# MANAGEMENT INFORMATION CIRCULAR

**(December 14, 2018)**

**SPECIAL MEETINGS OF INVESTORS OF**

**Canoe Canadian Monthly Income Class***
**Canoe Equity Income Class***
**(collectively, the "Terminating Corporate Class Funds" and individually, a "Terminating Corporate Class Fund")**

**AND**

**SPECIAL MEETINGS OF INVESTORS OF**

**Canoe Canadian Corporate Bond Fund**
**Canoe Floating Rate Income Fund**
**(collectively, the "Terminating Trust Funds" and individually, a "Terminating Trust Fund")**

**AND**

**SPECIAL MEETINGS OF INVESTORS OF**

**Canoe North American Monthly Income Class***
**Canoe Asset Allocation Class***
**(collectively, the "Continuing Corporate Class Funds" and individually, a "Continuing Corporate Class Fund")**

***each a class of securities of Canoe 'GO CANADA!' Fund Corp.**

**(each a "Fund" and collectively, the "Funds")**

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**to be held on**
**January 17, 2019 commencing at 9:30 a.m. (Calgary time)**
**at Suite 2750**
**421–7th Avenue S.W., Calgary, Alberta**

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## SOLICITATION OF PROXIES

This management information circular is furnished to securityholders of the Funds by Canoe Financial LP (the "**Manager**"), in its capacity as manager of the Funds and as trustee of the Terminating Trust Funds (as defined herein) and the Continuing Trust Funds (as defined herein), and the board of directors of each Terminating Corporate Class Fund (as defined herein) and each Continuing Corporate Class Fund, on behalf of each Terminating Corporate Class Fund and each Continuing Corporate Class Fund **in connection with the solicitation of proxies on behalf of management of the Terminating Funds and the Continuing Corporate Class Funds** to be used at the special meetings of the investors of the Funds (individually, the "**Meeting**" and collectively, the "**Meetings**").

The Meetings are to be held on Thursday, January 17, 2019 at Suite 2750, 421–7th Avenue S.W., Calgary, Alberta, Calgary, Alberta at 9:30 a.m. (Calgary Time).

The Meetings are being held to consider a proposal to merge (collectively, the "**Mergers**" and each a "**Merger**") certain mutual funds (collectively, the "**Terminating Funds**" and each a "**Terminating Fund**") into its corresponding mutual fund (collectively, the "**Continuing Funds**" and each a "**Continuing Fund**") listed below, on or about the close of business on March 8, 2019 or such other date which shall be no later than May 31, 2019 (the "**Merger Date**") and to transact such other business as may properly come before the Meetings:

| **Terminating Fund** | **Continuing Fund** |
|---|---|
| Canoe Equity Income Class | Canoe Asset Allocation Class |
| Canoe Canadian Monthly Income Class | Canoe North American Monthly Income Class |
| Canoe Canadian Corporate Bond Fund | Canoe Bond Advantage Fund |
| Canoe Floating Rate Income Fund | Canoe Strategic High Yield Fund |

Each of Canoe Bond Advantage Fund and Canoe Strategic High Yield Fund is referred to as a "**Continuing Trust Fund**" and collectively, as the "**Continuing Trust Funds**".

The Terminating Corporate Class Funds and the Continuing Corporate Class Funds (together with the Terminating Corporate Class Funds, the "**Corporate Class Funds**") are part of Canoe's portfolio class structure which is structured as an investment in a share class of Canoe 'GO CANADA!' Fund Corp. ("**Fund Corp.**") and units of Canoe Trust Fund ("**CTF**") (each, a "**Portfolio Class Fund**" and collectively, the "**Portfolio Class Funds**"). The combined investment in a Terminating Corporate Class Fund and units of CTF is called a "**Terminating Portfolio Class Fund**" and the combined investment in a Continuing Corporate Class Fund and units of CTF is called a "**Continuing Portfolio Class Fund**".

