compliance Officer for Canadian regulatory purposes and is the Chief Compliance Officer of PSG's U.S. registered funds. Prior to joining the firm in 2011, Adam worked in the compliance department at OppenheimerFunds, Inc., overseeing compliance functions for institutional and separately managed account products. Adam earned a Bachelor of Science degree in Finance from Bentley University and holds FINRA Series 7 and 63 licenses.

The Investment Team

The investment team of the Fund at the Investment Manager is led by Leonardo Anguiano, Tom Miller and Andrew Alexander who have the ultimate decision authority with respect to portfolio management.

Messrs. Anguiano, Miller and Alexander are supported by a team of investment professionals with extensive investment experience.

Leonardo Anguiano is a Managing Director and Portfolio Manager at PSG. Mr. Anguiano has 26 years of experience and is a portfolio manager on PSG's global infrastructure securities team. He is also responsible for covering European infrastructure securities focusing on the water, transportation and energy infrastructure sectors. His past experience includes both direct and listed infrastructure investing and he has spent the majority of his career in London, UK. Prior to joining PSG in 2015, Mr. Anguiano worked for Santander in Madrid where he was in specialty sales covering infrastructure and utilities. Prior to Santander, Mr. Anguiano worked at Arcus Infrastructure Partners and Babcock & Brown focusing on direct infrastructure investing. Mr. Anguiano started his career at JP Morgan Cazenove on the sell side. He earned a Master of Philosophy degree from Cambridge University and a Bachelor of Science degree from the London School of Economics.

Tom Miller, CFA is a Director and Portfolio Manager at PSG. He has 14 years of industry experience and is a part of the Infrastructure Securities team. Before focusing on his portfolio manager duties, he was responsible for covering North American infrastructure securities focusing on MLPs and the Energy Infrastructure sector. Prior to joining the firm in 2013, he worked at FactSet. Tom holds the Chartered Financial Analyst designation and earned a Bachelor of Science degree from Indiana University.

Andrew Alexander has 20 years of industry experience and is a Director on PSG’s Infrastructure Securities team. He is responsible for covering Energy Infrastructure as well as infrastructure securities focusing on the Water and Transportation sectors in Europe and Australia/New Zealand. Prior to joining the firm in 2008, Andrew was with SNL Financial where he specialized in the Energy sector, which encompassed power, natural gas and coal, and he launched a full analysis of Master Limited Partnerships. Andrew earned a Masters in Corporate Finance degree from the SDA Bocconi School of Management in Milan, Italy and a Bachelor of Arts degree from the University of Virginia.

Trustees

Name and Municipality of Residence	Principal Occupation
Gail Cecil <i>Toronto, Canada</i>	Managing Director of BAM
Kathy Sarpash <i>Toronto, Canada</i>	Senior Vice President of BAM
Tom Corbett <i>Toronto, Canada</i>	Managing Director of BAM

Gail Cecil, Kathy Sarpash and Tom Corbett (the “**Trustees**”) act as trustees of the Fund pursuant to the provisions of the Declaration of Trust. The address of the Trustees is 181 Bay Street, Suite 300, Brookfield Place, Toronto, Ontario M5J 2T3.

Pursuant to the Declaration of Trust, the Trustees are required to exercise their powers and discharge their duties honestly, in good faith and in the best interests of the Unitholders and to exercise the degree of care, diligence and skill that a reasonably prudent trustee would exercise in comparable circumstances. Without limitation, decisions over which the Trustees shall have authority (subject to any additional requirement to obtain Unitholders’ approval as contemplated by the Declaration of Trust) and which shall be made by consensus of the Trustees and may not be delegated to other parties, including the Manager, shall include: (i) changes in the investment objectives and investment restrictions, or the distribution policy of the Fund; (ii) any decision to terminate the Fund; (iii) any decision to merge the Fund with another fund; (iv) any amendment to the Declaration of Trust which restricts any protection to the Trustees or impacts the responsibilities of the Trustees under the Declaration of Trust; (v) any request from the Manager that the provisions of the Declaration of Trust be otherwise amended, deleted, expanded or varied; (vi) any decision to terminate or replace the Manager; and (vii) general governance matters, including annual reviews of financial statements and of the operations of the Fund.

The Declaration of Trust provides that the Trustees will not be liable in carrying out their duties under the Declaration of Trust except in cases of willful misconduct, bad faith, negligence or the disregard of their obligations or duties or breach of their standard and duty of care. The Trustees 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 Trustees in the exercise of their duties under the Declaration of Trust, except those resulting from such person's willful misconduct, bad faith, negligence, disregard of such person's obligations or duties or breach of their standard of care in relation to the matter in respect of which indemnification is claimed.

Unless a Trustee resigns or is removed, as described below, the Trustees will continue as trustees of the Fund until the termination of the Fund. A Trustee or any successor trustee may resign upon 60 days' written notice to Unitholders, and a Trustee is deemed to have resigned in certain circumstances, including if the Trustee becomes bankrupt or insolvent or in the event the Trustee ceases to (i) be resident in Canada for the purposes of the Tax Act, (ii) carry out its functions of managing the Fund in Canada, or (iii) exercise the main powers and discretions of the trustee in respect of the Fund in Canada. A Trustee or the Trustees may not be removed other than by an Extraordinary Resolution in the event the Trustee is or the Trustees are in material breach or default of the provisions of the Declaration of Trust and, if capable of being cured, such breach or default had not been cured within 20 Business Days' notice of such breach or default; provided that an affiliate of a Trustee may be appointed as trustee at any time. Any such resignation or removal shall become effective upon the appointment of a successor trustee. Any replacement trustee shall be (i) qualified to act as such under any applicable law and pursuant to the Declaration of Trust, and (ii) resident in Canada for the purposes of the Tax Act and agree to carry out its functions of managing the Fund in Canada and exercise the main powers and discretions of the trustee in respect of the Fund in Canada.

If a Trustee resigns or is removed by Unitholders, its successor must be approved by Unitholders. If, after the resignation or removal of a Trustee, no successor has been appointed within 90 days, the remaining Trustees, the Manager or any Unitholder may apply to a court of competent jurisdiction for the appointment of a successor. If a successor trustee is not appointed, the Fund shall be terminated.

Custodian

RBC Investor Services Trust (the "**Custodian**") acts as custodian of the Fund pursuant to a custodian agreement (the "**Custodian Agreement**") between the Manager and the Custodian made as of July 18, 2013. The Custodian is located in Toronto, Ontario.

When carrying out its duties in respect of the safekeeping of and dealing with the assets of the Fund, the Custodian is to exercise, at a minimum, the degree of care, diligence and skill 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 is to hold, or direct its sub-custodians to hold, for the account of the Fund, all securities, collateral security and other non-cash property (other than securities which are held in book-based system). The Custodian may employ sub-custodians as considered appropriate in the circumstances.

In consideration of the services provided by the Custodian under the Custodian Agreement, the Fund shall pay the Custodian such compensation as the Manager and the Custodian may agree to in writing from time to time. In addition, the Fund shall reimburse the Custodian for any disbursements and expenses incurred by the Custodian in the performance of its duties under the Custodian Agreement.

Pursuant to the Custodian Agreement, the Custodian is to be indemnified out of the Fund's assets in certain circumstances, including from and against 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 its standard of care.

The Custodian Agreement may be terminated at any time by either the Manager or the Custodian by giving at least 30 days' notice to the other party. Such notice is not required, and termination will be immediate upon the giving of notice, in the event that: (i) either party is declared bankrupt, is insolvent or becomes subject to or avails itself of any creditor protection legislation; (ii) the assets or the business of either party shall become liable to seizure or confiscation by any public or governmental authority; or (iii) the Manager's powers and authorities to act on behalf of or represent the Fund have been revoked or terminated.

