ANNUAL INFORMATION FORM

Preferred Shares
Class A Shares
Class J Shares

March 24, 2025

FORWARD-LOOKING STATEMENTS

Certain statements contained in this annual information form constitute forward-looking statements. The use of any of the words “anticipate”, “continue”, “estimate”, “expect”, “may”, “will”, “project”, “should”, “believe” and similar expressions are intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes the expectations reflected in forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this annual information form should not be unduly relied upon. These statements speak only as of the date of this annual information form.

In particular, this annual information form may contain forward-looking statements pertaining to distributable cash and distributions per Class A Share, Preferred Share or Unit. The actual results could differ materially from those anticipated in these forward-looking statements as a result of, among other things, the risk factors set out in this annual information form. The Company does not undertake any obligation to publicly update or revise any forward-looking statements.

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GLOSSARY OF TERMS

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

"Black-Scholes Model" means a widely used option pricing model developed by Fischer Black and Myron Scholes in 1973. The model can be used to calculate the theoretical value of an option based on the current price of the underlying security, the strike price and term of the option, prevailing interest rates and the volatility of the price of the underlying security.

"Brompton" means the Brompton group of companies.

"Brompton Funds" means Brompton Corp. and its wholly owned subsidiary Brompton Funds Limited, which acts as manager of the Company. Brompton Corp. is in the business of managing investment funds.

"business day" means any day on which the TSX is open for business.

"call option" means the right, but not the obligation, of the option holder to buy a security from the seller of the option at a specified price at any time during a specified time period or at expiry.

"cash covered put option" means a put option entered into in circumstances where the seller of the put option holds cash equivalents or other acceptable cash cover (as defined in NI 81-102) sufficient to acquire the securities underlying the option at the strike price throughout the term of the option.

"cash equivalents" means, and for the purposes of "cash cover" and "cash covered put option", "cash" as used therein means:

a) cash on deposit at the Custodian;

b) an evidence of indebtedness that has a remaining term to maturity of 365 days or less and that is issued, or fully and unconditionally guaranteed as to principal and interest, by:

   (i) any of the federal or provincial governments of Canada; or

   (ii) the Government of the United States; or

   (iii) a Canadian financial institution;

   provided that, in the case of (ii) and (iii), such evidence of indebtedness has a rating of at least R-1 (mid) by DBRS or the equivalent rating from another designated rating organization; or

c) other cash cover as defined in NI 81-102.

"CDS" means CDS Clearing and Depository Services Inc.

"CDS Participant" means a participant in CDS.

"Class A Shareholder" means a holder of a Class A Share.

"Class A Shares" means the class A shares of the Company.

"Class B Shares" means the class B shares of the Company.

"Class C Shares" means the class C shares of the Company.

"Class J Shares" means the class J shares of the Company.

"Company" means Dividend Growth Split Corp., a mutual fund corporation incorporated under the laws of the Province of Ontario.

"covered call option" means a call option entered into in circumstances where the seller of the call option holds the underlying security through the term of the option.

"CRA" means the Canada Revenue Agency or any successor organization.

"Custodial Services Agreement" means the custodian agreement entered into by the Company and the Custodian dated as of September 15, 2016, as it may be amended from time to time.

"Custodian" means CIBC Mellon Trust Company, in its capacity as custodian under the Custodial Services Agreement.

"DBRS" means Morningstar DBRS.

"Escrow Agent" means Computershare Trust Company of Canada, in its capacity as escrow agent under the Escrow Agreement.

"Escrow Agreement" means the escrow agreement entered into by the Company, DGS Trust and the Escrow Agent dated as of December 3, 2007, as it may be amended from time to time.

"Extraordinary Resolution" means a resolution passed by the affirmative vote of at least 66⅔% of the votes cast, either in person or by proxy, at a meeting of shareholders called for the purpose of approving such resolution.

"in-the-money" means in relation to a call option, a call option with a strike price less than the current market price of the underlying security and, in relation to a put option, a put option with a strike price greater than the current market price of the underlying security.

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

"Investment Guidelines" means the investment guidelines of the Company described in section 1.3 of this Annual Information Form.

"Investment Objectives" means the investment objectives of the Company described in section 1.2 of this Annual Information Form.

"Investment Restrictions" means the investment restrictions of the Company including without limitation those described in section 2.0 of this Annual Information Form.

"IRC" means the independent review committee established by the Manager for the Company pursuant to NI 81-107.

"Management Agreement" means the management agreement dated as of November 20, 2007 between the Company and the Manager, as it may be amended from time to time.

"Management Fee" means the management fee payable to the Manager which is described in section 8.2.3 of this Annual Information Form.

"Manager" means Brompton Funds Limited, or if applicable, its successor.

"Maturity Date" means August 30, 2029, subject to extension for successive terms of up to five years as determined by the board of directors of the Company.

"NAV per Class A Share" means the greater of (i) NAV per Unit minus $10.00 plus any accrued and unpaid distributions on a Preferred Share and (ii) nil.

"NAV per Unit" means (a) if the NAV of the Company is less than or equal to the aggregate redemption price of all Preferred Shares (and any other preferred shares of any other class so designated by the Company) then outstanding and any accrued and unpaid distributions thereon (the "Preferred Share Amount"), the NAV per Unit is calculated by dividing the NAV of the Company on such day by the number of Preferred Shares (and any other preferred shares of any other class so designated by the Company) then outstanding; and (b) if the NAV of the Company is greater than the Preferred Share Amount, the NAV per Unit is calculated by (i) subtracting the Preferred Share Amount from the NAV of the Company; (ii) dividing the difference by the number of Class A Shares then outstanding and (iii) adding $10.00 plus any accrued and unpaid distributions per Preferred Share to the result obtained in (ii) above.

"NAV Valuation Date" means, at a minimum, Thursday of each week, or if any Thursday is not a business day, the immediately preceding business day, and includes any other date on which the Manager elects, in its discretion, to calculate the NAV per Unit.

"Net Asset Value" or **"NAV"** means the net asset value of the Company, which on any particular date will be equal to (a) the aggregate value of the assets of the Company, less (b) the aggregate value of the liabilities of the Company (the Preferred Shares will not be treated as liabilities for these purposes), including any distributions declared and not paid that are payable to Shareholders on or before such date, less (c) the stated capital of the Class J Shares ($200) as described in section 5.0 of this Annual Information Form.

"NI 81-102" means National Instrument 81-102 – *Investment Funds* of the Canadian Securities Administrators (or any successor policy, rule or national instrument), as it may be amended from time to time.

"NI 81-106" means National Instrument 81-106 – *Investment Funds Continuous Disclosure* of the Canadian Securities Administrators (or any successor policy, rule or national instrument), as it may be amended from time to time.

"NI 81-107" means National Instrument 81-107 – *Independent Review Committee for Investment Funds* of the Canadian Securities Administrators (or any successor policy, rule or national instrument), as it may be amended from time to time.

"option premium" means the selling price of an option.

"Ordinary Resolution" means a resolution passed by the affirmative vote of at least 50% of the votes cast, either in person or by proxy, at a meeting of shareholders called for the purpose of approving such resolution.

"out-of-the-money" means in relation to a call option, a call option with a strike price greater than the current market price of the underlying security and, in relation to a put option, a put option with a strike price less than the current market price of the underlying security.

"Portfolio" means the Company's investment portfolio.

"Preferred Shareholder" means a holder of a Preferred Share.

"Preferred Shares" means the preferred shares of the Company.

"put option" means the right, but not the obligation, of the option holder to sell a security to the seller of the option at a specified price at any time during a specified time period or at expiry.

"Quarterly Retraction Date" means the second last business day of February, May, August and November.

"Retraction Date" means the second last business day of a month.

"Retraction Notice" means a notice delivered by a CDS Participant to CDS (at its office in Toronto) on behalf of a Shareholder who desires to exercise his or her retraction privileges.

"Retraction Payment Date" means the date that is on or before the tenth business day in the month following a Retraction Date.

"Share" means a Preferred Share or a Class A Share and **"Shares"** means more than one Class A Share and/or Preferred Share.

"Shareholder" means a holder of a Preferred Share or a Class A Share and **"Shareholders"** means more than one holder of a Preferred Share or Class A Share.

"strike price" means in relation to a call option, the price specified in the option that must be paid by the option holder to acquire the underlying security or, in relation to a put option, the price at which the option holder may sell the underlying security.

"TSX" means the Toronto Stock Exchange.

"Unit" means a notional unit consisting of one Class A Share and one Preferred Share (or one preferred share of any other class so designated by the Company).

"volatility" means, in respect of the price of a security, a numerical measure of the tendency of the price to vary over time.

1.0 NAME, FORMATION AND HISTORY

The Company is a mutual fund corporation incorporated under the laws of the Province of Ontario on September 25, 2007 with a registered office located at Suite 2930, Bay Wellington Tower, Brookfield Place, 181 Bay Street, Toronto, Ontario, M5J 2T3. The Company was formed pursuant to articles of incorporation. The Company filed articles of amalgamation on May 18, 2011 in connection with the Company's merger with Brompton Equity Split Corp. ("BE"). The Company is governed by the articles of amalgamation, as amended, and by-laws of the Company.

On June 5, 2015, pursuant to a treasury offering, the Company issued 2,200,000 Class A Shares and 2,200,000 Preferred Shares. The total gross proceeds raised by the Company were approximately $41.8 million.

On May 6, 2016, pursuant to a treasury offering, the Company issued 1,357,000 Class A Shares and 1,357,000 Preferred Shares. The total gross proceeds raised by the Company were approximately $23 million.

On September 16, 2016, pursuant to a treasury offering, the Company issued 1,471,150 Class A Shares and 1,471,150 Preferred Shares. The total gross proceeds raised by the Company were approximately $25 million.

On April 6, 2017, pursuant to a treasury offering, the Company issued 4,765,000 Class A Shares and 4,765,000 Preferred Shares. The total gross proceeds raised by the Company were approximately $86 million.

On August 3, 2017, pursuant to a treasury offering, the Company issued 4,125,000 Class A Shares and 4,125,000 Preferred Shares. The total gross proceeds raised by the Company were approximately $74.3 million.

On November 29, 2017, pursuant to a treasury offering, the company issued 4,224,150 Class A Shares and 4,224,150 Preferred Shares. The total gross proceeds raised by the company were approximately $76 million.

On August 29, 2018, the Company received approval at a special meeting of Shareholders of the Company to:

- Amend the Investment Objectives, Investment Guidelines, Investment Restrictions and rebalancing criteria;
- Amend the articles of incorporation of the Company to allow it to issue class B shares and class C shares issuable in series;
- Amend the tender date for non-concurrent redemptions;
- To permit a redemption to be made on a pro-rata basis on a non-concurrent retraction;
- Allow for non-matched shares; and
- Amending acts requiring shareholder approval.

On September 28, 2018, the board of directors of the Company announced the extension of the term of the Shares for a period of three to five years.

On September 20, 2019, the board of directors of the Company announced the extension of the term of the Shares to September 27, 2024 and the distribution rate for the Preferred Shares was set at $0.55 per Preferred Share per annum, effective November 29, 2019.

On June 1, 2021, pursuant to a treasury offering, the Company issued 2,109,675 Class A Shares and 2,109,675 Preferred Shares. The total gross proceeds raised by the Company were approximately $34.8 million.

On July 20, 2021, pursuant to a treasury offering, the Company issued 3,649,900 Class A Shares and 3,649,900 Preferred Shares. The total gross proceeds raised by the Company were approximately $62.4 million.

On September 28, 2021, pursuant to a treasury offering, the Company issued 3,606,330 Class A Shares and 3,606,330 Preferred Shares. The total gross proceeds raised by the Company were approximately $60.2 million.

On December 15, 2021, pursuant to a treasury offering, the Company issued 4,548,300 Class A Shares and 4,548,300 Preferred Shares. The total gross proceeds raised by the Company were approximately $76.4 million.

On March 9, 2022, pursuant to a treasury offering, the Company issued 3,989,500 Class A Shares and 3,989,500 Preferred Shares. The total gross proceeds raised by the Company were approximately $67.0 million.

On April 14, 2023, the Manager, in its capacity as manager of the Company, and the Company entered into an equity distribution agreement (the "April 2023 Equity Distribution Agreement") with RBC Dominion Securities Inc., acting as agent, pursuant to which the Company was permitted to, from time to time, sell Class A Shares and Preferred Shares having an aggregate market value of $75 million, respectively, through RBC Dominion Securities Inc., as acting as agent, at market prices prevailing at the time of the sale on the TSX (the "April 2023 ATM"), in accordance with the terms of the April 2023 Equity Distribution Agreement. No Class A Shares or Preferred Shares were issued under the April 2023 ATM. The April 2023 ATM terminated on January 7, 2024 in accordance with the terms of the April 2023 Equity Distribution Agreement.

On March 12, 2024, the board of directors of the Company announced the extension of the term of the Shares from September 27, 2024 to August 30, 2029 and on July 26, 2024, the Company agreed that the distribution rate for the extended term was $0.675 per Preferred Share per annum.