The quorum required for each Terminating Trust Fund at the Meeting is at least two securityholders present in person or represented by proxy. The quorum required for each Terminating Corporate Class Fund and each Continuing Corporate Class Fund at the Meetings is at least two persons present in person, being securityholders entitled to vote thereat, or a duly appointed representative or proxyholder for an absent securityholder so entitled, holding not less than 5% of the outstanding securities of each Terminating Corporate Class Fund or each Continuing Corporate Class Fund. If quorum for a Meeting is not present in respect of a Fund, then the Meeting in respect of that Fund will be adjourned. Any adjourned meeting(s) will be held at the same time and location on Thursday, January 24, 2019.

At any adjourned meeting, the quorum required for the Funds shall be those securityholders of the Funds present in person or represented by proxy at the adjourned meeting.

In respect of the Meetings, it is anticipated that proxies will be primarily solicited by mail. However, directors, officers or employees of the Manager may solicit proxies by mail or personally. The cost of solicitation of proxies for the Meetings will be borne by the Manager.

Except as otherwise stated, the information contained in this Management Information Circular is given as at November 23, 2018.

**Notice and Access**

Pursuant to exemptive relief granted by the Alberta Securities Commission on November 30, 2016 (the "**Notice-and-Access Relief**"), all investment funds managed by the Manager, including the Terminating Funds and the Continuing Corporate Class Funds, have been permitted to provide securityholders with a notice-and-access document and follow the notice-and-access procedures ("**Notice and Access**") in a manner analogous to the "notice-and-access" procedures set forth in National Instrument 54-101 – *Communications with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**") and National Instrument 51-102 – *Continuous Disclosure Obligations*. Notice and Access allows reporting issuers to post Meeting Materials (as defined below) on a website instead of having to mail materials to registered securityholders and to beneficial securityholders.

Notice and Access may be used to provide access to the notice of meeting, information circular, and such other materials as may be permitted under securities laws (collectively the "**Meeting Materials**") by posting such materials on System for Electronic Document Analysis and Retrieval ("**SEDAR**") and on a non-SEDAR website (such as the Manager's website), and concurrently posting and sending to securityholders a Notice and Access document together with a form of proxy (for registered securityholders), or applicable voting instruction form (for beneficial securityholders) (the "**Notice Package**"), rather than delivering such materials by mail. Notice and Access is available for all meetings, including special meetings. Securityholders of the Terminating Funds and the Continuing Corporate Class Funds will still be entitled to request delivery of paper copies of the Meeting Materials at no expense. The Terminating Funds and the Continuing Corporate Class Funds have used Notice and Access for the purposes of providing the Meeting Materials to securityholders for the Meetings.

## PURPOSE OF THE MEETINGS

The Meetings of the Funds are being called to consider the following special business:

1. for **Canoe Canadian Monthly Income Class** and **Canoe North American Monthly Income Class**, the merger of Canoe Canadian Monthly Income Class into Canoe North American Monthly Income Class, and the matters related thereto described in the resolution attached at Schedule "A";

2. for **Canoe Equity Income Class** and **Canoe Asset Allocation Class**, the merger of Canoe Equity Income Class into Canoe Asset Allocation Class and the matters related thereto described in the resolution attached at Schedule "A";

3. for **Canoe Canadian Corporate Bond Fund**, the merger of Canoe Canadian Corporate Bond Fund into Canoe Bond Advantage Fund, and the matters related thereto described in the resolution attached at Schedule "A";

4. for **Canoe Floating Rate Income Fund**, the merger of Canoe Floating Rate Income Fund into Canoe Strategic High Yield Fund, and the matters related thereto described in the resolution attached at Schedule "A"; and

5. to transact such further or other business as may properly come before the Meetings or any adjournment(s) thereof.

The text of each resolution is set out in Schedule "A" to this Management Information Circular.