Auditor

The auditor of the Fund is Deloitte LLP at its principal office located at Suite 200, Bay Adelaide Centre, East Tower, 8 Adelaide Street West, Toronto, Ontario M5H 0A9.

Transfer Agent and Registrar

Computershare Trust Company of Canada acts as transfer agent and registrar for the Units at its principal office located at 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1.

The Promoter

The Manager may be considered a promoter of the Fund by reason of its initiative in forming and establishing the Fund and taking the steps necessary for the sale of the Units.

CONFLICTS OF INTEREST

Ownership of the Fund

As at the date of this AIF, to the knowledge of the Manager, no person or company owns, beneficially, either directly or indirectly, more than 10% of the outstanding Units.

As at the date hereof, neither the Trustees and directors and senior officers of the Manager, as a group, nor the members of the Independent Review Committee, as a group, hold, directly or indirectly, more than 10% of the outstanding Units or hold any class of voting or equity securities of the Manager or of any person or company that provides services to the Manager or the Fund.

Ownership of the Manager and the Investment Manager

The Manager is a wholly-owned subsidiary of BAM, an Ontario corporation.

Affiliated Entities

Except as disclosed in this AIF, no affiliated entities of the Manager provide services to the Fund.

Services Not Exclusive

PSG and its affiliates are engaged in a variety of investment management, investment advisory and other business activities. The services of PSG under the Declaration of Trust are not exclusive and nothing in the Declaration of Trust prevents PSG or any of its affiliates from providing similar services to other investment funds and other clients (whether or not their investment objectives, strategies and policies are similar to those of the Fund) or from engaging in other activities. PSG's decisions for the Fund will be made independently of those made for its other clients and independently of its own investments. PSG will receive the fees described under "*Fees and Expenses Payable by the Fund*" for services to the Fund and will be reimbursed by the Fund for all expenses incurred in connection with the operation and administration of the Fund. The amount of fees received by PSG from the Fund will be disclosed in the audited financial statements of the Fund.

FUND GOVERNANCE

Independent Review Committee

National Instrument 81-107 – *Independent Review Committee for Investment Funds* ("**NI 81-107**") requires all publicly offered investment funds, including the Fund, to establish an independent review committee to whom the Manager must refer all conflict of interest matters for review or approval. NI 81-107 also requires the Fund to establish written policies and procedures for dealing with conflict of interest matters, maintaining records in respect of these matters and providing assistance to the independent review committee in carrying out its functions. The independent review committee is required to be comprised of a minimum of three independent members and is subject to requirements to conduct regular assessments and provide reports to the Manager and to the Unitholders in respect of its functions.

The Manager has established an independent review committee for its investment funds, including the Fund (the "**Independent Review Committee**" or "**IRC**"). Each member of the Independent Review Committee is independent of the Manager, the Fund and any other party related to the Manager as the term is defined under NI 81-107. The mandate of the Independent Review Committee is to review, and provide input on, the Manager's written policies and procedures that deal with conflict of interest matters and to review and, in some cases, approve conflict of interest matters. The members of the Independent Review Committee are currently Frank N.C. Lochan, Edward V. Jackson and Michael W. Sharp. The Fund shares its IRC with Brookfield Select Opportunities Income Fund. Each investment fund is responsible for all expenses associated with insuring and indemnifying the IRC members as permitted under NI 81-107.

Frank N.C. Lochan held various executive positions with Brookfield from 1974 until his retirement in 2005, when he was Executive Vice-President, Taxation. Mr. Lochan is currently Chairman or Director of a number of Canadian and international companies operating in the investment management and insurance sectors, and serves on various committees of those companies. Mr. Lochan also has significant community involvement including his current role as a member of the Stewardship Committee of the Oakville Hospital Foundation, and a member of the Finance Committee of the Centre for Addiction and Mental Health Foundation. He is also a member of the Board as well as of the Finance Committee at the Oakville Community Foundation. Mr. Lochan is also a sponsor and mentor for students in the Accounting and Taxation programmes at the University of Waterloo.

Mr. Lochan is a Fellow of the Institute of Chartered Accountants of England and Wales, and of the Association of Certified Chartered Accountants. He is also a member of the Chartered Professional Accountants of Ontario and of the Canadian Institute of Chartered Business Valuators. He has a Master degree in Finance from the London School of Economics and a Master degree in Taxation from the University of Waterloo.

Mr. Lochan is the chair of the IRC.

Edward V. Jackson was Managing Director and Head of the Investment Funds Group, Global Investment Banking, RBC Capital Markets until retirement in December 2015 and was President and CEO of Advantage Preferred Share Trust, a TSX listed closed-end fund from 2011-2015. Mr. Jackson has over 30 years experience in the Financial Services industry in North America. Mr. Jackson currently sits on the Board of Fax Capital Corp., the Advisory Board of Enertech Capital and is a member of the Independent Review Committee of the Middlefield Group. Mr. Jackson has also been appointed to the Hearing Committee of two regulatory organizations in Canada, the Investment Industry Regulatory Organization of Canada (IIROC) and the Mutual Fund Dealers Association (MFDA). Mr. Jackson holds an Honors Bachelor of Business Administration from Wilfrid Laurier University in Waterloo, Ontario, Canada and is a Fellow of the Institute of Canadian Bankers.

Michael W. Sharp is a retired partner at Blake, Cassels & Graydon LLP and practiced in the firm's Investment Products & Asset Management Group, advising leading investment management firms, financial institutions and services providers to the fund industry on the structuring and sale of investment funds of all types, including mutual funds, retail structured products and other closed end funds, pooled funds, hedge funds and private equity funds, as well as acquisitions and divestitures of funds and fund companies. Mr. Sharp has also assisted the Canadian securities administrators in the drafting of a number of mutual fund rules.

Mr. Sharp is a director and Chair of the audit committee of a family of 12 funds listed on the Toronto Stock Exchange. While practicing, he was been recognized in the Canadian Legal Lexpert Directory as a leading practitioner in the investment funds area and by Best Lawyers in Canada in the areas of mutual fund law and leveraged buyouts and private equity law.

The Independent Review Committee prepares a report, at least annually, of its activities for Unitholders which is available on the Manager's website at

<https://publicsecurities.brookfield.com>, or at the Unitholder's request at no cost by contacting the Manager at 855-777-8001.

Business Practices, Sales Practices, Risk Management Controls and Internal Conflicts of Interest

The Manager and its affiliates have developed a detailed policies and procedures manual to help ensure compliance with applicable laws and policies in respect of the oversight, operation, marketing, and administration of the Fund. The Manager's policies and procedures manual includes provisions regarding personal trading, standard of conduct, conflict of interest guidelines, and a code of ethics.

Securities Lending, Repurchase Transactions

In order to generate additional returns, the Fund may lend up to 100% of the Portfolio Securities. Any securities lending by the Fund must be pursuant to a securities lending agreement (a "**Securities Lending Agreement**") to be entered into between the Fund and a securities borrower acceptable to the Investment Manager pursuant to which the Fund will loan the Portfolio Securities to the securities borrower pursuant to the terms of a Securities Lending Agreement. Under a Securities Lending Agreement: (i) the borrower will pay to the Fund a negotiated securities lending fee and will make compensation payments to the Fund equal to any distributions received by the borrower on the securities borrowed; (ii) the securities loans must qualify as "securities lending arrangements" for the purposes of the Tax Act; and (iii) the Fund will receive collateral security. The Investment Manager is responsible for setting and reviewing such Securities Lending Agreement. If a securities lending agent is appointed for the Fund, such agent will be responsible for the ongoing administration of the securities loans, including the obligation to mark-to-market the collateral on a daily basis.