On August 26, 2024, the Manager, in its capacity as manager of the Company, and the Company entered into an equity distribution agreement (the "August 2024 Equity Distribution Agreement") with RBC Dominion Securities Inc., acting as agent, pursuant to which the Company may, from time to time, sell Class A Shares and Preferred Shares having an aggregate market value of $75 million, respectively, through RBC Dominion Securities Inc., as acting as agent, at market prices prevailing at the time of the sale on the TSX (the "August 2024 ATM"), in accordance with the terms of the August 2024 Equity Distribution Agreement. 7,386,731 Preferred Shares and 2,606,300 Class A Shares were issued under the August 2024 ATM.

On January 31, 2025, the Manager, in its capacity as manager of the Company, and the Company entered into an equity distribution agreement (the "January 2025 Equity Distribution Agreement") with RBC Dominion Securities Inc., acting as agent, pursuant to which the Company may, from time to time, sell Class A Shares having an aggregate market value of $100 million and Preferred Shares having an aggregate market value of $100 million, through RBC Dominion Securities Inc., as acting as agent, at market prices prevailing at the time of the sale on the TSX (the "January 2025 ATM"), in accordance with the terms of

the January 2025 Equity Distribution Agreement. As at February 28, 2025, 474,400 Preferred Shares and 273,100 Class A Shares have been issued under the January 2025 ATM.

1.1 Status of the Company

While the Company is technically considered to be a mutual fund under the securities legislation of certain provinces of Canada, the Company is not a conventional mutual fund and has obtained exemptions from certain requirements of NI 81-102 and NI 81-106.

The Company differs from conventional mutual funds in a number of respects, most notably as follows (i) while the Class A Shares and Preferred Shares of the Company may be surrendered at any time for redemption, the redemption price is payable monthly whereas the securities of most conventional mutual funds are redeemable daily, (ii) the Class A Shares and Preferred Shares of the Company have a stock exchange listing whereas the securities of most conventional mutual funds do not, and (iii) unlike most conventional mutual funds, the Class A Shares and Preferred Shares will not be offered on a continuous basis.

1.2 Investment Objectives

The Company's Investment Objectives are:

a) to provide holders of Preferred Shares with fixed cumulative preferential quarterly cash distributions;

b) to provide holders of Class A Shares with regular monthly cash distributions targeted to be at least $0.10 per Class A Share;

c) to return the original issue price to holders of Preferred Shares on the Maturity Date; and

d) to provide holders of Class A Shares with the opportunity for growth in net asset value per Class A Share.

1.3 Investment Guidelines

The Company invests in a Portfolio consisting primarily of equity securities of Canadian dividend growth companies. In addition, the Company may hold up to 20% of the total assets of the Portfolio in global dividend growth companies for diversification and improved return potential, at the Manager's discretion. The Manager is responsible for maintaining the Portfolio in accordance with the investment guidelines. The Manager may, at its discretion, selectively write covered call options and cash covered put options from time to time in respect of the equity securities of the issuers included in the Portfolio in order to generate additional distributable income for the Company.

In order to qualify for inclusion in the Portfolio, at the time of investment, each dividend growth company included in the Portfolio must (i) have a market capitalization of at least CDN$2.0 billion; and (ii) have a history of dividend growth or, in the Manager's view, have high potential for future dividend growth.

After applying the above-mentioned criteria, the Manager will select equity securities of dividend growth companies to construct the Portfolio after considering, among other factors (as applicable), each dividend growth company's:

- dividend growth potential (as indicated by historical dividend growth, expected future earnings, revenue and/or dividend growth, dividend payout ratio, and/or dividend policy);

- valuation (as indicated by price to earnings, price to book value and/or enterprise value to EBITDA ratios, and/or free cash flow yield);

- profitability (as indicated by relatively high returns on equity and/or profit margins);

- current dividend yield;

- balance sheet strength (as indicated by interest coverage, debt/cash flow, debt/equity and/or debt covenants); and/or

- liquidity of the equity securities and options.

The Company may from time to time hold cash and cash equivalents.

In addition to, or instead of, investing in equity securities of Canadian dividend growth companies and/or global dividend growth companies directly, the Company may invest, at the Manager's discretion, a portion of the Portfolio's assets in exchange-traded funds, including exchange-traded funds managed by the Manager, that invest in Canadian and/or global dividend growth companies. There will be no duplication of management fees payable by the Company in connection with any investment by the Company in exchange-traded funds managed by the Manager.

In addition, the Company will hedge substantially all of its foreign currency exposure to the holdings in the Portfolio back to the Canadian dollar, if any.

2.0 INVESTMENT RESTRICTIONS

The Company is subject to certain investment restrictions that, among other things, limit the equity securities and other securities that the Company may acquire for the Portfolio. The Company's Investment Restrictions may not be changed without the approval of the holders of the Class A Shares and Preferred Shares each voting separately as a class by an Extraordinary Resolution at a meeting called for such purpose.

In addition, but subject to the Investment Restrictions, the Company has adopted the standard investment restrictions and practices set forth in NI 81-102 (as it may be amended from time to time) other than those outlined in section 1.1 of this Annual Information Form.

The Class A Shares and Preferred Shares are qualified investments under the Income Tax Act for trusts governed by registered retirement savings plans, registered retirement income funds, registered disability savings plans, registered education savings plans, deferred profit sharing plans, tax-free savings accounts, and first home savings accounts (collectively "Deferred Plans"). During 2024, the Company did not deviate from the rules under the Income Tax Act that apply to the status of the Shares qualifying for inclusion in Deferred Plans

The Class A Shares and Preferred Shares will not be a prohibited investment under the Income Tax Act for a tax-free savings account, a registered retirement savings plan, a registered retirement income fund, a registered disability savings plan, a registered education savings plan, or a first home savings account, provided the holder of the tax-free savings account, registered disability savings plan or first home savings account, the subscriber of the registered education savings plan, or the annuitant of the registered retirement savings plan or registered retirement income fund deals at arm's length with the Company and does not have a "significant interest" (within the meaning of the prohibited investment rules in the Income Tax Act) in the Company.

3.0 DESCRIPTION OF SECURITIES

The Company is authorized to issue an unlimited number of Preferred Shares, Class A Shares, Class J Shares, Class B Shares and Class C Shares. The board of directors will determine before the issuance of Class B Shares and Class C Shares, the designation, rights, privileges, restrictions, conditions and other provisions to bee attached to such shares. Currently, no Class B Shares and Class C Shares have been issued. The holders of Class J Shares are not entitled to receive dividends and are entitled to one vote per share. The Class J Shares are redeemable and retractable at a price of $1.33 per share.

While an equal number of Class A Shares and Preferred Shares are generally expected to be outstanding , in certain circumstances relating to the issuance and redemption or retraction of Preferred Shares or Class A Shares, the number of Class A Shares issued and outstanding may exceed the number of Preferred Shares issued and outstanding. In such case, the extent of such excess number of Class A Shares over Preferred Shares is generally not expected to exceed 10% of the number of Preferred Shares outstanding but may from time to time exceed 10% for periods of less than 15 days.

The Preferred Shares are rated Pfd-3 (low) by DBRS. A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by DBRS. In addition, the Company has voluntarily elected to report the risk rating for the Preferred Shars that are calculated in accordance with the investment risk classification methodology in NI 81-102 and are based on the historical market price volatility of the Preferred Shares as measured by the 10-year standard deviation of monthly returns as of February 28, 2025. The risk rating of the Company's Preferred Shares is Low to Medium.

3.1 Principal Shareholder

All of the issued and outstanding Class J Shares of the Company are owned by a trust established for the benefit of the holders of the Class A Shares and Preferred Shares from time to time. The Class J Shares are held in escrow pursuant to the Escrow Agreement. Until all the Class A Shares and Preferred Shares have been retracted, redeemed, or purchased for cancellation or such lesser period as may be approved by the Ontario Securities Commission, no additional Class J Shares shall be issued and the beneficial ownership of the escrowed shares will not be disposed of or dealt with in any manner without the written consent of the Ontario Securities Commission. As a result of the merger with BE, an additional 50 Class J Shares were issued as consented to by the Ontario Securities Commission.

3.2 Purchase for Cancellation

Subject to applicable law, the Company may at any time or times purchase Preferred Shares and Class A Shares for cancellation at prices per unit not exceeding the NAV per Unit on the business day immediately prior to such purchase up to a maximum in any twelve month period of 10% of the outstanding public float of the Preferred Shares and Class A Shares.

3.3 Distributions

3.3.1 Preferred Shares

Holders of record of Preferred Shares at 5:00 p.m. (Toronto time) on the last business day of February, May, August and November are entitled to receive fixed, cumulative preferential quarterly cash distributions which will be paid on or before the tenth business day in the month following the end of the period in respect of which the distribution is payable. Such distributions may consist of ordinary dividends, capital gains dividends or returns of capital. There can be no assurance that the Company will be able to pay distributions to holders of Preferred Shares. All cash distributions will be paid through CDS' book-entry only system or paid in such other manner as may be agreed to by the Company.

3.3.2 Class A Shares

The policy of the board of directors of the Company is to pay monthly non-cumulative distributions to the holders of Class A Shares. Such distributions are paid on or before the tenth business day of the month following the month in respect of which the Distribution is payable. Such distributions may consist of ordinary dividends, capital gains dividends or returns of capital. There can be no assurance that the Company will be able to pay distributions to the holders of Class A Shares.

No distributions will be paid on the Class A Shares if (i) the distributions payable on the Preferred Shares are in arrears, or (ii) in respect of a cash distribution, after the payment of a cash distribution by the Company, the NAV per Unit would be less than $15.00. In addition, the Company will not pay distributions in excess of $0.10 per month, on the Class A Shares if, after payment of the distribution, the NAV per Unit would be less than $25.00 unless the Company has to make such distributions to fully recover refundable taxes.

Subject to the dividend entitlement of the holders of the Preferred Shares, the board of directors of the Company shall allocate return of capital distributions first to holders of the Class A Shares before paying distributions representing return of capital to holders of the Preferred Shares. In the event that the Company realizes capital gains, the Company may, at its option, make a special year end capital gains distribution in certain circumstances in Class A Shares and/or cash. Any capital gains distribution payable in Class A Shares will increase the aggregate adjusted cost base to holders of Class A Shares of such shares. Immediately following payment of such a distribution in Class A Shares, the number of Class A Shares outstanding will be automatically consolidated such that the number of Class A Shares outstanding after such distribution will be equal to the number of Class A Shares outstanding immediately prior to such distribution. Non-resident Shareholders may be subject to withholding tax and therefore consolidation may result in such non-resident holding fewer Class A Shares than prior to the distribution and consolidation.

Distributions are payable to holders of Class A Shares of record at 5:00 p.m. (Toronto time) on the last business day of each month. All cash distributions are paid through CDS' book-entry only system or paid in such other manner as may be agreed to by the Company.

3.3.3 Distribution Reinvestment Plan

The Company has also adopted a distribution reinvestment plan (the "Plan"), pursuant to which distributions paid to holders of Class A Shares may be reinvested, automatically on each Class A Shareholders' behalf at the option of such Class A Shareholder, to purchase additional Class A Shares in accordance with the Plan. The Plan is not available to non-resident Class A Shareholders.

3.4 Priority

3.4.1 Preferred Shares

The Preferred Shares rank in priority to the Class A Shares, Class B Shares, Class C Shares and the Class J Shares with respect to the payment of distributions and the repayment of capital on the dissolution, liquidation or winding up of the Company.

3.4.2 Class A Shares

The Class A Shares rank subsequent to the Preferred Shares but in priority to the Class J Shares with respect to the payment of distributions and the repayment of capital out of the Portfolio on the dissolution, liquidation or winding up of the Company.

3.4.3 Class J Shares

The Class J Shares rank subsequent to both the Class A Shares and the Preferred Shares with respect to distributions on the dissolution, liquidation or winding-up of the Company.

3.5 Acts Requiring Shareholder Approval

The following may only be undertaken with the approval of the holders of Class A Shares and Preferred Shares, each voting separately as a class, by an Ordinary Resolution, unless a greater majority is required by law, passed at a meeting called for the purpose of considering such Ordinary Resolution, provided that holders of Class A Shares and Preferred Shares holding at least 10% of the shares outstanding on the record date of the meeting vote in favour of such Ordinary Resolution:

a) except as described herein, a change of the Manager of the Company, other than a change resulting in an affiliate of the Manager assuming such position;

b) a reorganization with, or transfer of assets to, another mutual fund corporation, if

- the Company ceases to continue after the reorganization or transfer of assets; and
- the transaction results in Shareholders becoming securityholders in the other mutual fund corporation;

c) a reorganization with, or acquisition of assets of, another mutual fund corporation, if

- the Company continues after the reorganization or acquisition of assets;
- the transaction results in the securityholders of the other mutual fund corporation becoming Shareholders of the Company; and
- the transaction would be a significant change to the Company; and

The following may only be undertaken with the approval of holders of Class A Shares and Preferred Shares, each voting separately as a class, by an Extraordinary Resolution:

a) a change in the Investment Objectives or Investment Restrictions of the Company, unless such changes are necessary to ensure compliance with applicable laws, regulations or other requirements imposed by applicable regulatory authorities from time to time;

b) any change in the basis of calculating fees or other expenses that are charged to the Company that could result in an increase in charges to the Company;

c) any change in the frequency of calculating the NAV per Unit to less often than weekly;

d) any issue of Units for net proceeds per Unit less than the most recently calculated Net Asset Value per Unit prior to the date of the setting of the subscription price by the Company; and

e) any amendment, modification or variation in the provisions or rights attaching to the Preferred Shares, Class A Shares, or Class J Shares.