## BENEFITS OF THE PROPOSED FUND MERGERS

The Manager believes the Mergers will be beneficial to securityholders of each of the Funds for the following reasons:

(a) the Mergers will result in a more streamlined and simplified product line-up that is easier for investors to understand;

(b) for the Mergers of Canoe Canadian Monthly Income Class into Canoe North American Monthly Income Class and Canoe Canadian Corporate Bond Fund into Canoe Bond Advantage Fund, the Continuing Fund may offer a broader investment mandate, thereby providing greater flexibility to the portfolio manager, which may improve returns;

(c) each Continuing Fund, as a result of its greater size, may benefit from its larger profile in the marketplace to attract greater assets and thus allow for greater portfolio diversification; and

(d) investors of each of the Terminating Funds will receive securities of the applicable Continuing Funds that have a management fee and administration fee that are the same as, or lower than, the management fee and administration fee charged in respect of the securities of the Terminating Fund that they currently hold.

**Each of the following Mergers will occur on a substantially tax-deferred basis such that investors in the relevant Terminating Fund will only realize a nominal capital gain or capital loss on the Mergers: (i) Canoe Canadian Monthly Income Class into Canoe North American Monthly Income Class; and (ii) Canoe Equity Income Class into Canoe Asset Allocation Class.**

**Each of the Mergers of (i) Canoe Canadian Corporate Bond Fund into Canoe Bond Advantage Fund and (ii) Canoe Floating Rate Income Fund into Canoe Strategic High Yield Fund will be effected on a taxable basis under the *Income Tax Act* (Canada) (the "Tax Act"). Accordingly, unless you hold your securities in a Registered Plan (as defined herein), you will realize a capital gain or loss on the disposition of your securities in a Terminating Fund when they are exchanged for securities of the corresponding Continuing Fund.**

**The tax consequences of each Merger is summarized in more detail below in the section on "Canadian Federal Income Tax Consequences".**

The historical rates of return for each of the Terminating Funds and the Continuing Funds are available in the management report of fund performance for the applicable Fund.

Should securityholders of the Terminating Funds and the Continuing Corporate Class Funds approve the Mergers, it is proposed that the Mergers will occur on or about March 8, 2019, subject to obtaining any requisite regulatory approval. The Manager may, in its discretion, postpone implementing the approved Mergers until a later date (which shall be no later than May 31, 2019) where it considers such postponement to be appropriate. The Manager may also cancel the approved Mergers, at any time, where the Manager considers such cancellation to be in the best interests of securityholders of the Funds.

No sales charges, redemption fees or other fees or commissions will be payable by securityholders of the Funds in connection with the Mergers. All costs and expenses associated with the Mergers will be borne by the Manager. **Where applicable, the Manager will waive any redemption fees payable by an investor in connection with the redemption of securities of the Terminating Funds purchased under the low load option that is effected as part of any Merger. The existing low load sales charge schedule applicable to securities of a Terminating Fund purchased under the low load option will be carried over to the securities of the relevant Continuing Fund.**

**The Manager recommends that securityholders vote FOR the Mergers.**

The Independent Review Committee ("**IRC**") of the Funds has reviewed the potential conflict of interest matters related to each of the proposed Mergers and has provided the Manager with a positive decision having determined that the proposed Mergers, if implemented, achieve a fair and reasonable result for the Terminating Funds and the Continuing Corporate Class Funds.

## PROCEDURE FOR THE PROPOSED FUND MERGERS

***Mergers of each Terminating Corporate Class Fund into the applicable Continuing Corporate Class Fund***

(a) Prior to the Merger Date, if required, each Terminating Portfolio Class Fund will sell any securities in its portfolio that do not meet the investment objectives and investment strategies of its corresponding Continuing Portfolio Class Fund. As a result, the portfolio of each Terminating Portfolio Class Fund may temporarily hold cash or money market instruments and may not be fully invested in accordance with its investment objectives for a brief period of time prior to the Merger Date.

(b) The value of each Terminating Portfolio Class Fund's portfolio and other assets and liabilities will be determined at the close of business on the Merger Date in accordance with its constating documents.

(c) Fund Corp. may pay ordinary income, taxable dividends or capital gains to securityholders of each Terminating Corporate Class Fund and/or the applicable Continuing Corporate Class Fund, as determined by the Manager at the time of the applicable Merger.

(d) CTF will distribute a sufficient amount of its net income and net realized capital gains, as applicable, to its unitholders on or before the Merger Date to ensure that CTF will not be subject to tax for its taxation year ending on the Merger Date.