Voting Securities of other Funds

The Fund did not hold securities of other investment funds during the year.

Short Term Trading

The Fund has no policies and procedures relating to the monitoring, detection and deterrence of short-term trades of Units by Unitholders.

Brokerage Arrangements

In selecting and monitoring dealers and negotiating commissions, the Investment 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, the Manager or the Investment Manager or its affiliates. Such services include advice, both directly and in writing, as to the value of the securities; the advisability of investing in, purchasing or selling securities; and the availability of securities, or purchasers or sellers of securities; as well as analyses and reports concerning issues, industries, securities, economic factors and trends, portfolio strategy or the performance of accounts. Brokerage transactions may also be allocated

to dealers affiliated with the Investment Manager, on terms, including fees and commissions, not less favourable than would be offered to other similar clients of such affiliated dealers.

Proxy Voting

The proxies associated with the Portfolio Securities are voted by the Investment Manager in accordance with the Investment Manager's proxy voting policy (the "**Proxy Voting Policy**"). The objective in voting is to support proposals and director nominees that maximize the value of the Fund's investments – and those of its Unitholders – over the long term. In evaluating proxy proposals, information from many sources is considered, including management or shareholders of a company presenting a proposal and independent proxy research services. Substantial weight is given to the recommendations of a company's board, absent guidelines or other specific facts that would support a vote against management. The Investment Manager has developed guidelines that address the following circumstances: election of directors; contested director elections; classified boards; director/officer indemnification; director ownership; approval of independent auditors; stock based compensation plans; bonus plans; employee stock purchase plans; executive severance agreements; shareholder rights plans; defences; cumulative voting; voting requirements matters related to shareholder meetings, among others.

While serving as a framework, the Proxy Voting Policy cannot contemplate all possible proposals with which the Fund may be presented. In the absence of a specific guideline for a particular proposal (e.g., in the case of a transactional issue or contested proxy), the Investment Manager will evaluate the issue and cast the Fund's vote in a manner that, in the Investment Manager's view, will maximize the value of the Fund's investment.

The current Proxy Voting Policy and procedures of the Investment Manager are available to Unitholders at no cost at <https://publicsecurities.brookfield.com/products/canadian-closed-end-funds/brookfield-global-infrastructure-securities-income-fund?id=BGIS>. The Fund's proxy voting record for the annual period from July 1 to June 30 will be available at any time after August 31 of that year. The proxy voting record will also be available at <https://publicsecurities.brookfield.com/products/canadian-closed-end-funds/brookfield-global-infrastructure-securities-income-fund?id=BGIS>.

FEES AND EXPENSES PAYABLE BY THE FUND

Management Fees

An annual management fee (the "**Management Fee**") equal to 1.25% per annum of the NAV of the Fund, calculated daily and payable monthly in arrears, plus applicable taxes, if any, is paid to the Manager.

Performance Fee

Subject to the conditions set out below, the Manager may also receive from the Fund, for each fiscal year of the Fund, a performance fee (the "**Performance Fee**"). The Performance Fee is calculated and accrued monthly and is to be paid annually. The amount of the Performance Fee is determined as of December 31 of each year (the "**Determination Date**") with respect to the Units then outstanding. The Performance Fee for a given year is equal to 20% of the amount by which

the sum of (i) the NAV per Unit (calculated without taking into account the Performance Fee) at the end of such year; plus (ii) distributions paid on such Units during such year, exceeds 106% of the threshold amount, plus applicable taxes. The threshold amount is the greater of: (i) \$10.00; and (ii) the NAV per Unit on the Determination Date in the last fiscal year in which a Performance Fee was paid (after payment of such Performance Fee).

Upon the redemption of Units, the Manager shall also receive, if earned, the Performance Fee determined as though the redemption date of any Units so redeemed was, with respect to such Units only, the Determination Date. Any Performance Fee so determined, plus applicable taxes, is payable to the Manager on such date.

Administrative, Marketing and Operating Expenses

The Fund also pays for all ordinary expenses incurred in connection with its operation, management and administration. These expenses include, without limitation: all costs of Portfolio transactions, management and performance fees payable to the Manager, the Custodian and other third party service providers, 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 the 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 Reinvestment Plan for performing certain financial, record-keeping, Unitholder reporting and general administrative services and for acting as plan agent under the Fund's 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 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.

INCOME TAX CONSIDERATIONS

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 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 annual information form, the current provisions of the Tax Act, an understanding of the current administrative policies and assessing practices of the Canada Revenue Agency (“CRA”) published in writing prior to the date hereof and 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 (such proposals referred to hereafter as the “**Tax Proposals**”).

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 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 times and that none of the issuers of the Portfolio Securities will be foreign affiliates of any Unitholders.

This summary is also based on the assumption that the Fund will at no time be a SIFT trust as defined in the SIFT Rules or a “covered entity” for purposes of the Equity Repurchase Rules (as defined under “*Risk Factors – Taxation Matters Affecting the Fund*”). Provided that the Fund does not hold “non-portfolio property” for purposes of the SIFT Rules and the Equity Repurchase Rules, it will not be a SIFT trust or a “covered entity”. Based upon its investment restrictions, as described under the heading “*Investment Objectives, Strategy and Restrictions of the Fund – Investment Restrictions*”, the Fund does not expect to hold any “non-portfolio property” for purposes of the SIFT Rules or the Equity Repurchase Rules.

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 and that the Fund has not been and 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, 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 no reason to believe that the Fund will not comply with the minimum distribution requirements at all times.

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 trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered disability savings plans, registered education savings plans, tax-free savings accounts and first home savings accounts (each a “**plan trust**”). See “*Income Tax Considerations – Taxation of Registered Plans*” for the consequences of holding Units in plan trusts.

Taxation of the Fund

The Fund will be subject to tax in each taxation year under Part I of the Tax Act on the amount of its income for the year, including net realized taxable capital gains, less the portion thereof that it claims in respect of the amount paid or payable to Unitholders in the year. The Fund intends to make distributions to Unitholders as described under “*Description of the Securities of the Fund – 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.

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.

With respect to an issuer that is a trust resident in Canada whose units are included in the Portfolio and held as capital property for the purposes of the Tax Act, and that is not subject in a taxation year to tax under the SIFT Rules, the Fund is required to include in its income such portion of the net income and the taxable portion of net realized capital gains of such issuer as is paid or becomes payable to the Fund in the year, notwithstanding that certain of such amounts may be reinvested in additional units of the issuer. Provided that appropriate designations are made by the issuer, any net taxable capital gains realized by the issuer, any foreign source income of the issuer and any taxable dividends received by the issuer from taxable Canadian corporations that are paid or become payable to the Fund will effectively retain their character as such in the hands of the Fund. Where foreign source income of the issuer has been so designated, a portion of the foreign taxes

paid by the issuer may be regarded as foreign taxes paid by the Fund for purposes of the foreign tax credit provisions in the Tax Act.

The Fund is generally required to reduce the adjusted cost base of the units of such issuer structured as a trust resident in Canada to the extent that all amounts paid or payable in a year by such issuer to the Fund exceed the sum of the amounts included in the income of the Fund for the year in respect of income paid or payable by the issuer to the Fund plus the Fund's share of the non-taxable portion of capital gains of such issuer for the year, the taxable portion of which was designated in respect of the Fund in the year. To the extent that the adjusted cost base to the Fund of the unit of such issuer would otherwise be less than zero, the negative amount is deemed to be a capital gain realized by the Fund and the Fund's adjusted cost base of such unit is increased by the amount of such deemed capital gain to zero.