The auditor of the Company may be changed without the prior approval of the Shareholders of the Company provided that the independent review committee approves the change and Shareholders are sent written notice at least 60 days before the effective date of the change.

Notwithstanding the foregoing, in certain circumstances, the Company's reorganization with, or transfer of assets to, another mutual fund may be carried out without the prior approval of Shareholders provided that the independent review committee approves the transaction pursuant to NI 81-107, the reorganization or transfer complies with certain requirements of NI 81-102 and NI 81-107, as applicable, and Shareholders are sent written notice at least 60 days before the effective date of the change.

Each Preferred Share and each Class A Share will have one vote at such a meeting. If at any such meeting the holders of at least 10% of the Class A Shares and Preferred Shares, voting separately as a class, are not present in person or represented by proxy within one-half hour after the time appointed for such meeting then, subject to applicable law, the meeting will be adjourned to such fixed time and place as may be designated by the chair of the meeting. At such adjourned meeting, the holders of Class A Shares and Preferred Shares, voting separately as a class, then present in person or represented by proxy may transact the business for which the meeting was originally called and a resolution passed at such meeting will constitute approval of the holders of the Class A Shares and Preferred Shares. Except as required by law or set out above, holders of Class A Shares and Preferred Shares will not be entitled to receive notice of, to attend or to vote at any meetings of Shareholders of the Company.

4.0 VALUATION OF PORTFOLIO SECURITIES

In determining the NAV of the Company at any time:

a) the value of any cash on hand or on deposit, bill, demand note and account receivable, prepaid expense, dividend, distribution or other amount received (or declared to holders of record of securities owned by the Company on a date before the NAV Valuation Date as of which the NAV of the Company 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, dividend, distribution, or other amount received (or declared to holders of record of securities owned by the Company on a date before the NAV Valuation Date as of which the NAV of the Company 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 market value thereof;

b) 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) shall be determined by taking the latest available sale price of recent date, or lacking any recent sales or any record thereof, the simple average of the latest available offer price and the latest available bid price (unless in the opinion of the Manager such value does not reflect the value thereof and in which case the latest offer price or bid price shall be used), as at the NAV Valuation Date on which the NAV of the Company is being determined, all as reported by any means in common use. For a retraction or redemption of the Company's shares, the value of the common shares will be equal to the weighted average trading price of such shares over the last three business days of the relevant month;

c) the value of any security, that is traded over-the-counter will be priced at the average of the latest available bid and offer prices quoted by a major dealer or recognized information provider in such securities; short term investments, including notes and money market instruments, shall be valued at cost plus accrued interest;

d) where a covered clearing corporation option, option on futures or an over-the counter option is written, the option premium received by the Company will, so long as the option is outstanding, be reflected as a deferred credit which will be valued at an amount equal to the fair market value of an option which would have the effect of closing the position; any difference resulting from

revaluation shall be treated as an unrealized gain or loss on investment. The deferred credit shall be deducted in arriving at the NAV;

e) the value of any security, or other asset for which a market quotation is not readily available will be its fair market value on the NAV Valuation Date on which the NAV of the Company is being determined as determined by the Manager;

f) any market price reported in currency other than Canadian dollars shall be translated into Canadian currency at the rate of exchange available to the Company from the Custodian on the NAV Valuation Date on which NAV of the Company is being determined;

g) 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; and

h) the value of any security or property to which, in the opinion of the Manager, the above principles cannot be applied (whether because no price or yield equivalent quotations are available as above provided, or for any other reason) shall be the fair market value thereof determined in good faith in such manner as the Manager from time to time adopts.

Pursuant to item (h) above, the Manager has not exercised its discretion to deviate from the valuation practices noted above in the last three years.

In connection with the foregoing the NAV, NAV per Unit and NAV per Class A Share will be calculated in accordance with the rules and policies of the Canadian Securities Administrators or in accordance with any exemption therefrom that the Company may obtain.

5.0 CALCULATION OF NET ASSET VALUE

For reporting purposes other than financial statements, the Net Asset Value of the Company on a particular date will be equal to (i) the aggregate value of the assets of the Company, less (ii) the aggregate value of the liabilities of the Company (the Preferred Shares will not be treated as liabilities for these purposes), including any distributions declared and not paid that are payable to Shareholders on or before such date, less (iii) the stated capital of the Class J Shares ($200).

The NAV per Unit and the NAV per Class A Share are at a minimum calculated on Thursday of each week, or if any Thursday is not a business day, the immediately preceding business day, and on any redemption or retraction date for the Company's shares and includes any other date on which the Manager elects, in its discretion, to calculate the NAV per Unit and the NAV per Class A Share.

The NAV, NAV per Unit, NAV per Class A Share is available to the public at no cost by calling 1-866-642-6001 and the NAV per Unit and NAV per Class A Share are available on the Manager's website at www.bromptongroup.com. The Company also makes the NAV per Class A Share available to the financial press for publication on a weekly basis.

The NAV, NAV per Unit and NAV per Class A Share are calculated in Canadian dollars.

6.0 PURCHASES OF SHARES

The Class A Shares and Preferred Shares are listed for trading on the TSX under the symbols DGS and DGS.PR.A, respectively. Registration of interests in and transfers of the Shares are made only through the book-entry only system operated by CDS and the Shares must be purchased, transferred and surrendered

for retraction or redemption through a CDS Participant. All rights of Shareholders must be exercised through, and all payments or other property to which such Shareholders are entitled are made or delivered by, CDS or the CDS Participant through which the Shareholder holds such Shares. Upon purchase of any Shares, Shareholders receive only a customer confirmation from the registered dealer which is a CDS Participant and from or through which the Shares are purchased.

7.0 REDEMPTIONS AND RETRACTIONS

7.1 Redemptions

7.1.1 Preferred Shares

All Preferred Shares outstanding on the Maturity Date will be redeemed by the Company on such date. The redemption price payable by the Company for a Preferred Share on that date will be equal to the lesser of (i) $10.00 plus any accrued and unpaid distributions thereon and (ii) the NAV of the Company on that date divided by the total number of Preferred Shares (and any preferred shares of any other class so designated by the Company) then outstanding. Notice of redemption will be given to CDS Participants holding Preferred Shares on behalf of the beneficial owners thereof at least 30 days prior to the Maturity Date.

7.1.2 Class A Shares

All Class A Shares outstanding on the Maturity Date will be redeemed by the Company on such date. The redemption price payable by the Company for a Class A Share on that date will be equal to the greater of (i) the NAV per Unit on that date minus the sum of $10.00 plus any accrued and unpaid distributions on a Preferred Share, and (ii) nil. Notice of redemption will be given to CDS Participants holding Class A Shares on behalf of the beneficial owners thereof at least 30 days prior to the Maturity Date.

The Company may redeem the Class A Shares on a *pro rata* basis in the event that there is an unequal number of Class A Shares and Preferred Shares in order to reduce the number of Class A Shares issued and outstanding to equal the number of Preferred Shares issued and outstanding (a "Class A Special Redemption"). The redemption price payable by the Company for a Class A Share in respect of a Class A Special Redemption will be equal to the greater of (i) the NAV per Unit on such date minus the sum of $10.00 plus any accrued and unpaid distributions on a Preferred Share, and (ii) nil.

7.2 Retraction Privileges

7.2.1 Preferred Shares

Monthly

Preferred Shares may be surrendered at any time for retraction to TSX Trust Company, the Company's registrar and transfer agent, but will be retracted only on the Retraction Date. Preferred Shares surrendered for retraction by 5:00 p.m. (Toronto time) on the tenth business day prior to the Retraction Date will be retracted on such Retraction Date and the Shareholder will be paid on the Retraction Payment Date.

Except as noted below, holders of Preferred Shares whose Preferred Shares are surrendered for retraction will be entitled to receive a retraction price per Preferred Share equal to 96% of the lesser of (i) the NAV per Unit determined as of such Retraction Date, less the cost to the Company of the purchase of a Class A Share for cancellation; and (ii) $10.00. For this purpose, the cost of the purchase of a Class A Share will include the purchase price of the Class A Share, and commission and such other costs, if any, related to the liquidation of any portion of the Portfolio to fund the purchase of the Class A Share. Any declared and unpaid distributions payable on or before a Retraction Date in respect of Preferred Shares tendered for retraction on such Retraction Date will also be paid on the Retraction Payment Date.

Quarterly Concurrent

In addition to the above, a holder of Preferred Shares may concurrently retract an equal number of Class A Shares and Preferred Shares on a Quarterly Retraction Date at a retraction price per Unit equal to the NAV per Unit on that date, less any costs associated with the retraction, including commissions and other such costs if any, related to the liquidation of any portion of the Portfolio required to fund such retraction. The Class A Shares and Preferred Shares must both be surrendered for retraction on the tenth business day prior to a Quarterly Retraction Date. Payment of the proceeds of retraction will be made on or before the tenth business day of the following month, subject to the Manager's right to suspend redemptions in certain circumstances.

Non-Concurrent Retraction Right

On the Maturity Date and upon any subsequent maturity date as determined by the board of directors, holders of Preferred Shares will be entitled to retract their Preferred Shares pursuant to a non-concurrent retraction right. The Company will provide at least 60 days notice to Preferred Shareholders of such right. Preferred Shareholders will receive the same amount per Preferred Share that would have applied had the Company redeemed all of the Preferred Shares on the Maturity Date as scheduled prior to the extension. Preferred Shares must be surrendered for retraction by 5:00 p.m. (Toronto time) on the last business day of the month prior to the Maturity Date or subsequent maturity date, as applicable. Preferred Shareholders will receive payment for Preferred Shares so retracted no later than the tenth business day of the following month.

If more Class A Shares than Preferred Shares have been redeemed pursuant to the non-concurrent retraction right, the Company will be authorized to redeem Preferred Shares on a *pro rata* basis in a number to be determined by the Company reflecting the extent to which the number of Preferred Shares outstanding following the non-concurrent retraction exceeds the number of Class A Shares outstanding following the non-concurrent retraction. Conversely, if more Preferred Shares than Class A Shares have been redeemed pursuant to the non-concurrent retraction right, the Company may issue Preferred Shares to the extent that the number of Class A Shares outstanding following the non-concurrent retraction exceeds the number of Preferred Shares outstanding following the non-concurrent retraction.

Resale of Preferred Shares Tendered for Retraction

The Company may enter into a recirculation agreement (a "Recirculation Agreement") with a recirculation agent (a "Recirculation Agent") whereby the Recirculation Agent will use commercially reasonable efforts to find purchasers for any Preferred Shares tendered for retraction prior to the relevant NAV Valuation Date. The Company may, but is not obligated to, require the Recirculation Agent to seek such purchasers and, in such event, the amount to be paid to the holder of Preferred Shares on the applicable Retraction Payment Date will be an amount equal to the proceeds of the sale of the Preferred Shares less any applicable commission, provided that such amount will not be less than the retraction price that would otherwise be payable to the holder of such Preferred Shares.

General

Subject to the Company's right to require the Recirculation Agent to use commercially reasonable efforts to find purchasers for any Preferred Shares tendered for retraction prior to the relevant NAV Valuation Date, any and all Preferred Shares which have been surrendered to the Company for retraction are deemed to be outstanding until (but not after) the close of business on the relevant Retraction Date, unless the retraction price is not paid on the Retraction Payment Date, in which event such Preferred Shares will remain outstanding.

If any Preferred Shares are tendered for retraction and are not resold in the manner described above under "Resale of Preferred Shares Tendered for Retraction", the Company will direct the Recirculation Agent to purchase for cancellation on behalf of the Company that number of Class A Shares that equals the number of Preferred Shares so retracted. Any Class A Shares so purchased for cancellation will be purchased in the market.

The retraction right must be exercised by causing written notice to be given within the notice periods prescribed herein and in the manner described in section 7.3 of this Annual Information Form. Such surrender will be irrevocable upon the delivery of a notice to CDS through a CDS Participant, except with respect to those Preferred Shares which are not retracted by the Company on the relevant Retraction Payment Date. The Company may, in its discretion, permit the withdrawal of any Preferred Share retraction request at any time prior to the Retraction Payment Date.

Any Retraction Notice that CDS determines to be incomplete, not in proper form, not duly executed or not received by the appropriate deadline outlined above, shall, for all purposes, be void and of no effect and the retraction 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 retraction privileges or to give effect to the settlement thereof in accordance with a Shareholder's instructions will not give rise to any obligations or liability on the part of the Company or the Manager to the CDS Participant or the Shareholder. The Manager has the right to suspend retractions in certain circumstances.

7.2.2 Class A Shares

Monthly

Class A Shares may be surrendered at any time for retraction to TSX Trust Company, the Company's registrar and transfer agent, but will be retracted only on the Retraction Date. Class A Shares surrendered for retraction by 5:00 p.m. (Toronto time) on the tenth business day prior to the monthly Retraction Date will be retracted on such Retraction Date and the Shareholder will be paid on or before the Retraction Payment Date.

Except as noted below, holders of Class A Shares whose Class A Shares are surrendered for retraction will be entitled to receive a retraction price per Class A Share equal to 96% of the difference between (i) the NAV per Unit determined as of such Retraction Date, and (ii) the cost to the Company of the purchase of a Preferred Share for cancellation. For this purpose, the cost of the purchase of a Preferred Share will include the purchase price of the Preferred Share, commission and such other costs, if any, related to the liquidation of any portion of the Portfolio to fund the purchase of the Preferred Share. Any declared and unpaid distributions payable on or before a Retraction Date in respect of Class A Shares tendered for retraction on such Retraction Date will also be paid on the Retraction Payment Date.

Quarterly Concurrent

In addition to the above, a holder of Class A Shares may concurrently retract an equal number of Class A Shares and Preferred Shares on a Quarterly Retraction Date, at a retraction price per Unit equal to the NAV per Unit on that date, less any costs associated with the retraction, including commissions and other such costs, if any, related to the liquidation of any portion of the Portfolio required to fund such retraction. The Class A Shares and the Preferred Shares must both be surrendered on the tenth business day prior to a Quarterly Retraction Date. Payment of the proceeds will be made on or before the tenth business day of the following month, subject to the Manager's right to suspend retractions in certain circumstances.

Non-Concurrent Retraction Right

On the Maturity Date and upon any subsequent maturity date as determined by the board of directors, holders of Class A Shares will be entitled to retract their Class A Shares pursuant to a non-concurrent retraction right and the Company will provide at least 60 days notice to Class A Shareholders of such right. Class A Shareholders will receive the same amount per Class A Share that would have applied had the Company redeemed all of the Class A Shares on the Maturity Date as scheduled prior to the extension. Class A Shares must be surrendered for retraction by 5:00 p.m. (Toronto time) on the last business day of the month prior to the Maturity Date or subsequent maturity date, as applicable. Class A Shareholders will receive payment for Class A Shares so retracted no later than the tenth business day of the following month.

If more Preferred Shares than Class A Shares have been redeemed pursuant to the non-concurrent retraction right, the Company will be authorized to redeem Class A Shares on a *pro rata* basis in a number to be determined by the Company reflecting the extent to which the number of Class A Shares outstanding following the non-concurrent retraction exceeds the number of Preferred Shares outstanding following the non-concurrent retraction. Conversely, if more Class A Shares than Preferred Shares have been redeemed pursuant to the non-concurrent retraction right, the Company may issue Class A Shares to the extent the number of Preferred Shares outstanding following the non-concurrent retraction exceeds the number of Class A Shares outstanding following the non-concurrent retraction.

Resale of Class A Shares Tendered for Retraction

The Company may enter into a Recirculation Agreement with a Recirculation Agent whereby the Recirculation Agent will use commercially reasonable efforts to find purchasers for any Class A Shares tendered for retraction prior to the relevant Valuation Date. The Company may, but is not obligated to, require the Recirculation Agent to seek such purchasers and, in such event, the amount to be paid to the holder of Class A Shares on the applicable Retraction Payment Date will be an amount equal to the proceeds of the sale of the Class A Shares less any applicable commission, provided that such amount will not be less than the retraction price that would otherwise be payable to the holder of such Class A Shares.

General

Subject to the Company's right to require the Recirculation Agent to use commercially reasonable efforts to find purchasers for any Class A Shares tendered for retraction prior to the relevant Valuation Date, any and all Class A Shares that have been surrendered to the Company for retraction are deemed to be outstanding until (but not after) the close of business on the relevant Retraction Date, unless the retraction price is not paid on the Retraction Payment Date, in which event such Class A Shares will remain outstanding.

If any Class A Shares are tendered for retraction and are not resold in the manner described above under "Resale of Class A Shares Tendered for Retraction", the Company will direct the Recirculation Agent to purchase for cancellation on behalf of the Company that number of Preferred Shares that equals the number of Class A Shares so retracted. Any Preferred Shares so purchased for cancellation will be purchased in the market.

The retraction right must be exercised by causing written notice to be given within the notice periods prescribed herein and in the manner prescribed in section 7.3 of this Annual Information Form. Such surrender will be irrevocable upon the delivery of notice to CDS through a CDS Participant, except with respect to those Class A Shares which are not retracted by the Company on the relevant Retraction Payment Date. The Company may, in its discretion, permit the withdrawal of any Class A Share retraction request at any time prior to the Retraction Payment Date.

Any Retraction Notice that CDS determines to be incomplete, not in proper form, not duly executed or not received by the appropriate deadline outlined above, shall, for all purposes, be void and of no effect and the retraction 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 retraction privileges or to give effect to the settlement thereof in accordance with a Shareholder's instructions will not give rise to any obligations or liability on the part of the Company or the Manager to the CDS Participant or the Shareholder. The Manager has the right to suspend retractions in certain circumstances.

7.3 Book-Entry Only System

An owner of such Class A Shares or Preferred Shares who desires to exercise retraction privileges thereunder must do so by causing a CDS Participant to deliver to CDS (at its office in the City of Toronto) on behalf of the owner, a written notice of the owner's intention to retract such shares. An owner who desires to retract Class A Shares or Preferred Shares should ensure that the CDS Participant is provided with a Retraction Notice sufficiently in advance of the relevant notice date so as to permit the CDS Participant to deliver notice to CDS by the required time. Any expense associated with the preparation and delivery of Retraction Notices will be for the account of the owner exercising the retraction privilege.

By causing a CDS Participant to deliver to CDS a notice of the owner's intention to retract Class A Shares or Preferred Shares, an owner shall be deemed to have irrevocably surrendered such shares for retraction and appointed such CDS Participant to act as his exclusive settlement agent with respect to the exercise of the retraction privilege and the receipt of payment in connection with the settlement of obligations arising from such exercise.

7.4 Suspension of Redemptions and Retractions

The Company or the Manager may suspend the redemption and/or retraction of Class A Shares or Preferred Shares or payment of redemption or retraction proceeds (i) during any period when normal trading in securities owned by the Company is suspended on the TSX and if those securities are not traded on any other exchange that represents a reasonably practical alternative for the Company to execute trades in such securities, or (ii) subject to securities regulatory approval, for any period not exceeding 120 days during which the Company or the Manager determines that conditions exist which render impractical the sale of assets of the Company or which impair the ability of the Company to determine the value of its assets. The suspension may apply to all requests for retraction 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 holders of Class A Shares and Preferred Shares making such requests shall be advised by the Manager of the suspension and that the retraction will be effected at a price determined on the first Retraction Date following the termination of the suspension. All such Shareholders shall have and shall be advised that they have the right to withdraw their requests for retraction. 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 Company, any declaration of suspension made by the Company or the Manager shall be conclusive.

8.0 RESPONSIBILITY FOR OPERATIONS

8.1 Management of the Company and the Manager

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

Name and Municipality of Residence and Position with the Company and the Manager	Principal Occupation and Positions Held During the Last 5 Years
MARK A. CARANCI[1] [2] Toronto, Ontario President, Chief Executive Officer and Director	President, Chief Executive Officer and Director, Brompton Funds.
RAYMOND R. PETHER[1] Toronto, Ontario Director	Chairman, Brompton Corp. since March 2021; Director, Brompton Funds.
CHRISTOPHER S.L. HOFFMANN[1] Toronto, Ontario Director	Director, Brompton Funds; Vice President, Nutowima Ltd. and private investor.
ANN WONG[2] Toronto, Ontario Chief Financial Officer and Director	Director, Brompton Funds Limited, since February 2022; Chief Financial Officer and Chief Compliance Officer, Brompton Funds since October 2020; Vice President and Controller, Brompton Funds from April 2008 to October 2020.
CHRISTOPHER CULLEN Toronto, Ontario Senior Vice President	Senior Vice President, Brompton Funds.
LAURA LAU Toronto, Ontario Chief Investment Officer	Chief Investment Officer, Brompton Funds since February 2022; Senior Vice President and Chief Investment Officer, Brompton Funds from February 2020 to February 2022; Senior Vice President & Senior Portfolio Manager, Brompton Funds from February 2012 to February 2020.
MICHAEL CLARE Toronto, Ontario Senior Vice President and Senior Portfolio Manager	Senior Vice President and Senior Portfolio Manager, Brompton Funds since February 2022; Vice President & Portfolio Manager, Brompton Funds from December 2012 to February 2022.
MICHELLE TIRABORELLI Toronto, Ontario Senior Vice President	Senior Vice President, Brompton Funds since February 2020; Vice President, Brompton Funds from February 2011 to February 2020.
KATHRYN BANNER Toronto, Ontario Senior Vice President and Corporate Secretary	Senior Vice President & Corporate Secretary, Brompton Funds since February 2022; Vice President and Corporate Secretary, Brompton Funds from March 2015 to February 2022.
MANITH PHANVONGSA Toronto, Ontario Senior Vice President	Senior Vice President, Brompton Funds since July 2022; Vice President, Sales at iA Clarington Investments from March 2018 to July 2022.

Notes:
[1] Member of the audit committee.
[2] Executive Officer.

8.2 Manager

Brompton Funds Limited was formed pursuant to the *Business Corporations Act* (Ontario) by articles of incorporation dated May 17, 2011. Brompton Funds Limited performs management and administrative services for the Company pursuant to the Management Agreement. Its head office is at Suite 2930, Bay Wellington Tower, Brookfield Place, 181 Bay Street, Toronto, Ontario M5J 2T3. Its telephone number is

(416) 642-6000, its e-mail address is info@bromptongroup.com and its website is www.bromptongroup.com. The Manager was organized for the purpose of managing and administering investment funds including the Company and is a member of the Brompton group of companies. The Manager is registered with the Ontario Securities Commission as a portfolio manager, investment fund manager, commodity trading manager and exempt market dealer and is also registered as an investment fund manager in Quebec and Newfoundland and Labrador.

Pursuant to the Management Agreement, the Manager is responsible for providing, or causing to be provided, management and administrative services and facilities to the Company, and may delegate certain of its powers to third parties at no additional cost to the Company where, in the discretion of the Manager, it would be in the best interests of the Company and the Shareholders to do so.

8.2.1 Directors and Officers of the Manager

The name, municipality of residence, position with the Manager and principal occupation of the directors and officers are set out in section 8.1 of this Annual Information Form.

8.2.2 Independent Review Committee

The members of the Company's IRC are Raj Kothari, Patricia Meredith and Ken S. Woolner. Mr. Woolner is the Chair of the IRC and is the primary IRC member who interacts with the Manager.

The mandate and responsibilities of the IRC are set out in its charter. The IRC is responsible for carrying out those responsibilities required to be undertaken by an IRC under NI 81-107, in particular:

a) reviewing and providing input into the Manager's policies and procedures regarding conflict of interest matters, including any amendments to such policies and procedures referred to the IRC by the Manager;

b) approving or disapproving each conflict of interest matter referred by the Manager to the IRC for its approval;

c) providing its recommendation as to whether the Manager's proposed action on a conflict of interest matter referred by the Manager to the IRC for its recommendation achieves a fair and reasonable result for the Company;

d) together with the Manager, providing orientation to new members of the IRC as required by NI 81-107;

e) conducting regular assessments as required by NI 81-107; and

f) reporting to the securityholders of the Company, to the Manager and to regulators as required by NI 81-107.

In addition to its responsibilities and functions under NI 81-107, the IRC:

a) handles complaints and implements corrective action regarding accounting, internal accounting controls, auditing matters for the Company and the Manager, as more specifically set out in the whistleblower policy of the Company and the Manager, respectively; and

b) may, as more specifically set out in its charter, identify conflict of interest matters.

Note:
The members of the IRC also act as the members of the independent review committee for other investment funds managed by the Manager.

8.2.3 Management Fee

In consideration for its services, the Company pays to the Manager a fee equal to 0.60% per annum of the Net Asset Value calculated and payable monthly in arrears plus applicable taxes. The Company reimburses the Manager for all reasonable costs and expenses incurred by the Manager on behalf of the Company.

8.2.4 Termination of the Management Agreement

The Management Agreement may be terminated at any time by the Company on 90 days written notice with the approval of holders of the Class A Shares and Preferred Shares, each voting separately as a class, by an Ordinary Resolution passed at a duly convened meeting of Shareholders called for the purpose of considering such Ordinary Resolution, provided that Shareholders holding at least 10% of the Class A Shares and Preferred Shares outstanding on the record date of the meeting vote in favour of such Ordinary Resolution.

The Management Agreement may also be terminated:

a) by the Company at any time on 30 days written notice to the Manager in the event of the persistent failure of the Manager to perform its duties and discharge its obligations under the Management Agreement, or the continuing malfeasance or misfeasance of the Manager in the performance of its duties under the Management Agreement;

b) immediately by the Company in the event of the commission by the Manager of any fraudulent act; and

c) automatically if the Manager becomes bankrupt, insolvent or makes a general assignment for the benefit of its creditors.

In addition, the Manager may resign upon 120 days notice by the Manager to the Company. The Manager may, upon notice to the Company, delegate certain of its powers to third parties at no additional cost to the Company where, in the discretion of the Manager, it would be in the best interests of the Company and the Shareholders to do so, provided that such delegation shall not relieve the Manager of any of its obligations under the Management Agreement. The Manager may assign the Management Agreement to an affiliate of the Manager at any time.