With respect to an issuer that is a limited partnership, interests in which are included in the Portfolio and held as capital property for the purposes of the Tax Act, and that is not subject in a taxation year to the tax under the SIFT Rules, the Fund is required to include or, subject to certain restrictions, is entitled to deduct, in computing its income, its share of the net income or loss for tax purposes of the issuer allocated to the Fund for the fiscal period of the issuer ending in the Fund's taxation year, whether or not a distribution is received. For purposes of determining the amount of the Fund's capital gain (including deemed capital gain) or loss from the disposition of such interests, in general, the adjusted cost base of such interests is the cost of such interests to the Fund plus the share of the income and capital gains of the issuer allocated to the Fund for fiscal years of the issuer ending before the particular time less the share of losses and capital losses of the issuer allocated to the Fund for fiscal years of the issuer ending before the particular time, and less the Fund's share of any distributions received from the issuer before the particular time. If the adjusted cost base to the Fund of the interests in such an issuer would otherwise be less than zero at the end of the fiscal year of the limited partnership, the negative amount is deemed to be a capital gain realized by the Fund and the Fund's adjusted cost base of such interests is increased by the amount of such deemed capital gain to zero.

Under the SIFT Rules, each issuer in the Portfolio that is a "SIFT trust" or "SIFT partnership" as defined under the SIFT Rules (which generally includes income trusts, other than certain real estate investment trusts, and certain partnerships, the units of which are listed or traded on a stock exchange or other public market within the meaning of the SIFT Rules) is subject to a special tax in respect of (i) income from business carried on in Canada, and (ii) certain income and net taxable capital gains arising in respect of "non-portfolio properties" (collectively, "**Non-Portfolio Earnings**"). Non-Portfolio Earnings that are earned by a SIFT partnership or are distributed by a SIFT trust to its unitholders are taxed at a rate that is equivalent to the federal general corporate tax rate plus a prescribed amount on account of provincial tax. Any Non-Portfolio Earnings that become payable by a SIFT trust or are allocated by a SIFT partnership are taxed in the hands of its unitholders as a taxable dividend from a taxable Canadian corporation and are deemed to be an "eligible dividend" eligible for the enhanced gross-up and dividend tax credit rules under the Tax Act.

The Manager expects that most of the trusts and partnerships included in the Fund's portfolio will not be subject to tax under the SIFT Rules.

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 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.

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 agents' fees, are deductible by the Fund rateably 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 incurred to earn income 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.

The CRA has expressed a view that, in certain circumstances, the deductibility of interest on money borrowed to invest in certain trusts may be reduced on a *pro rata* basis in respect of distributions from such trusts that are a return of capital and that are not reinvested for an income earning purpose. The Manager has been advised that, while the ability to deduct interest depends on the facts, based on the jurisprudence and the anticipated nature of distributions of such trusts, the CRA's view should not affect the Fund's ability to deduct interest on money borrowed to acquire units of such trusts included in the Portfolio. If the CRA's view were to apply to the Fund, part of the interest payable by the Fund in connection with money borrowed to acquire certain Portfolio Securities could be non-deductible, increasing the net income of the Fund for tax purposes and the taxable component of distributions to Unitholders.

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 Fund purchases Portfolio Securities with the objective of receiving distributions and income thereon and takes the position that gains and losses realized on the disposition thereof are capital gains and capital losses. The Fund has made 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.

The Tax Act contains rules (the “**DFA Rules**”) that target certain financial arrangements (described as “derivative forward agreements”) that seek to deliver a return based on an “underlying interest” (other than certain excluded underlying interests) for the purposes of the DFA Rules. The DFA Rules are broad in scope and could apply to other agreements or transactions (including certain options). If the DFA Rules were to apply to derivatives utilized by the Fund the gains in respect of which would otherwise be capital gains, gains realized on the property underlying such derivatives could be treated as ordinary income rather than capital gains. The Manager intends that the Fund will restrict the writing of call options so that the DFA Rules will not apply.

Generally, subject to the DFA Rules (discussed above), 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 in cases where 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.

Premiums received on covered call options written by the Fund which are not exercised prior to the end of the year will constitute capital gains of the Fund in the year received, unless such premiums are received by the Fund as income from a business or the Fund has engaged in a transaction or transactions considered to be an adventure or concern in the nature of trade. The Fund purchases the Portfolio Securities with the objective of receiving dividends and other distributions thereon over the life of the Fund and writes covered call options with the objective of increasing the yield on the Portfolio beyond the dividends and other distributions received on the Portfolio. Having regard to the foregoing, and in accordance with the CRA’s published administrative policies, transactions undertaken by the Fund in respect of options on the Portfolio Securities are treated and reported by the Fund as arising on capital account.

Premiums received by the Fund on covered call options which are subsequently exercised will be added in computing the proceeds of disposition to the Fund of the Portfolio Securities disposed of by the Fund upon the exercise of such call options. In addition, where a covered call option is exercised after the end of the year in which it was granted, the Fund's capital gain in the previous year in respect of the receipt of the option premium will be nullified.

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, dividends, 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. Gains or losses in respect of 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 in cases where there is sufficient linkage. In such circumstances, the DFA Rules generally should not apply to such foreign 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 by the Fund does not exceed 15% of such income and has not been deducted in computing the Fund's income, the Fund may generally 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.

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

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. Provided that appropriate designations are made by the Fund, such portions of (a) the net realized taxable capital gains of the Fund; (b) the foreign source income of the Fund and foreign taxes paid by the Fund eligible for the foreign tax credit; and (c) the taxable dividends (including eligible dividends) received, or deemed to be

received, by the Fund on shares of taxable Canadian corporations, as are paid or payable to a Unitholder (or, in the case of foreign taxes paid by the Fund, represent a Unitholder's share of such taxes) will effectively retain their 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 of income for the year to the extent necessary 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 in the year, that is paid or payable (whether in cash or in Units) to the Unitholder in 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 in the year (e.g. returns of capital) 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 Portfolio 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 "*Description of the Securities of the Fund – 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, but, for greater certainty, will not reduce the amount of cash or the value of property that the Unitholder will receive in respect of the redemption. Under related rules in the Tax Act, a taxable capital gain in respect of an amount so allocated and designated to a redeeming Unitholder may only be deductible to the Fund to the extent of half the amount of the gain that would otherwise be realized by the Unitholder on the redemption of Units. Accordingly, the taxable component of distributions by the Fund to non-redeeming Unitholders could be greater than it would be in the absence of the above-mentioned rules.

If, at any time, the Fund delivers Portfolio Securities to any Unitholder upon a redemption of a Unitholder's Units in connection with 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. 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, if applicable. Such distributed property may or may not be a qualified investment for plan trusts. If such distributed property is not a qualified investment for plan trusts, such plan trusts (and, in the case of certain plan trusts, the annuitants, beneficiaries or subscribers thereunder or holders thereof) may be subject to adverse tax consequences.

One-half of the amount of any capital gain (a "**taxable capital gain**") realized by a Unitholder on the disposition of Units or the amount of 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 the amount 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, if any, for alternative minimum tax.

Taxation of Registered Plans

Amounts of income and capital gains designated in respect of or realized by a plan trust (or first home savings account) are generally not taxable under Part I of the Tax Act, provided that the Units are qualified investments for the plan trust. 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 plan trust.

Notwithstanding the foregoing, the holder of a tax-free savings account, first home savings account or registered disability savings plans, the annuitant under a registered retirement savings plan or registered retirement income fund or the subscriber of a registered education savings plan will be subject to a penalty tax in respect of Units held by such tax-free savings account, first home savings account, registered disability savings plan, registered retirement savings plan, registered retirement income fund or registered education savings plan, as the case may be, if such Units are a “prohibited investment” for such plan trusts for the purposes of the Tax Act. The Units will not be a “prohibited investment” for trusts governed by a tax-free savings account, first home savings account, registered disability savings plan, registered retirement savings plan, registered retirement income fund or registered education savings plan unless the holder of the tax-free savings account, first home savings account or registered disability savings plan, the annuitant under the registered retirement savings plan or registered retirement income fund or the subscriber of the registered education savings plan, 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, annuitant or subscriber, as the case may be, will not have a significant interest in the Fund unless the holder, annuitant or subscriber, 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, annuitant or subscriber, 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, first home savings account, registered disability savings plan, registered retirement savings plan, registered retirement income fund or registered education savings plan.

Holders, annuitants or subscribers 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 the amount of the quarterly distributions throughout the year and 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.

REMUNERATION OF DIRECTORS AND OFFICERS, TRUSTEES AND INDEPENDENT REVIEW COMMITTEE

Directors and Officers

The officers of the Manager and the Investment Manager are employed by the Manager and the Investment Manager, as applicable, and receive their remuneration from the Manager.

The Fund has no directors or officers.

Independent Review Committee

During the most recently completed financial year, each member of the Independent Review Committee was paid an aggregate fee of \$5,000.00 (plus HST) for serving on the IRC of the Fund. No expenses were reimbursed to any of the members of the Independent Review Committee during the most recently completed financial year.

MATERIAL CONTRACTS

The material contracts entered into by the Fund and in effect on the date hereof are as follows:

- (a) the Declaration of Trust; and
- (b) the Custodian Agreement.

Copies of the foregoing documents are available under the Fund's profile on SEDAR at www.sedarplus.com and may be inspected during business hours at the principal office of the Fund.

LEGAL AND ADMINISTRATIVE PROCEEDINGS

There are no ongoing legal or administrative proceedings material to the Fund, pursuant to which the Fund or the Manager is a party.

RISK FACTORS

The following are certain considerations relating to an investment in the Units which prospective investors should consider in deciding whether to purchase, sell or continue to hold any Units.

No Assurances of Achieving Distribution and Capital Preservation Objectives

There is no assurance that the Fund will be able to achieve its distribution, total return and capital preservation investment objectives. The funds available for distribution to Unitholders will vary according to, among other things, the levels of interest, dividends or distributions paid on the Portfolio Securities and the value of the Portfolio Securities. There is no assurance that the Portfolio will earn any return. No assurance can be given as to the amount of distributions in future years. No assurance can be given that the NAV per Unit will appreciate.

Distributions include all distribution payments regardless of source and may include net income, capital gains, and/or ROC. ROC should not be confused with yield or income. The Fund's portfolio will be required to appreciate or otherwise generate returns of 13.42% per annum to allow the Fund to pay quarterly distributions at the current target level and to maintain a stable Net Asset Value per Unit. Based on the 2023 yield of securities currently held by the Fund, the Fund's portfolio generated annualized income from dividends and other distributions of approximately 6.26% net of withholding taxes. Therefore, the Fund's portfolio would be required to appreciate or generate an additional return of 7.16% per annum to allow the Fund to pay quarterly distributions at the

current target level and to maintain a stable Net Asset Value per Unit. If the return on the Fund's portfolio is less than the amount necessary to fund the quarterly distributions at the current level and all expenses of the Fund and if the Manager chooses nevertheless to pay quarterly distributions to Unitholders, this would result in a portion of the capital of the Fund being returned to Unitholders and, accordingly, the Net Asset Value per Unit would be reduced. The amount of distributions may fluctuate from quarter to quarter and there can be no assurance that the Fund will make any distribution in any particular quarter or that distributions will be paid at the current distribution target.

It is possible that, due to declines in the market value of the Portfolio Securities, the Fund will have insufficient assets to achieve in full its distribution and capital preservation investment objectives, including that of long-term total returns.

Loss of Investment

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

No Guaranteed Return

There is no guarantee that an investment in Units will earn any positive return in the short or long term.

Performance of the Portfolio

The NAV per Unit will vary as the fair value of the Portfolio Securities varies. The Fund, the Manager and the Investment Manager have no control over the factors that affect the fair value of the Portfolio Securities, including factors that affect the 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 the Portfolio Securities.

Risk of Volatile Markets and Market Disruption Risk

The securities markets have in recent years been characterized by great volatility and unpredictability. In addition, unexpected and unpredictable events such as war and occupation, a widespread health crisis or global pandemic, terrorism and related geopolitical risks may lead to increased short-term market volatility and may have adverse long-term effects on world economies and markets generally. For example, the December 2019 outbreak of the coronavirus disease (COVID-19) resulted in governments worldwide, including in Canada and the United States, enacting emergency measures to combat the spread of the virus. These measures, which included the implementation of travel bans, self-imposed quarantine periods and social distancing, caused material disruption to businesses globally resulting in an economic slowdown. Global financial markets experienced significant volatility and weakness. Governments and central banks reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The continued impact of COVID-19, as well as other unexpected disruptive events, may be short term

or may last for an extended period of time and may have effects that cannot be foreseen at the present time.

These unexpected and unpredictable events could also have an acute effect on individual issuers or related groups of issuers and exacerbate other pre-existing political, social and economic risks including market concerns about the economies of certain European countries, economic growth in China, military conflicts in the Middle East, an increase in the value of the US dollar relative to other currencies including the Canadian dollar, political and environment changes and extended periods of historically low oil prices. Such impacts could also cause substantial market volatility, exchange trading suspensions and closures, affect the Fund's performance and significantly reduce the value of an investment in the Units. For example, Russia's ongoing invasion of Ukraine has led to sanctions being levied against Russia by the international community and may result in additional sanctions or other international action. The outbreak or escalation of military conflicts, including the Russia-Ukraine conflict, conflict in the Middle East and related international action in response to these conflicts, may have a destabilizing effect on commodity prices and global economies more broadly. The extent and duration of these conflicts and related international action cannot be accurately predicted at this time and the effects of such conflict may magnify the impact of the other risks identified in this AIF.

Concentration of the Portfolio

The composition of the Portfolio taken as a whole may vary widely from time to time but may be concentrated by geography in issuers and may be concentrated in issuers engaged in the infrastructure sector. As a result, the NAV of the Fund may be more volatile than the value of a more broadly diversified portfolio and may fluctuate substantially over short periods of time in response to economic conditions and regulatory changes that specifically affect the infrastructure industry and securities in which the Portfolio is invested.

Infrastructure Industry Risks

The Portfolio may be invested in securities of issuers in the infrastructure sector. Given the concentration of the Fund's exposure to the infrastructure industry, the Fund will be more susceptible to adverse economic or regulatory occurrences affecting that industry than an investment fund that is not concentrated in a single industry. Infrastructure issuers, including utilities and companies involved in infrastructure projects, may be subject to a variety of factors that may adversely affect their business or operations, including high interest cost in connection with capital construction programs, high leverage, costs associated with environmental and other regulations, the effects of economic slowdown, surplus capacity, increased competition from other providers of services, uncertainties concerning energy costs, the effects of energy conservation policies and other factors. Infrastructure issuers may also be affected or subject to:

- (i) regulation by various government authorities;
- (ii) government regulation of rates charged to customers;
- (iii) service interruption due to environmental, operational or other events;

- (iv) the imposition of special tariffs and changes in tax laws, regulatory policies and accounting standards; and
- (v) general changes in market sentiment towards infrastructure assets.

The infrastructure industry also has some special features that cause certain risks to be more prevalent than in other industry sectors. Below is a summary of these risks:

- (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.