8.3 Portfolio Management

The Manager is responsible for the portfolio management of the Company including writing call options and put options in accordance with the Investment Objectives, Investment Guidelines and subject to the Investment Restrictions of the Company. The principal portfolio managers who are responsible for the investment management of the Company are as follows:

Name	Length of Service and Experience in the Past 5 Years
LAURA LAU Toronto, Ontario Chief Investment Officer	Ms. Lau joined Brompton in February 2012 and has over 25 years experience in the financial industry. She has had over 16 years experience as a portfolio manager and in the trading and management of derivatives.
MICHAEL CLARE Toronto, Ontario Senior Vice President & Senior Portfolio Manager	Mr. Clare joined Brompton in December 2012 and has over 18 years experience as a portfolio manager and assists Ms. Lau with research including with respect to the option writing strategy of the Company.

Ms. Lau oversees the Portfolio and option overlay strategies. Investment decisions are not subject to the oversight, approval or ratification of a committee.

8.4 Custodian

Pursuant to the Custodial Services Agreement, the Custodian, located in Toronto, Ontario, is responsible for certain aspects of the day-to-day administration of the Company and provides safekeeping and custodial services in respect of the Company's assets.

The Custodian may, in accordance with the terms of the Custodial Services Agreement, appoint sub-custodians and enter into sub-custodian agreements.

8.4.1 Custodian Fees

In consideration for its services, the Company pays to the Custodian such compensation as agreed upon in writing between the Company and the Custodian from time to time and reimburses the Custodian for all expenses and liabilities incurred by the Custodian on behalf of the Company.

8.4.2 Termination of the Custodial Services Agreement

The Company or the Custodian may terminate the Custodial Services Agreement: (a) upon at least 90 days' written notice to the other party, or (b) immediately, if the other party becomes insolvent, or makes an assignment for the benefit of creditors, or a petition in bankruptcy is filed by or against that party and is not discharged within 30 days, or proceedings for the appointment of a receiver for that party are commenced and not discontinued within 30 days.

8.5 Valuation Services

The Manager, on behalf of the Company, has appointed CIBC Mellon Global Securities Company, located in Toronto, Ontario, to provide the Company with valuation services. Such services include the calculation of the Company's Net Asset Value per Unit, calculated in accordance with the Company's valuation parameters described in section 4.0 of this Annual Information Form.

8.6 Auditors, Registrar and Transfer Agent

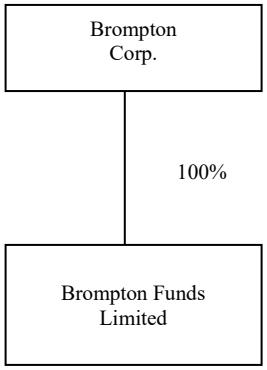
The auditors of the Company are PricewaterhouseCoopers LLP, Chartered Professional Accountants, Licenced Public Accountants ("PWC") located in Toronto, Ontario. TSX Trust Company at its principal offices in Toronto is the registrar and transfer agent for the Class A Shares and Preferred Shares. The Company at its head office in Toronto acts as the registrar and transfer agent for the Class J Shares.

8.7 Securities Lending Agents

The Company has appointed Canadian Imperial Bank of Commerce ("CIBC") located in Toronto, Ontario and The Bank of New York Mellon ("BNY") as securities lending agents (the "Agents"), pursuant to a securities lending authorization (the "Securities Lending Agreement") dated as of September 15, 2016, among the Company, CIBC Mellon Global Securities Company ("GSS"), CIBC Mellon Trust Company ("CMT") and the Agents to provide securities lending services relating to the Portfolio.

9.0 CONFLICTS OF INTEREST

9.1 Principal Holders of Securities



Notes:

(1) 150 or 100% of the issued and outstanding Class J Shares of the Company are owned by DGS Trust as described in section 3.1 of this Annual Information Form.

(2) Brompton Corp. owns of record and beneficially 100% of the shares of the Manager.

The Manager and its directors and officers engage in the promotion, management or investment management of other funds or trusts with similar investment objectives to those of the Company. The Manager acts as the investment advisor or administrator for other entities and may in the future act as the investment advisor to other entities which are considered competitors of the Company. The services of the Manager are not exclusive to the Company.

In addition, the directors and officers of the Manager may be directors, officers, shareholders or unitholders of one or more issuers in which the Company may acquire securities. The Manager or its affiliates may be a manager of one or more issuers in which the Company may acquire securities and may be managers or administrators of entities that have investment objectives similar to the Company. Although none of the directors or officers of the Manager will devote his or her full time to the business and affairs of the Company, each director and officer of the Manager will devote as much time as is necessary to supervise the management of (in the case of the directors) or to manage the business and affairs of (in the case of officers) the Company or the Manager, as applicable.

No person or entity that provides services to the Company or the Manager in relation to the Company is an affiliated entity of the Manager other than Brompton Corp., which provides premises and staff to the Manager. Brompton Corp. does not receive any fees from the Company. Each of the directors and officers of the Manager and the Company are also directors and officers of Brompton Corp., see section 8.1 of this Annual Information Form.

As at March 1, 2025, to the knowledge of the Company, no person owned of record more than 10% of the outstanding Class A Shares or Preferred Shares other than TriCert Investment Counsel Inc., which has reported that it exercises control or direction over 5,551,625 Preferred Shares representing approximately 12.1% of the issued and outstanding Preferred Shares and Brompton Split Corp. Preferred Share ETF, which held 6,554,220 Preferred Shares of the Company representing approximately 14.2% of the issued and outstanding Preferred Shares.

9.2 Securities Held by Members of the Independent Review Committee

As at March 1, 2025, the members of the IRC did not own, directly or indirectly, any securities in the Manager. As at March 1, 2025, the members of the IRC, in aggregate, owned beneficially, directly or indirectly, not more than 0.01% of the outstanding Shares of the Company. Further, as at March 1, 2025,

the percentage of securities of each class or series of voting or equity securities beneficially owned, directly or indirectly, in aggregate, by all members of the IRC in any person or company that provides material services to the Company or Manager or in any one or more Canadian chartered bank which provides a loan facility or other credit to the Company or Manager is less than 0.01%.

10.0 CORPORATE GOVERNANCE

Brompton supports good governance practices for its funds. The Company has its own board of directors and audit committee (the "Audit Committee") which are responsible for the overall stewardship of the business and affairs of the Company. The board of directors consists of 4 directors, 2 of whom are independent of management. Details regarding the names, principal occupations and committee memberships of the board of directors are set out in section 8.1 of this Annual Information Form. The board of directors believes that the number of directors is appropriate.

Certain board of directors' members are also members of the Audit Committee. The Audit Committee consists of 3 members, 2 of whom are independent of management. The responsibilities of the Audit Committee include, but are not limited to, review of the Company's financial statements and the annual audit performed PWC, the auditor of the Company; oversight of internal controls and of the Company's compliance with tax laws and regulations. PWC reports to the Audit Committee and the Audit Committee and PWC have direct communication channels to discuss and review specific issues as appropriate.

The board of directors is responsible for developing the Company's approach to governance issues. To ensure the proper management of the Company and compliance with regulatory requirements, the board of directors has adopted policies, procedures and guidelines relating to business practices, risk management control, and internal conflicts of interest. As part of managing its business practices, the board of directors has adopted a whistleblower policy, a privacy policy and a proxy voting policy. The whistleblower policy establishes a procedure for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls and auditing matters pertaining to the Company. The privacy policy dictates the manner in which the Company and the Manager may collect, use and disclose personal information regarding the Shareholders. The proxy voting policy is described in section 10.2 of this Annual Information Form. As part of its risk management, the board of directors has adopted a disclosure policy. The disclosure policy sets out guidelines that aim to ensure that complete, accurate and balanced information is disclosed to the public in a timely, orderly and broad-based manner in accordance with securities laws and regulations. As part of managing potential internal conflicts of interest, the board of directors has adopted a code of business ethics and an insider trading policy. The code of business ethics and insider trading policy address, among other things, ethical business practices and handling of material information and purchasing or selling of securities by insiders.

NI 81-107 requires the Manager to have policies and procedures relating to conflicts of interest and the Manager has such policies and procedures in place.

In accordance with NI 81-107, the Manager has appointed the IRC to deal with potential conflict of interest matters between the Manager and the Company as described in section 8.2.2 of this Annual Information Form.

The Company is required to post certain regulatory disclosure documents on a designated website which can be found at www.bromptongroup.com. The Manager has an investor relations line to respond to inquiries from Shareholders which is 1-866-642-6001.

10.1 Composition of the Independent Review Committee

As indicated in section 8.2.2 of this Annual Information Form, the IRC is comprised of three members, the initial members of which were appointed by the Manager in accordance with NI 81-107. Subsequent to this

initial appointment by the Manager, the IRC shall, taking into consideration any recommendation of the Manager, fill vacancies on the IRC, provided that if for any reason the IRC has no members, the Manager shall fill the vacancies.

10.2 Proxy Voting Policy

The Manager has the responsibility to exercise the voting rights attached to the securities held by the Company. It is the Manager's policy to seek to ensure that proxies for securities held by the Company are voted consistently and in the best interests of the Company.

The Company, through the Manager, has engaged the services of Institutional Shareholder Services ("ISS") to vote the proxies related to the securities held by the Company in accordance with ISS' 2025 Canadian Proxy Voting Guidelines for TSX-listed Companies (the "Policy").

In the case of routine matters, which include ratification of auditors, the Policy generally allows for voting in favour of management's recommendation unless non-audit related fees paid to the auditor exceed audit-related fees. The Policy outlines the fundamental principles applied when determining votes on director nominees and generally withholds votes from all directors nominated by slate ballot.

In respect of non-routine matters including confidential voting, shareholder rights plans, mergers and corporate restructurings, capital restructuring, increases in authorized capital, executive compensation and equity compensation plans, matters are dealt with on a case-by-case basis with the best interests of the Shareholders in mind at all times.

Where proxy voting could give rise to a conflict of interest or perceived conflict of interest, in order to balance the interest of the Company in voting proxies with the desire to avoid the perception of a conflict of interest, the Manager has instituted procedures to help ensure that the Company's proxy is voted in accordance with the business judgment of the person exercising the voting rights on behalf of the Company, uninfluenced by considerations other than the best interests of the Company.

The procedures for voting proxies where there may be a conflict of interest include escalation of the issue to members of the IRC for their consideration and advice, although the responsibility for deciding how to vote the Company's proxies and for exercising the vote remains with the Manager. The primary responsibility of the IRC is to represent the interests of the investors in the funds managed by the Manager, including the Company, and for this purpose to act in an advisory capacity to the Manager.

The Policy that the Company follows when voting proxies relating to Portfolio securities is available on request, at no cost, by calling 1-866-642-6001 or by writing to the Manager at Suite 2930, Box 793, Bay Wellington Tower, Brookfield Place, 181 Bay Street, Toronto, ON M5J 2T3.

The Company's voting record for the most recent period ended June 30 of each year is available free of charge to any Shareholder of the Company upon request at any time after August 31 of that year. The Company has made its proxy voting record available on its website at www.bromptongroup.com.

10.3 Covered Call Option Writing

The Company intends to sell call options from time to time in respect of some or all of the common shares held in the Portfolio. Such call options may be either exchange-traded options or over-the-counter options. Since call options will be written only in respect of common shares that are in the Portfolio and the Investment Restrictions of the Company prohibit the sale of securities subject to an outstanding option, the call options will be covered call options at all times.

The holder of a call option purchased from the Company will have the option, exercisable during a specific time period or at expiry, to purchase the securities underlying the option from the Company at the strike price per security. By selling call options, the Company will receive option premiums, which are generally paid within one business day of the writing of the option. If at any time during the term of a call option or at expiry the market price of the underlying securities is above the strike price, the holder of the option may exercise the option and the Company will be obligated to sell the securities to the holder at the strike price per security. Alternatively, the Company may repurchase a call option it has written that is in-the-money by paying the market value of the call option. If, however, the option is out-of-the-money at expiration of the call option, the holder of the option will likely not exercise the option, the option will expire and the Company will retain the underlying security. In each case, the Company will retain the option premium.

The amount of option premium depends upon, among other factors, the volatility of the price of the underlying security: generally, the higher the volatility, the higher the option premium. In addition, the amount of the option premium will depend upon the difference between the strike price of the option and the market price of the underlying security at the time the option is written. The smaller the positive difference (or the larger the negative difference), the more likely it is that the option will become in-the-money during the term and, accordingly, the greater the option premium.

When a call option is written on a security in the Portfolio, the amounts that the Company will be able to realize on the security during the term of the call option will be limited to the dividends received prior to the exercise of the call option during such period plus an amount equal to the sum of the strike price and the premium received from writing the option. In essence, the Company will forego potential returns resulting from any price appreciation of the security underlying the option above the strike price in favour of the certainty of receiving the option premium.

10.4 Call Option Pricing

Many investors and financial market professionals price call options based on the Black-Scholes Model. In practice, however, actual option premiums are determined in the marketplace and there can be no assurance that the values generated by the Black-Scholes Model can be attained in the market.