Equity Risk

Equity securities such as common shares or units of income trusts give the holder part ownership in a company or income trust, as applicable. The value of an equity security changes with the fortunes of the company that issued it. General market conditions and the health of the economy as a whole can also affect equity prices. Equity related securities that provide indirect exposure to the equity securities of an issuer, such as convertible debentures, can also be affected by equity risk. Present economic conditions may adversely affect global companies and the pricing of their securities. Further continued volatility or illiquidity could impair materially the profitability of these issuers.

Credit Risk

The investment of the Portfolio in fixed income securities will expose the Fund to the credit risk of the underlying issuer including risk of default on interest and principal and the risk that the credit ratings of such issuers may be downgraded in certain circumstances. Certain of the bonds and debentures may be regarded as predominantly speculative with respect to the issuers continuing ability to meet principal and interest payments. They may be more susceptible to real or perceived adverse economic and competitive industry conditions than higher rated securities.

The markets on which lower rated bonds and debentures are traded may be less liquid than the markets for investment rated securities. During periods of thin trading in these markets, this spread

between bid and ask prices is likely to increase significantly and the Fund may have difficulty selling such securities.

Commodity Price Risk

The operations and financial conditions of issuers in the infrastructure sector and the amount of distributions or dividends paid on their securities, is dependent in part on commodity prices applicable to the commodities sold (i.e., access to toll roads, clean water or space on a satellite) or carried (i.e., oil and gas or electricity) by such issuers. Prices for commodities may vary and are determined by supply and demand factors including weather and general economic and political conditions. A decline in commodity prices could have an adverse effect on the operations and financial condition of such issuers and on the amount of distributions paid on their securities. In addition, certain commodity prices are based on a US dollar or other foreign currency market price. Accordingly, an increase in the value of the Canadian dollar against the US dollar or other foreign currency could cause reduction in the amount of distributions or dividends paid on the securities of such resource-based issuers.

Suspension of Trading

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 positions listed on that market 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.

Use of Leverage

The Fund may at times incur indebtedness in an amount of up to 33% of the Total Assets of the Fund. The indebtedness is secured by the assets of the Fund. There can be no assurance that such a strategy will enhance returns and in fact the strategy may reduce returns (both distributions and capital). If the Portfolio Securities suffer a decrease in value, the leverage component will cause a decrease in NAV of the Fund in excess of that which would otherwise be experienced.

Reliance on the Manager and the Investment Manager

Unitholders are dependent on the ability of the Manager and the Investment 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 is dependent on the Investment Manager, which provides portfolio management services to the Fund. There is no certainty that the individuals who are principally responsible for providing administration and investment management services to the Fund will continue to be employed by the Manager or the Investment Manager.

Emerging Markets Risk

The Fund may invest in countries that are considered to be emerging market countries at the time of purchase. Investments in the securities of issuers in emerging market countries could involve risks not associated with investments in the securities of issuers in developed countries. Emerging markets can be substantially more volatile, and substantially less liquid, than more developed

markets such as Canada. Emerging markets could be subject to greater political and economic instability, uncertainty regarding the existence of trading markets and more governmental limitations on foreign investment than most developed markets.

There may be less information publicly available with regard to emerging market issuers and such issuers are not subject to the uniform accounting, auditing and financial reporting standards applicable to Canadian issuers. There may be no single centralized securities exchange on which securities are traded in emerging market countries and there may be a lack of established political, business and social frameworks to support the existing securities markets. In addition, the systems of corporate governance to which companies in emerging markets are subject may be less advanced than that to which Canadian issuers are subject, and therefore, shareholders in such companies may not receive many of the protections available to shareholders in Canada.

Securities laws in many emerging markets countries are relatively new and unsettled. In addition, laws regarding foreign investment in emerging market securities, securities regulation, title to securities and shareholder rights may change quickly and unpredictably. Further, the enforcement of systems of taxation at federal, regional and local levels in emerging market countries may be inconsistent, and subject to sudden change.

Investments in foreign markets also carry potential exposure to the risk of political upheaval, acts of terrorism and war, and/or expropriation by governments, all of which could have an adverse impact on the value of the securities.

Sensitivity to Interest Rates

The market price of the Units may be affected by the level of interest rates prevailing from time to time. In addition, any decrease in the NAV of the Fund resulting from an increase in interest rates may also negatively affect the market price of the Units. Unitholders will therefore be exposed to the risk that the NAV per Unit or the market price of the Units may be negatively affected by interest rate fluctuations.

Liquidity of the Portfolio Securities

Some of the securities in which the Fund invests or may invest trade infrequently and some may have no market at all. It is possible that the Fund may not be able to sell portions of such positions without facing substantially adverse prices. If the Fund is required to transact in such securities or other assets before their intended investment horizon, the performance of the Fund could suffer.

The market value of the Fund's investments may fluctuate with, among other things, changes in prevailing interest rates, general economic conditions, the condition of financial markets, developments or trends in any particular industry and the financial condition of the issuers of securities in which the Fund invests. During periods of limited liquidity and higher price volatility, the Fund's ability to acquire or dispose of their investments at a price and time that the Fund deems advantageous may be impaired. As a result, in periods of rising market prices, the Fund may be unable to participate in price increases fully to the extent that they are unable to acquire the desired positions quickly. The Fund's inability to dispose fully and promptly of positions in declining markets will conversely cause the net asset value to decline as the value of unsold positions is marked to lower prices.

Use of Derivatives

The Fund may use derivatives and other securities for both hedging and non-hedging purposes. These instruments may include, without limitation, futures and options on securities, indices and currencies, forward foreign currency exchange contracts, swaps and other derivatives. The use of derivative instruments involves risks different from, and possibly greater than, the risks associated with investing directly in securities and other traditional investments. Derivatives are subject to a number of risks, including the risk of mispricing or improper valuation and the risk that changes in the value of a derivative may not correlate perfectly with the underlying asset, rate or index. Hedging with derivatives may not always be successful and could limit the Fund's ability to have access to increases in the value of the Portfolio. The Fund may not be able to obtain or close out a derivative contract when the Investment Manager views it as desirable to do so, which may prevent the Fund from making a profit or limiting a loss. When the Fund invests in a derivative instrument, it could lose more than the principal amount invested. Amounts paid by the Fund as premiums and cash or other assets held in margin accounts are not otherwise available to the Fund for investment purposes.

Use of Options

The Fund is subject to the full risk of its investment position in the securities comprising the Portfolio, including those securities that are subject to outstanding call options written by the Fund, should the market price of such securities decline. In addition, the Fund will not participate in any gain on securities that are subject to outstanding call options above the strike price of the options unless the Fund pays to repurchase the option at the current market price of the option.

The use of call options may have the effect of limiting or reducing the total returns of the Portfolio, particularly in a rising market since the premiums associated with writing covered call options may be outweighed by the cost of closing out outstanding options.

There can be no assurance that a liquid exchange or over-the-counter market will exist to permit the Fund to write covered call options on desired terms or to close out option positions should it desire to do so. The ability of the Fund to close out its positions may also be affected by exchange-imposed daily trading limits on options or the lack of a liquid over-the-counter market. If the Fund is unable to repurchase a call option that is in-the-money, it will be unable to realize its profits or limit its losses until such time as the option becomes exercisable or expires.