Under the Black-Scholes Model (modified to include distributions), the primary factors that affect the option premium received by the seller of a call option are the following:

Factor	Description
Price volatility of the underlying security	The volatility of the price of a security measures the tendency of the price of the security to vary during a specified period. The higher the price volatility, the more likely that the price of that security will fluctuate (either positively or negatively) and the greater the option premium. Price volatility is generally measured in percentage terms on an annualized basis, based on price changes during a period of time immediately prior to or trailing the date of calculation.
The difference between the strike price and the market price of the underlying security at the time the option is written	The smaller the positive difference (or the larger the negative difference), the greater the option premium.
The term of the option	The longer the term, the greater the call option premium.
The "risk-free" or benchmark interest rate in the market in which the option is issued	The higher the risk-free interest rate, the greater the call option premium.
The distributions expected to be paid on the underlying security during the relevant term	The greater the distributions, the lower the call option premium.

10.5 Utilization of Cash Equivalents

The Company may, from time to time, hold a portion of its assets in cash equivalents. The Company may also, from time to time, utilize such cash equivalents to provide cover in respect of the writing of cash covered put options, which is intended to generate additional returns and to reduce the net cost of acquiring the securities subject to the put options and for working capital purposes. Such cash covered put options will only be written in respect of securities in which the Company is permitted to invest.

The holder of a put option purchased from the Company will have the option, exercisable during a specific time period or at expiry, to sell the securities underlying the option to the Company at the strike price per security. By selling put options, the Company will receive option premiums, which are generally paid within one business day of the writing of the option. The Company, however, must maintain cash equivalents in an amount at least equal to the aggregate strike price of all securities underlying the outstanding put options that it has written. If at any time during the term of a put option or at expiry the market price of the underlying securities is below the strike price, the holder of the option may exercise the option and the Company will be obligated to buy the securities from the holder at the strike price per security. In such case, the Company will be obligated to acquire a security at a strike price, which may exceed the then current market value of such security. If, however, the option is out-of-the-money at the expiration of the put option, the holder of the option will likely not exercise the option and the option will expire. In each case, the Company will retain the option premium.

10.6 Use of Other Derivative Instruments

In addition to writing covered call options and cash covered put options on the securities Portfolio, to the extent permitted by Canadian securities regulators from time to time, the Company may also purchase call options and put options with the effect of closing out existing call options and put options written by the Company. The Company may write call options on broad market indices which are covered by the Portfolio. The Company may also purchase put options in order to protect the Company from declines in the market prices of the individual securities in the Portfolio or in the value of the Portfolio as a whole. The Company may enter into trades to close out positions in such permitted derivatives.

10.7 Use of Derivative Instruments – General

The objectives and goals for derivatives are governed by the prospectus of the Company. In addition, the Manager has written policies and procedures which have been approved by the board of directors that outline risk management for derivatives which are reviewed annually. The Manager monitors the use of derivatives on a regular basis**.** Covered call overlay strategies have a maximum allowable option exposure of 100% of the notional value of the underlying Portfolio. The Manager has procedures in place to ensure that this limit is not breached. Considering the parameters set out in NI 81-102, along with the Manager's policies and procedures relating to derivatives risk management, no stress testing is conducted specifically with respect to positions maintained by the Company.

10.8 Securities Lending

In order to generate additional returns, the Company has entered into the Securities Lending Agreement with the Agents to administer any securities lending transaction for the Company.

The Manager manages the risks associated with securities lending by requiring the Agents, pursuant to the Securities Lending Agreement, to:

a) Enter into securities lending, repurchase or reverse purchase transactions with reputable and well-established Canadian and foreign brokers, dealers and institutions ("counterparties");

b) Maintain internal controls, procedures and records including a list of approved counterparties based on generally accepted creditworthiness standards, transaction and credit limits for each counterparty and collateral diversification standards;

c) Establish daily the market value of both the securities loaned by the Company under a securities lending transaction or sold by the Company under a repurchase transaction and the cash or collateral held by the Company. If on any day the market value of the cash or collateral is less than 102% of the market value of the borrowed or sold securities, the Agents will request that the counterparty provide additional cash or collateral to the Company to make up the shortfall;

d) Ensure that no more than 50% of the Net Asset Value of the Company are out on loan at one time;

e) Ensure that the collateral to be delivered to the Company is one or more of cash, qualified securities or securities immediately convertible into, or exchangeable for, securities of the same issuer, class or type, and same term, if applicable, as the securities being loaned by the Company; and

f) Obtain mutual indemnification from GSS, CMT and the Agents in respect of all losses, damages, liabilities, costs or expenses (including reasonable counsel fees and expenses but excluding consequential damages) arising from:

    i. The failure to perform any obligations under the Securities Lending Agreement;
    ii. Any inaccuracy of any representation or warranty made in the Securities Lending Agreement; or
    iii. Fraud, bad faith, willful misconduct or reckless disregard of duties.

Each lending transaction may be terminated by the Company at any time and the loaned securities recalled within the normal and customary settlement period for such transactions and the Securities Lending Agreement may be terminated at any time at the option of either the Company or the Agents (i) upon 30 days prior notice to the other parties or (ii) immediately upon notice to all other parties in the event of a material breach by any party.

The Manager has written procedures that set out the objectives, goals and risk management practices with respect to securities lending arrangements which are reviewed annually by the board. The Securities Lending Agreement was approved by the board and securities lending arrangements and risks are monitored by the Manager. Considering the parameters set out in NI 81-102, along with the Manager's policies and procedures relating to securities lending, no stress testing is conducted specifically with respect to positions maintained by the Company.

With respect to collateral, by the close of the business day on which loaned securities are delivered to a borrower, the Agents shall obtain from such borrower one or more types of collateral as outlined below in an amount equal, as of such day, to 105% or such other percentage as reflects the best market practices in the market in which the securities are being lent but shall never be less than 102% of the market value of the loans, including any accrued interest.

The indemnification provisions in the Securities Lending Agreement survive its termination.

10.9 Short-Term Trading

The Company's Shares are traded on the TSX. The Company does not have policies and procedures in place to monitor and deter short-term trading given that:

a) Shareholders are only permitted to redeem Shares on a monthly or quarterly basis;

b) monthly retractions are at a discount to NAV. Class A Shares retracted on a monthly Retraction Date receive a retraction price per Class A Share equal to 96% of the difference between the NAV per Unit and the cost to the Company of the purchase of a Preferred Share for cancellation. Preferred Shares retracted on a monthly Retraction Date receive a retraction price per Preferred Share equal to the lesser of 96% of the NAV per Unit less the cost to the Company of the purchase of a Class A Share for cancellation and $10.00;

c) the concurrent quarterly retraction is at 100% of NAV per Unit less any costs associated with the retraction;

d) the NAV per Unit for the purpose of a monthly or quarterly retraction is based on the value of the securities included in the Portfolio being equal to the weighted average trading price of such shares over the last three business days of the relevant month; and

e) retractions require more than 4 weeks to process from the date a holder notifies CDS of their retraction request to the date the retraction proceeds are paid out.

11.0 INCOME TAX CONSIDERATIONS

The following is a summary of the principal Canadian federal income tax considerations generally relevant to investors who, for purposes of the Income Tax Act and at all relevant times, are resident or are deemed to be resident in Canada, hold their Class A Shares and Preferred Shares as capital property, and deal at arm's length with and are not affiliated with the Company. This summary is based upon the current provisions of the Income Tax Act and the Company's understanding of the current published administrative policies and assessing practices of the CRA. This summary is based on the assumption that the Class A Shares and Preferred Shares will at all times be listed on the TSX. This summary is based on the assumption that the Company was not established and will not be maintained primarily for the benefit of non-residents of Canada and at no time will the total fair market value of the shares of the Company held by persons who are non-residents of Canada and/or partnerships (other than Canadian partnerships within the meaning of the Income Tax Act) exceed 50% of the fair market value of all of the outstanding shares of the Company.

This summary is based upon the assumption that the Company will at all times comply with its Investment Guidelines and Investment Restrictions.

This summary is based on the assumption that the issuers of securities held by the Company will not be foreign affiliates of the Company or a shareholder of the Company. This summary also takes into account all specific proposals to amend the Income Tax Act announced prior to the date hereof by the Minister of Finance (Canada) (the "Proposed Amendments") and assumes that all Proposed Amendments will be enacted in the form proposed. No assurances can be given that the Proposed Amendments will become law as proposed or at all.

This summary is not exhaustive of all possible Canadian federal income tax considerations and, in particular, does not describe income tax considerations relating to the deductibility of interest on money borrowed to acquire Class A Shares and Preferred Shares. This summary does not take into account or anticipate any changes in law, whether by legislative, governmental or judicial action, other than the Proposed Amendments. This summary does not deal with foreign, provincial or territorial income tax considerations, which might differ from the federal considerations. This summary does not apply (i) to a Shareholder that is a "financial institution" as defined in section 142.2 of the Income Tax Act, (ii) to a Shareholder that is a "specified financial institution" as defined in subsection 248(1) of the Income Tax Act, (iii) to a Shareholder an interest in which is a "tax shelter investment" as defined in subsection 143.2(1) of the Income Tax Act, (iv) to a Shareholder that is subject to the "functional currency" reporting rules in section 261 of the Income Tax Act, or (v) to a Shareholder who has entered into a "derivative forward agreement" as defined in subsection 248(1) of the Income Tax Act with respect to Class A Shares or Preferred Shares.

This summary is of a general nature only and does not constitute legal or tax advice to any particular investor. Accordingly, investors are advised to consult their own tax advisors with respect to their individual circumstances.

11.1 Proposed Amendments to the Capital Gains Inclusion Rate and the Capital Losses Deduction Rate

Proposed Amendments released on September 23, 2024 (as modified by a January 31, 2025 announcement of the Minister of Finance, the "Proposed Capital Gains Amendments") propose to generally increase the proportion of a capital gain that would be included in income as a taxable capital gain, or the proportion of a capital loss that would constitute an allowable capital loss, from one-half to two-thirds. The Proposed Capital Gains Amendments would apply to any capital gains or losses realized on or after January 1, 2026. The one-half inclusion of capital gains will continue to apply to individuals (other than most types of trusts) up to a maximum of $250,000 of net capital gains per year.

If the Proposed Capital Gains Amendments are enacted as proposed, the tax consequences described herein will, in some respects, be different. The tax considerations herein only generally describe, and are not exhaustive of all possible, Canadian federal income tax considerations arising from the Proposed Capital Gains Amendments as they relate to capital gains (or losses) of corporations and their shareholders. Accordingly, investors are advised to consult their own tax advisors regarding the implications of the Proposed Capital Gains Amendments with respect to their particular circumstances.

11.2 Tax Treatment of the Company

The Company currently qualifies and intends at all relevant times to qualify as a "mutual fund corporation" as defined in the Income Tax Act. The Company has filed the necessary election under the Income Tax Act so that it was deemed to be a "public corporation" and therefore qualified as a mutual fund corporation throughout its first taxation year. As a mutual fund corporation, the Company is entitled in certain circumstances to a refund of tax paid or payable by it in respect of its net realized capital gains. Also, as a

mutual fund corporation, the Company is entitled to maintain a capital gains dividend account in respect of its realized net capital gains and from which it may elect to pay dividends ("Capital Gains Dividends") which are treated as capital gains in the hands of the Shareholders of the Company (see "Tax Treatment of Shareholders" below). In certain circumstances where the Company has recognized a capital gain in a taxation year, it may elect not to pay Capital Gains Dividends in that taxation year in respect thereof and instead pay refundable capital gains tax, which may in the future be fully or partially refundable upon the payment of sufficient Capital Gains Dividends and/or qualifying redemptions.

Proposed Amendments released on August 12, 2024 as part of the Federal Budget (the "Proposed MFC Amendments") would, for taxation years beginning after 2024, deem certain corporations not to be "mutual fund corporations" after a time at which (i) a person or partnership, or any combination of persons or partnerships that do not deal with each other at arm's length (known in the Proposed MFC Amendments as "specified persons") own, in the aggregate, shares of the capital stock of the corporation having a fair market value of more than 10% of the fair market value of all of the issued and outstanding shares of the capital stock of the corporation; and (ii) the corporation is controlled by or for the benefit of one or more specified persons. Having regard to the structure of the Company, and the intention of the Proposed MFC Amendments as described in materials accompanying Proposed Amendments released by the Minister of Finance (Canada) on April 16, 2024 as part of the Federal Budget, the Company does not believe that it would cease to be a mutual fund corporation as a result of their application. The Company will continue to monitor the progress of the Proposed MFC Amendments to assess the impact, if any, that these Proposed Amendments could have on the Company.

In computing income for a taxation year, the Company will be required to include in income all dividends received by the Company in the year. In computing taxable income, the Company will generally be permitted to deduct all dividends received by it from "taxable Canadian corporations" (as defined in the Income Tax Act). The Company will generally not be permitted a deduction in computing taxable income for dividends received by it from other corporations.

The Company has elected in accordance with the Income Tax Act to have each of its "Canadian securities" treated as capital property. Such an election ensures that gains or losses realized by the Company on Canadian securities are treated as capital gains or capital losses.