Short Sales

The Fund may sell securities short. A short sale is effected by selling a security which the Fund does not own. In order to make delivery to the buyer of a security sold short, the Fund must borrow the security. In so doing, it incurs the obligation to replace that security, whatever its price may be, at the time it is required to deliver it to the lender. The Fund must also pay to the lender of the security any dividends or interest payable on the security during the borrowing period and may have to pay a premium to borrow the security. This obligation must be collateralized by a deposit of cash or marketable securities with the lender. Short selling is subject to a theoretically unlimited risk of loss because there is no limit on how much the price of a security may appreciate before the short position is closed out. There can be no assurance that the securities necessary to cover

the short position will be available for purchase by the Fund. In addition, purchasing securities to close out the short position can itself cause the price of the relevant securities to rise further, thereby increasing the loss incurred by the Fund. Furthermore, the Fund may prematurely be forced to close out a short position if a counterparty from which the Fund borrowed securities demands their return, resulting in a loss on what might otherwise have been ultimately a profitable position.

Market regulators in various jurisdictions have at times taken measures to impose restrictions on the ability of investors to enter into short sales, including the imposition of a complete prohibition on taking short positions in respect of certain issuers. Such restrictions may negatively affect the ability of the Fund to implement its strategies and/or they could cause the Fund to incur losses. It cannot be determined how future regulations may limit the Fund's ability to engage in short selling and how such limitations may impact the Fund's performance.

Counterparty Risk

In purchasing call options or entering into forward contracts or other derivative instruments, the Fund is subject to the credit risk that the counterparties (whether a clearing corporation, in the case of exchange-traded instruments, or other third parties, in the case of over-the-counter instruments) may be unable to meet their respective obligations and the Fund may incur losses as a result.

Hedging Instruments

The Fund may enter into forwards, swaps and other negotiated principal transactions and sell securities short for hedging, leveraging or other purposes. Typically, these techniques involve one or more of the following risks: (i) imperfect correlation between the performance and value of the instrument and the value of the Fund's securities or other objectives of the Investment Manager; (ii) possible lack of a secondary market for closing out a position in such instrument; (iii) losses resulting from interest rate, spread or other market movements; (iv) the possible obligation to meet additional margin or other payment requirements, all of which could worsen the Fund's position; and (v) possible impediments to effective portfolio management or the ability to meet short-term obligations because of the percentage of a portfolio's assets segregated to cover its obligations. The ability of the Fund to hedge successfully depends on the ability of the Investment Manager to predict pertinent market movements, which cannot be assured. The Investment Manager is not required to hedge and there can be no assurance that hedging transactions will be available or, even if undertaken, will be effective. In addition, it is not possible to hedge fully or perfectly against currency fluctuations affecting the value of securities denominated in non-Canadian currencies because the value of those securities is likely to fluctuate as a result of independent factors not related to currency fluctuations. Moreover, it should be noted that the Portfolio is always exposed to certain risks that cannot be hedged practically. Finally, by hedging a particular position, any potential gain from an increase in value of such position may be limited.

Over-the-Counter Transactions

In addition to trading on U.S. and Canadian futures exchanges, the Fund may trade other products, some of which may trade on non-U.S. and non-Canadian exchanges while others trade on the over-the-counter ("OTC") market. These transactions present certain risks different from the risks of trading on U.S. and Canadian exchanges. The OTC market is unregulated and, accordingly, there

are certain risks related to trading OTC instruments, including the absence of daily price limits and the risk of counterparty default, in addition to the risks of trading futures contracts.

Trading Price of 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 (or greater than) the NAV per Unit.

Fluctuations in NAV

Fluctuations in NAV per Unit (and/or the trading price of the Units) may occur for a number of reasons beyond the control of the Fund, the Manager or the Investment Manager. The NAV of the Fund varies according to, among other things, the value of the investments held in the Portfolio. The Manager, the Investment Manager and the Fund have no control over the factors that affect the value of such investments, including market, economic, political, regulatory and other conditions.

Performance Fees

The redemption price received by investors whose Units are redeemed during a calendar year reflects an accrual for the Performance Fee, based on any increase in the net asset value from the beginning of the fiscal year through the date of redemption. No adjustment is made to the redemption price or to the amount payable to the Manager for the Performance Fee if the Fund's performance subsequently declines.

Performance based payments to the Manager, such as the Performance Fee, may create an incentive for the Manager to engage in investment strategies and make investments that are more speculative than would be the case in the absence of such payments.

Securities Lending

The Fund may engage in securities lending. Although it will receive collateral for the loans and such collateral will be marked-to-market, the Fund will be exposed to the risk of loss should the borrower default on its obligation to return the borrowed securities and the collateral be insufficient to reconstitute the portfolio of loaned securities.

Currency Exposure

As the Portfolio is and may be invested in securities traded in US dollars and other foreign currencies, the NAV of the Fund, when measured in Canadian dollars, is, to the extent this has not been hedged against, affected by changes in the value of the US dollar and other foreign currencies relative to the Canadian dollar. The Fund may not be fully hedged and distributions received on the Portfolio Securities will not be 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 the possible default by the other party to the transaction, illiquidity and, to the extent the Investment 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 Investment 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.

Redemptions

If holders of a substantial number of Units exercise their redemption rights, the number of Units outstanding and the NAV of the Fund 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 a 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 notice to Unitholders if, in the opinion of the Manager, the NAV of the Fund is reduced as a result of redemptions or otherwise so that it is no longer economically feasible to continue the Fund.

Potential Conflicts of Interest

The Manager and the Investment 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 Investment Manager devote as much time to the Fund as is deemed appropriate to perform its duties, the staff of the Manager and the Investment Manager may have conflicts in allocating their time and services among the Fund and the other funds managed by the Manager or the Investment Manager.

New Project Risk

The Fund invests or may invest in issuers involved in new infrastructure projects and accordingly may be exposed to risk that the project will not be completed within budget, within the agreed time frame and/or to the agreed specification. During the construction phase, the major risks include: a delay in the projected completion of the project and a resultant delay in the commencement of cash flow; an increase in the capital needed to complete construction; and the insolvency of the head contractor, a major subcontractor and/or a key equipment supplier. Construction costs may exceed estimates for various reasons, including inaccurate engineering and planning, labour and building material costs in excess of expectations and unanticipated problems with project start-up. Such unexpected cost increases may result in increased debt services costs. Delays in project completion can result in an increase in total project construction costs and it may also affect the scheduled flow of project revenues.

Changes in Legislation

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

Taxation Matters Affecting the Fund

The Fund currently qualifies as a mutual fund trust under the Tax Act. If the Fund ceases to so qualify, 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 Fund or the Unitholders.

The Tax Act contains rules, the DFA Rules, that target certain financial arrangements (described 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 could apply to other agreements or transactions (including certain options). If the DFA Rules were to apply to derivatives utilized by the Fund the gains in respect of which would otherwise be capital gains, gains realized on the property underlying such derivatives could be treated as ordinary income rather than capital gains. The Manager intends that the Fund will restrict the writing of call options so that the DFA Rules will not apply.

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

The tax 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. In addition, the Fund will treat option premiums received on the writing of

covered call options and any losses sustained on closing out options as capital gains and losses in accordance with the CRA's published administrative policies. 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 in cases where 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. 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. In such circumstances, the DFA Rules generally should not apply to foreign currency hedges. 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 and NAV per Unit.

The CRA has expressed a view that, in certain circumstances, the deductibility of interest on money borrowed to invest in certain trusts may be reduced on a *pro rata* basis in respect of distributions from such trusts that are a return of capital and that are not reinvested for an income earning purpose. The Manager has been advised that, while the ability to deduct interest depends on the facts, based on the jurisprudence and the anticipated nature of distributions of such trusts, the CRA's view should not affect the Fund's ability to deduct interest on money borrowed to acquire units of such trusts included in the Portfolio. If the CRA's view were to apply to the Fund, part of the interest payable by the Fund in connection with money borrowed to acquire certain Portfolio Securities could be non-deductible, increasing the net income of the Fund for tax purposes and the taxable component of distributions to Unitholders.