The Company qualifies as a "financial intermediary corporation" (as defined in the Income Tax Act) and, thus, is not subject to tax under Part IV.1 of the Income Tax Act on dividends received by the Company and is not generally liable to tax under Part VI.1 of the Income Tax Act on dividends paid by the Company on "taxable preferred shares" (as defined in the Income Tax Act). As a mutual fund corporation (which is not an "investment corporation" as defined in the Income Tax Act), the Company is generally subject to a refundable tax of 38⅓% under Part IV of the Income Tax Act on taxable dividends received by the Company during the year to the extent that such dividends were deductible in computing the Company's taxable income for the year. This tax is refundable upon payment by the Company of sufficient dividends other than Capital Gains Dividends ("Ordinary Dividends").

Premiums received on covered call options and cash covered put options written by the Company that are not exercised prior to the end of the year will constitute capital gains of the Company in the year received, unless such premiums are received by the Company as income from a business of buying and selling securities or the Company has engaged in a transaction or transactions considered to be an adventure in the nature of trade. The Company purchases securities for the Portfolio with the objective of earning dividends thereon over the life of the Company, writes covered call options from time to time with the objective of increasing the yield on the Portfolio beyond the dividends received on the Portfolio and writes cash covered put options from time to time to increase returns and to reduce the net cost of purchasing securities upon the exercise of put options. Thus, having regard to the foregoing and in accordance with the CRA's published administrative policies, transactions undertaken by the Company in respect of shares comprising

the Portfolio and options on such shares are treated and reported by the Company as arising on capital account.

Premiums received by the Company on covered call (or cash covered put) options that are subsequently exercised will be added in computing the proceeds of disposition (or deducted in computing the adjusted cost base) to the Company of the securities disposed of (or acquired) by the Company upon the exercise of such call (or put) options. In addition, where the premium was in respect of an option granted in a previous year so that it constituted a capital gain of the Company in the previous year, such capital gain may be reversed.

Under the Income Tax Act, the excessive interest and financing expenses limitation rules (the "EIFEL Rules"), if applicable to an entity, may limit the deductibility of interest and other financing-related expenses by the entity to the extent that such expenses, net of interest and other financing-related income, exceed a fixed ratio of the entity's adjusted EBITDA. The EIFEL Rules and their application are highly complex, and there can be no assurances that the EIFEL Rules will not have adverse consequences to the Company or its Shareholders. Although certain investment funds that are considered to be "excluded entities" for purposes of the EIFEL Rules may be excluded from the application of the EIFEL Rules, there can be no assurance that the Company would qualify as an "excluded entity" for these purposes, and hence the Company could be subject to the EIFEL Rules.

If the Company invests in another fund (an "Underlying Domestic Fund") that is a Canadian resident trust, other than a SIFT trust, the Underlying Domestic Fund may designate a portion of amounts that it distributes to the Company as may reasonably be considered to consist of: (i) taxable dividends (including eligible dividends) received by the Underlying Domestic Fund on shares of taxable Canadian corporations; and (ii) net taxable capital gains realized by the Underlying Domestic Fund. Any such designated amounts will be deemed for tax purposes to be received or realized by the Company as such a taxable dividend or taxable capital gain, respectively. An Underlying Domestic Fund that pays foreign withholding tax may make designations such that the Company may be treated as having paid its share of such foreign tax.

11.3 Distributions

The policy of the Company is to pay quarterly distributions on the Preferred Shares and monthly distributions on the Class A Shares and, in addition, to pay special year-end distributions to holders of Class A Shares where the Company has net taxable capital gains upon which it would otherwise be subject to tax (other than taxable capital gains realized on the writing of options that are outstanding at year end) or where the Company needs to pay a distribution in order to recover refundable tax not otherwise recoverable upon payment of monthly distributions. While the principal sources of income of the Company are expected to include taxable capital gains as well as dividends from taxable Canadian corporations, to the extent that the Company earns net income, after expenses, from other sources, including dividends from non-Canadian sources and interest income upon interim investment of its reserves, the Company will be subject to income tax on such income and no refund of such tax will be available.

Given the investment and distribution policy of the Company and taking into account the deduction of expenses and taxable dividends on shares of taxable Canadian corporations, the Company does not expect to be subject to any significant amount of non-refundable Canadian income tax.

11.4 Tax Treatment of Shareholders

Shareholders must include in income Ordinary Dividends paid to them by the Company. For individual Shareholders, Ordinary Dividends will be subject to the gross-up and dividend tax credit rules normally applicable to taxable dividends paid by taxable Canadian corporations, including, if applicable, the enhanced gross-up and credit for Ordinary Dividends designated by the Company as eligible dividends. For

corporate Shareholders, Ordinary Dividends will normally be deductible in computing the taxable income of the corporation.

Ordinary Dividends received by a corporation (other than a "private corporation" or a "financial intermediary corporation", as defined in the Income Tax Act) on Preferred Shares will generally be subject to a 10% tax under Part IV.1 of the Income Tax Act to the extent that such dividends are deductible in computing the corporation's taxable income.

A Shareholder that is a private corporation or any other corporation controlled directly or indirectly by or for the benefit of an individual (other than a trust) or a related group of individuals (other than trusts) will generally be liable to pay a 38⅓% refundable tax under Part IV of the Income Tax Act on Ordinary Dividends received on the Shares to the extent that such dividends are deductible in computing the Shareholder's taxable income. Where Part IV.1 tax also applies to an Ordinary Dividend received by a Shareholder, the rate of Part IV tax otherwise payable by the Shareholder is reduced by 10% of the amount of such Ordinary Dividend.

The amount of any Capital Gains Dividend received by a Shareholder from the Company will be considered to be a capital gain of the Shareholder from the disposition of capital property in the taxation year of the Shareholder in which the Capital Gains Dividend is received.

The amount of any payment received by a Shareholder from the Company as a return of capital on a Share will not be required to be included in computing income. Instead, such amount will reduce the adjusted cost base of the relevant Share to the Shareholder. To the extent that the adjusted cost base to the Shareholder would otherwise be a negative amount, the Shareholder will be considered to have realized a capital gain at that time and the Shareholder's adjusted cost base will be increased by the amount of such deemed capital gain. See "Disposition of Shares" below.

Having regard to the distribution policy of the Company and the tax-deferred contribution to the Company of securities in the Portfolio by certain Shareholders, a person acquiring Shares may become taxable on income or capital gains accrued or realized before such person acquired such Shares.

11.5 Disposition of Shares

Upon the redemption, retraction or other disposition of a Share, a capital gain (or a capital loss) will be realized to the extent that the proceeds of disposition of the Share exceed (or are less than) the aggregate of the adjusted cost base of the Share and any reasonable costs of disposition. If the Shareholder is a corporation, any capital loss arising on the disposition of a share may in certain circumstances be reduced by the amount of any Ordinary Dividends received on the share. Analogous rules apply to a partnership or trust of which a corporation, partnership or trust is a member or beneficiary. The adjusted cost base of each Share will generally be the weighted average of the cost of the Shares of that class acquired by a Shareholder at a particular time and the aggregate adjusted cost base of any Shares of that class held immediately before the particular time.

Subject to the Proposed Capital Gains Amendments, one-half of a capital gain (a taxable capital gain) is included in computing income and one-half of a capital loss (an allowable capital loss) is deductible against taxable capital gains in accordance with the provisions of the Income Tax Act. A Shareholder that is a "Canadian-controlled private corporation" (as defined in the Income Tax Act) ("CCPC") or a "substantive CCPC" (as defined in the Income Tax Act) will be subject to an additional refundable tax on aggregate investment income, which includes an amount in respect of taxable capital gains. Certain corporations resident in Canada may also be deemed to qualify as "substantive CCPCs" as a result of specific anti-avoidance rules. Investors are advised to consult their own tax advisors regarding the possible implications of the CCPC rules in their particular circumstances.

Individuals (other than certain trusts) who realize net capital gains or dividends may be subject to an alternative minimum tax under the Income Tax Act.

Generally, Shares will qualify as "Canadian securities" for purposes of making an irrevocable election under the Income Tax Act to deem Canadian securities held by the investor to be capital property and to deem all dispositions of Canadian securities held to be dispositions of capital property for the purposes of the Income Tax Act. This election is not available to all taxpayers under all circumstances and therefore investors considering making such an election should consult their tax advisors.

11.6 Exchange of Tax Information

Due diligence and reporting obligations in the Income Tax Act have been enacted to implement the Canada-United States Enhanced Tax Information Exchange Agreement. As long as Preferred Shares and Class A Shares continue to be registered in the name of CDS and to be regularly traded on the TSX, or any other established securities market, the Company should not have any U.S. reportable accounts and, as a result, should not be required to provide information to the CRA in respect of its Shareholders. However, dealers through which Shareholders hold their Preferred Shares and Class A Shares are subject to due diligence and reporting obligations with respect to financial accounts they maintain for their clients. Shareholders, or their controlling persons, may be requested to provide information to their dealer to identify U.S. persons holding Preferred Shares and Class A Shares. If (a) it is determined that a Shareholder, or their controlling persons, is a "Specified U.S. Person" (including a U.S. citizen who is a resident of Canada), (b) no such determination has been made but the information provided includes an indication of U.S. status and sufficient evidence to the contrary is not timely provided, or (c) in certain circumstances a Shareholder does not provide the requested information and indicia of U.S. status are present, then Part XVIII of the Income Tax Act will generally require information about the Shareholder's investments held in the financial account maintained by the dealer to be reported to the CRA, unless the investments are held within a Deferred Plan. The CRA will then provide that information to the U.S. Internal Revenue Service.

Reporting obligations in the Income Tax Act have been enacted to implement the Organization for Economic Co-operation and Development Common Reporting Standard (the "CRS Rules"). Pursuant to the CRS Rules, Canadian financial institutions are required to have procedures in place to identify accounts held by tax residents of foreign countries (other than the U.S.) ("Reportable Jurisdictions") or by certain entities any of whose "controlling persons" are tax residents of Reportable Jurisdictions. The CRS Rules provide that Canadian financial institutions must report certain account information and other personal identifying details of Shareholders (and, if applicable, of such controlling persons) who are tax residents of Reportable Jurisdictions to the CRA annually. Such information would generally be exchanged by the CRA on a reciprocal, bilateral basis with Reportable Jurisdictions in which the account holders or such controlling persons are tax resident under the provisions and safeguards of the Multilateral Convention on Mutual Administrative Assistance in Tax Matters or the relevant bilateral tax treaty. Under the CRS Rules, Shareholders will be required to provide such information regarding their investment in the Company to their dealer for the purpose of such information exchange, unless the investment is held within a Deferred Plan. The CRA will then provide that information to the tax authorities of the relevant Reportable Jurisdiction.

12.0 REMUNERATION OF DIRECTORS, OFFICERS AND IRC

The Manager is paid the Management Fee as disclosed in section 8.2.3 of this Annual Information Form. The directors of the Manager and the Company do not receive any directors' fees. The Company pays the fees of the IRC which for 2024 were $6,047 for each of Mr. Kothari, Mr. Woolner and Ms. Meredith. IRC fees are determined by the IRC based on a recommendation of the Manager. The Company also pays the expenses incurred by the IRC and directors on behalf of the Company. No expenses were paid in 2024.

13.0 MATERIAL CONTRACTS

The Company and/or the Manager or DGS Trust are party to the Management Agreement, the Custodial Services Agreement and the Escrow Agreement. Copies of these material contracts may be accessed by prospective or existing Shareholders at www.sedarplus.ca under the Company's profile. They are also available at the Company's office during normal business hours. Details in respect of the Management Agreement and Custodial Services Agreement can be found in section 8 of this Annual Information Form and in section 13.1 of this Annual Information Form in the case of the Escrow Agreement.

13.1 Escrow Agreement

The Escrow Agreement was entered into as of December 3, 2007 by DGS Trust, the Company and the Escrow Agent and was amended as of September 19, 2013 to provide for the extension to the Maturity Date of the Shares. The Escrow Agreement outlines the responsibilities and duties of the Escrow Agent in relation to the Class J Shares of the Company.

If the Escrow Agent should wish to resign, it must give at least three months written notice to the Company, which may, with the written consent of the Ontario Securities Commission, appoint another Escrow Agent in its place and such appointment shall be binding on the Company.

In consideration for its services, the Company pays to the Escrow Agent such compensation as agreed upon in writing between the Company and the Escrow Agent, from time to time and reimburses the Escrow Agent for all reasonable costs and expenses incurred by the Escrow Agent on behalf of the Company.

14.0 OTHER MATERIAL INFORMATION

14.1 Risk Factors

Certain risk factors relating to the Company, the Class A Shares and the Preferred Shares are described below. Additional risks and uncertainties not currently known to the Manager, or that are currently considered immaterial, may also impair the operations of the Company. If any such risk actually occurs, the business, financial condition, liquidity or results of operations of the Company and the ability of the Company to make distributions on the Shares, could be materially adversely affected.

Performance of the Portfolio Issuers and Other Considerations

The NAV per Unit varies as the value of the securities in the Portfolio changes. The Company has no control over the factors that affect the value of the securities in the Portfolio. Factors unique to each company included in the Portfolio, such as changes in its management, strategic direction, achievement of goals, mergers, acquisitions and divestitures, changes in distribution policies and other events, may affect the value of the securities in the Portfolio. A substantial drop in the equities markets could have a negative effect on the Company and could lead to a significant decline in the value of the Portfolio and the value of the Class A Shares and Preferred Shares. Class A Shares and Preferred Shares of the Company may trade in the market at a discount to their NAV or par value, as the case may be, and there can be no assurance that the Class A Shares or the Preferred Shares will trade at a price equal to their NAV or par value, as the case may be.

Equity Risk

Companies issue common shares and other types of equity securities to help finance their operations. Equity securities are investments which give the holder part ownership in a company and the value of an equity security changes with the fortunes of the company that issued it. As the company earns profits and retains some or all of them, its equity value should grow, increasing the value of each common share and making

them more attractive to investors. Conversely, a series of losses would reduce retained earnings and therefore reduce the value of the shares. In addition, the company may distribute part of its profit to shareholders in the form of dividends, however dividends are not obligatory. Although common shares are the most familiar type of equity security, equity securities also include preferred shares, securities convertible into common shares, such as warrants, and units of real estate, royalty, income and other types of investment trusts.

Market Volatility

Market prices of investments held by the Company will go up or down, sometimes rapidly or unpredictably. The Company's investments are subject to changes in general market conditions, market fluctuations and risks inherent in the securities markets. Securities markets can be volatile and prices of investments can change substantially due to various factors including, but not limited to, economic growth or recession, changes in interest rates, changes in actual or perceived creditworthiness of issuers and general market liquidity. Even if general economic conditions do not change, the value of an investment in the Company could decline if the particular industries, sectors or companies in which the Company invests do not perform well or are adversely affected by certain events. In addition, legal, political, regulatory and tax changes may also cause fluctuations in markets and the price of securities. Certain market conditions, volatility or illiquidity in capital markets may also adversely affect the prospects of the Company and the value of the Portfolio. A substantial decline in equities markets could be expected to have a negative effect on the Company and the market price of the Class A Shares and/or the Preferred Shares.

Market Disruptions

War and occupation, terrorism and related geopolitical risks or other factors including global health risks or epidemics/pandemics (such as the COVID-19 pandemic) may lead to increased short-term market volatility, economic downturn or recession and may have adverse long-term effects on world economies and markets generally. Further, recent executive orders issued by U.S. President Donal Trump directing the United States to impose new tariffs and greater restrictions on trade between the United States and certain of its trading partners including Canada, Mexico and China, retaliatory announcements made by some of the United States' global trading partners including Canada and growing protectionist and anti-globalization sentiment in the United States and Canada may result in changes to existing trade agreements and greater restrictions on global trade generally as which may adversely affect global economic growth and increase geopolitical tensions. These events may also have an adverse effect on securities markets generally as well as a significant negative impact certain issuers and their business operations. These risks could also adversely affect inflation and other factors relating to the securities held in the Portfolio which either alone or together with the above-noted matters may result in volatility and decline in the Company's NAV.

Concentration Risk

The Company may invest in as few as 15 issuers and is not confined to limiting any portion of its total assets to any one industry. If the Company's holdings become concentrated in the securities of certain constituent companies or in certain industries, then the Company's holdings may be considered to be less diversified and the NAV per Unit may be more volatile than the value of a more broadly diversified Portfolio and may fluctuate substantially over short periods of time. This may have a negative impact on the value of the Class A Shares and the Preferred Shares.

No Assurances on Achieving Objectives

There is no assurance that the Company will be able to achieve its objectives or will return to investors an amount equal to or in excess of the original issue price of the Class A Shares or the Preferred Shares. There is no assurance that the Company will be able to pay quarterly distributions on the Preferred Shares or monthly distributions on the Class A Shares. The funds available for distributions to Shareholders will vary

according to, among other things, the dividends and distributions paid on all of the securities in the Portfolio, the level of option premiums received and the value of the securities comprising the Portfolio. As the dividends and distributions received by the Company may not be sufficient to meet the Company's objectives in respect of the payment of distributions, the Company may depend on the receipt of option premiums and the realization of capital gains to meet those objectives. Although many investors and financial market professionals price options based on the Black-Scholes Model, in practice actual option premiums are determined in the marketplace and there is no assurance that the premiums predicted by such pricing model can be attained.

Sensitivity to Interest Rates

The market prices of the Preferred Share and Class A Shares may be affected by the level of interest rates prevailing from time to time. A rise in interest rates may have a negative impact on the market prices of the Class A Shares and/or Preferred Shares and increase the cost of borrowing to the Company, if any. Shareholders who wish to redeem or sell their Class A Shares or Preferred Shares prior to the Maturity Date will therefore be exposed to the risk that the market prices of the Class A Shares and/or Preferred Shares may be negatively affected by interest rate fluctuations. In addition, the distribution rate on Preferred Shares may be changed at the time of an extension of the Maturity Date, which may also affect the market price of such Preferred Shares.

Greater Volatility of the Class A Shares

An investment in the Class A Shares represents a leveraged investment by virtue of the fact that the Preferred Shares which are entitled to a fixed amount upon the termination or winding-up of the Company. This leverage amplifies the potential return to investors of Class A Shares in so far as returns in excess of the amounts payable to holders of Preferred Shares accrue to the benefit of the holders of Class A Shares. Conversely, any losses incurred by the Portfolio first accrue to the detriment of the holders of the Class A Shares since the Preferred Shares rank prior to the Class A Shares in respect of distributions and proceeds upon the winding-up of the Company.

Changes in Credit Rating

A rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time. There can be no assurance that the Preferred Shares will maintain their rating by DBRS for any given period of time or that the rating will not be lowered or withdrawn entirely by DBRS if in DBRS' judgment circumstances so warrant. A lowering or withdrawal of the rating of the Preferred Shares may have a negative effect on the market value of the Preferred Shares.

Reliance on the Manager

The Manager is responsible for providing, or managing for the provision of, management and administrative services including investment and portfolio management services required by the Company. Investors who are not willing to rely on the Manager should not invest in the Preferred or Class A Shares.

The Manager manages Portfolio in a manner consistent with the Investment Objectives, Investment Guidelines and Investment Restrictions of the Company. The employees of the Manager who are primarily responsible for the management of the investment portfolio have extensive experience in managing investment portfolios including writing covered call options and cash covered put options in connection with managing such investment portfolios. There is no certainty that the employees of the Manager who are primarily responsible for the management of the Portfolio will continue to be employees of the Manager, throughout the term of the Company.

Conflicts of Interest

The Manager and its directors and officers and its respective affiliates and associates may engage in the promotion, management or investment management of any other fund or trust with similar investment objectives and/or similar investment strategies to those of the Company. Although none of the directors or officers of the Manager devotes his or her full time to the business and affairs of the Company, each devotes as much time as is necessary to supervise the management of (in the case of the directors) or to manage the business and affairs of (in the case of officers) the Company and the Manager, as applicable.

Use of Options and Other Derivative Instruments

The Company 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 and those securities underlying put options written by the Company, should the market price of such securities decline. In addition, the Company will not participate in any gain on the securities that are subject to outstanding call options above the strike price of the options.

There is no assurance that a liquid exchange or over-the-counter market will exist to permit the Company to write covered call options or cash covered put options or purchase put options on desired terms or to close out option positions should the Manager desire to do so. The ability of the Company 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 Company is unable to repurchase a call option which 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. In addition, upon the exercise of a put option, the Company will be obligated to acquire a security at the strike price which may exceed the then current market value of such security.

In purchasing call or put options or selling call or writing put options, the Company is subject to the credit risk that its counterparty (whether a clearing corporation, in the case of exchange traded instruments, or other third party, in the case of over-the-counter instruments) may be unable to meet its obligations.

Sensitivity to Volatility Levels

The Company intends to sell call options in respect of some or all of the securities held in the Portfolio. Such call options may be either exchange traded options or over-the-counter options. By selling call options, the Company will receive option premiums. The amount of option premium depends upon, among other factors, the implied volatility of the price of the underlying security as, generally, the higher the implied volatility, the higher the option premium. The level of implied volatility is subject to market forces and is beyond the control of the Manager or the Company.

Securities Lending

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

Taxation

In determining its income for tax purposes, the Company treats option premiums received on the writing of covered call options and cash covered put options and any losses sustained on closing out options as capital gains and capital losses, as the case may be, in accordance with its understanding of the CRA's published administrative policy. Gains or losses on the disposition of shares, including the disposition of shares held in the Portfolio upon exercise of a call option, will be treated as capital gains or losses. The CRA's practice

is not to grant an advance income tax ruling on the characterization of items as capital gains or income and no advance ruling has been requested or obtained.

The Company may use derivative instruments for converting non-Canadian currency exposure to the Canadian dollar. Gains or losses realized on derivatives by virtue of the fluctuation of foreign currencies against the Canadian dollar will, where such derivatives are not "derivative forward agreements" as defined in the Income Tax Act and are sufficiently linked with and hedge currency exposure in respect of, underlying securities, be treated and reported for purposes of the Income Tax Act on capital or income account depending on the nature of the securities to which the hedge is linked.

If, contrary to the CRA's published administrative policy or as a result of a change in law, some or all of the transactions undertaken by the Company in respect of options were treated on income rather than capital account, after-tax returns to Shareholders could be reduced, the Company could be subject to non-refundable income tax from such transactions and the Company could be subject to penalty taxes in respect of excessive capital gains dividend elections.

There can be no assurance that changes will not be made to the tax rules affecting the taxation of the Company or the Company's investments or that such tax rules will not be administered in a way that is less advantageous to the Company or its Shareholders.

Significant Retractions

If a significant number of Class A Shares or Preferred Shares are retracted, the trading liquidity of the Class A Shares and Preferred Shares could be significantly reduced. In addition, the expenses of the Company would be spread among fewer Class A Shares and Preferred Shares resulting in a potentially lower NAV.

Non-Concurrent Retraction

Holders of Class A Shares and Preferred Shares will be offered a non-concurrent retraction right on the Maturity Date and upon any subsequent extension of the maturity date as determined by the board of directors. To the extent that there are unmatched numbers of Class A Shares and Preferred Shares tendered for retraction, the Class A Shares or Preferred Shares, as the case may be, may be called by the Company for redemption on a pro rata basis in order to maintain the same number of Class A Shares and Preferred Shares outstanding. The number of retractions by holders of Class A Shares and Preferred Shares may be influenced by the performance of the Company, the management expense ratio and the trading discount to NAV, among other things.

Loss of Investment

An investment in the Company is appropriate only for investors who have the capacity to absorb investment losses.

Changes in Legislation and Regulatory Risk

There can be no assurance that certain laws applicable to the Company, including income tax, securities and other laws and regulations, will not be changed or applied in a manner which adversely affects the Company or Shareholders. Certain legal and regulatory changes could make it more difficult, if not impossible, for the Company to operate or achieve its Investment Objectives. If legal or regulatory changes occur, such changes or their applications could have a negative effect upon the value of the Company, the Preferred Shares or Class A Shares and upon investment opportunities available to the Company.

Accrued Gains

The adjusted cost base to the Company for tax purposes of shares of certain securities in its Portfolio may be less than their fair market value. Accordingly, all Shareholders may be liable for tax on capital gains attributable to such securities to the extent such capital gains tax is not refundable to the Company and such capital gains are therefore distributed as a capital gains dividend.

Cybersecurity Risk

The information and technology systems of Brompton Funds, the Company's key service providers (including its custodian, registrar and transfer agent, valuation services provider and securities lending agents) and the issuers of securities in which the Company invests may be vulnerable to cybersecurity risks such as potential damage or interruption from computer viruses, network failures, computer and telecommunications failures, infiltration by unauthorized persons (e.g. through hacking or malicious software) and general security breaches. A cybersecurity incident is an adverse intentional or unintentional action or event that threatens the integrity, confidentiality or availability of the Company's information resources.

A cybersecurity incident may disrupt business operations or result in the theft of confidential or sensitive information, including personal information, or may cause system failures, disrupt business operations or require Brompton Funds or a service provider to make a significant investment to fix, replace or remedy the effects of such incident. Furthermore, a cybersecurity incident could cause disruptions and negatively impact the Company's business operations, potentially resulting in financial losses to the Company and Shareholders. There is no guarantee that the Company or Brompton Funds will not suffer material losses as a result of cybersecurity incidents. If they occur, such losses could materially adversely impact the Company's NAV.

Withholding Tax Risk

In the event the Company invests in securities of foreign issuers, at the date hereof, the Company may be subject to foreign withholding tax on certain securities. There is no guarantee that the rate of withholding tax will not increase which may significantly affect returns.

Manager: Brompton Funds Limited
Address: Suite 2930, Box 793, Bay Wellington Tower, Brookfield Place,
181 Bay Street, Toronto, Ontario M5J 2T3
Telephone: (416) 642-6000
Fax: (416) 642-6001
Website: www.bromptongroup.com

ADDITIONAL INFORMATION:

Additional information about the Company is available in the Company's, management report of fund performance and financial statements. Copies of these documents may be obtained at no cost:

- By calling (416) 642-6000 or toll-free at 1-866-642-6001,
- Direct from your dealer, or
- By email at info@bromptongroup.com.

Copies of these documents and other information about the Company, such as information circulars and material contracts, are also available on the Company's website at www.bromptongroup.com or on SEDAR+ at www.sedarplus.ca.