On November 28, 2023, the Minister of Finance released revised proposals to amend the Tax Act (the "**EIFEL Proposals**") that are intended, where applicable, to limit the deductibility of interest and other financing-related expenses by an entity to the extent that such expenses, net of interest and other financing-related income, exceed a fixed ratio of the entity's tax EBITDA. The EIFEL Proposals and their application are highly complex, and there can be no assurances that the EIFEL Proposals, if enacted as proposed, will not have adverse consequences to the Fund or its Unitholders. In particular, if these rules were to apply to restrict deductions otherwise available to the Fund, the taxable component of distributions paid by the Fund to Unitholders may be increased, which could reduce the after-tax return associated with an investment in Units. Although certain investment funds that are considered to be "excluded entities" for purposes of the EIFEL Proposals may be excluded from the application of such proposals, there can be no assurance that the Fund would qualify as an "excluded entity" for these purposes, and hence the Fund could be subject to the EIFEL Proposals. The EIFEL Proposals are proposed to be effective for taxation years beginning on or after October 1, 2023.

The SIFT Rules will apply to a mutual fund trust that is a “SIFT trust” for the purposes of the Tax Act. 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 Objectives, Strategy and Restrictions of the Fund – Investment Restrictions*”. However, 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.

In addition, pursuant to certain Tax Proposals released on November 28, 2023 (the “**Equity Repurchase Proposals**”), a trust that is a SIFT trust or is otherwise a “covered entity” as described in the Equity Repurchase Proposals is proposed to be subject to a 2% tax on the value of the trust’s equity repurchases (including redemptions) in a taxation year (net of cash subscriptions received by the trust in that taxation year). Based on the composition of the Portfolio and the Fund’s investment restrictions, it is not expected that the Fund would be considered a “covered entity”. However, if the Equity Repurchase Rules were to apply to the Fund, they may have an adverse impact on the Fund and its 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 or 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 by the Fund 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, generally 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 (including U.S.) taxes paid in respect of income from Portfolio Securities by or on behalf of the Unitholder through foreign tax credits under the Tax Act (see “*Income Tax Considerations*”). A Unitholder’s ability to utilize for Canadian income tax purposes foreign (including U.S.) 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 (including U.S.) source income in the taxation year the foreign (including U.S.) taxes are paid or where the Unitholder has other foreign (including U.S.) sources of income or losses or has paid other foreign (including U.S.) taxes. Furthermore, foreign tax credits will be dependent upon the Canadian federal and provincial tax rates and foreign (including U.S.) 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.

U.S. Taxation Matters Affecting the Fund

The Fund expects that interest income received by the Fund paid by U.S. issuers will generally be free of U.S. withholding tax or other U.S. tax, and that dividends received by the Fund from U.S. corporations will be subject to U.S. withholding tax, generally at the rate of 15%, and will not be subject to other U.S. tax.

The Fund holds shares in publicly traded MLPs organized and operated in the United States. MLPs are generally treated as engaged in active businesses; therefore as a holder of partnership units, the Fund will be required to file U.S. income tax returns and will be subject to U.S. net income tax on its distributable shares of the MLPs' net income. Historically, a large proportion of the distributions paid from U.S. MLPs are classified as returns of capital rather than currently taxable distributions. Nonetheless, the United States imposes withholding tax on the full amount of the distributions of MLPs to non-U.S. unitholders at the highest applicable U.S. tax rate, which is currently 21% for shareholders such as the Fund that are treated as corporations for U.S. tax purposes. The resulting ultimate U.S. tax liability will take into account the portion of MLP distributions treated as returns of capital and the withholding tax already paid on the MLP distributions. The Fund may also be subject to U.S. branch profits tax. It is unclear if the Fund may be able to take advantage of the lower tax rate under the Canada-U.S. tax treaty with respect to such branch profits tax. The Fund generally is subject to a 10% U.S. withholding tax on any gains from the sale of MLP units. Such withholding tax would be applied in the calculation of the Fund's overall U.S. tax liability. Due to the available deductions that result in much of the distributions from MLPs being treated as returns of capital, a portion of the gain on the sale of an MLP may be treated as ordinary income under the recapture rules. Ordinary income and long-term capital gains, however, are taxed at the same federal rates for corporations such as the Fund. In addition, the Fund may be able to offset some of the gain on sales of MLP units with previously allocated tax losses generated from the MLPs.

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. 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.

Liability of Unitholders

The Fund is a unit trust and as such its Unitholders do not receive the protection of statutorily mandated limited liability in some provinces and territories as in the case of shareholders of most Canadian corporations. There is no guarantee, therefore, that Unitholders could not be made party to legal action in connection with the Fund. However, the Declaration of Trust provides that no Unitholder, in its capacity as such, will be subject to any liability whatsoever, in tort, contract or otherwise, to any person in connection with the Fund's property or the obligations or the affairs of the Fund and all such persons are to look solely to the Fund's property for satisfaction of claims of any nature arising out of or in connection therewith and only the Fund's property will be subject to levy or execution.

Pursuant to the Declaration of Trust, the Fund will indemnify and hold harmless each Unitholder from any costs, damages, liabilities, expenses, charges and losses suffered by a Unitholder resulting from or arising out of such Unitholder not having limited liability. The Declaration of Trust also provides that the Trustees and the Manager shall use reasonable efforts to cause to be inserted in each material written agreement, undertaking and obligation signed by or on behalf of the Fund a provision to the effect that such agreement, undertaking or obligation will not be binding upon Unitholders personally.

As a result of the foregoing, it is considered that the risk of any personal liability of Unitholders is minimal in view of the nature of its activities. In the event that a Unitholder should be required to satisfy any obligation of the Fund, such Unitholder will be entitled to reimbursement from any available assets of the Fund.

OTHER MATERIAL INFORMATION

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 or 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 plan trusts, as defined above under "*Income Tax Considerations – Status of the Fund*", other than a first home savings account), to the CRA. On February 1, 2024, the CRA and the U.S. Internal Revenue Service (the "**IRS**") signed a competent authority agreement stating that they intend to update an annex to the IGA to exclude first home savings accounts from being reportable accounts under the IGA. The CRA is expected to provide the information to the IRS.

Pursuant to the provisions of the Tax Act that implement the Organization for Economic Co-operation and Development Common Reporting Standard (the "**CRS Provisions**"), "Canadian financial institutions" (as defined in the CRS Provisions) are required to have procedures in place to identify accounts held by residents of foreign countries (other than the U.S.) or by certain entities the "controlling persons" of which are resident in a foreign country (other than the U.S.) and to report required information to the CRA. Such information may be exchanged on a reciprocal,

bilateral basis with any countries that have agreed to a bilateral information exchange with Canada under the Common Reporting Standard and in which the applicable account holders or such controlling persons are resident. Under the CRS Provisions, Unitholders will be required to provide certain information regarding their investment in the Fund for the purposes of such information exchange, unless the investment is held within plan trusts (other than a first home savings account). Under a Tax Proposal, first home savings accounts would also be exempt from the CRS Provisions, although no assurances can be given that this proposal will be enacted.

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 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, and the Manager provides written notice to Unitholders by way of a press release at least 15 days and not earlier than 90 days prior to the termination date.

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.

Brookfield

BROOKFIELD GLOBAL INFRASTRUCTURE SECURITIES INCOME FUND

**Brookfield Public Securities Group LLC
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Additional information about the Fund is available in the Fund's most recently filed management reports of fund performance and financial statements. You can get a copy of these documents at no cost, by calling 855-777-8001, or from your dealer or by e-mail at publicsecurities.enquiries@brookfield.com. These documents and other information about the Fund are also available on the Manager's website at <https://publicsecurities.brookfield.com/> or at www.sedarplus.com.