(e) On the Merger Date,

    (i) the investment portfolio and other assets and liabilities attributable to each Terminating Portfolio Class Fund (within each of Fund Corp. and CTF) will be included in the investment portfolio and other assets and liabilities attributable to the applicable Continuing Portfolio Class Fund (within each of Fund Corp. and CTF) and

    (ii) the net asset value of the applicable Continuing Portfolio Class Fund (within each of Fund Corp. and CTF) will be increased by an amount equal to the value of the portfolio and other assets (minus liabilities) being attributed to the applicable Continuing Portfolio Class Fund (within each of Fund Corp. and CTF) determined at the close of business on the Merger

Date in accordance with the constating documents of the applicable Continuing Portfolio Class Fund.

(f) The articles of Fund Corp. will be amended so that all of the issued and outstanding shares of Fund Corp. representing each Terminating Corporate Class Fund will be exchanged for shares of Fund Corp. forming part of the applicable Continuing Corporate Class Fund for equal value on a series-by-series basis, so that securityholders of each Terminating Corporate Class Fund become securityholders of the applicable series of the corresponding Continuing Corporate Class Fund and then the shares of Fund Corp. forming part of each Terminating Corporate Class Fund will be cancelled.

***Merger of each Terminating Trust Fund into the applicable Continuing Trust Fund***

(a) Prior to the Merger Date, if required, each Terminating Trust Fund will sell any securities in its portfolio that do not meet the investment objectives and investment strategies of its corresponding Continuing Trust Fund. As a result, each Terminating Trust Fund may temporarily hold cash or money market instruments and may not be fully invested in accordance with its investment objectives for a brief period of time prior to the Merger Date.

(b) The value of each Terminating Trust Fund's portfolio and other assets will be determined at the close of business on the Merger Date in accordance with its constating documents.

(c) Each Terminating Trust Fund will distribute a sufficient amount of its net income and net realized capital gains, if any, to unitholders to ensure that each Terminating Trust Fund will not be subject to tax for the taxation year ended on the Merger Date.

(d) On the Merger Date, each Continuing Trust Fund will acquire the investment portfolio and other assets of its applicable Terminating Trust Fund in exchange for units of the Continuing Trust Fund.

(e) Each Continuing Trust Fund will not assume any liabilities of its applicable Terminating Trust Fund and each Terminating Trust Fund will retain sufficient assets to satisfy its estimated liabilities, if any, as of the Merger Date.

(f) The units of each Continuing Trust Fund received by its applicable Terminating Trust Fund will have an aggregate net asset value equal to the value of the investment portfolio and other assets that the Continuing Trust Fund is acquiring from its applicable Terminating Trust Fund, and the units of each Continuing Trust Fund will be issued at the applicable series net asset value per unit as of the close of business on the Merger Date.

(g) Immediately thereafter, units of each Continuing Trust Fund received by its applicable Terminating Trust Fund will be distributed to unitholders of the Terminating Trust Fund in exchange for their units of the Terminating Trust Fund on a dollar-for-dollar and series by series basis.

(h) Each Terminating Trust Fund and its corresponding Continuing Trust Fund will <u>not</u> elect that the Merger occur on a tax-deferred basis.

(i) As soon as reasonably possible following the Merger, each Terminating Trust Fund will be wound-up.

## SUSPENSION OF REDEMPTION RIGHTS AND PURCHASES

Should a proposed Merger be approved, the securityholders of the relevant Terminating Fund will continue to have the right to redeem or switch securities of the Terminating Fund with the consequent income tax implications, if any. See the section entitled "Canadian Federal Income Tax Consequences" below. However, the right of securityholders to redeem or switch securities of a Terminating Fund will cease as of the close of business on the business day immediately preceding the effective date of the applicable Merger. Securityholders of each Terminating Fund will subsequently be able to redeem or switch out of the securities of the applicable Continuing Fund that they acquire upon the Merger. Securities of a Continuing Fund acquired by securityholders upon the Merger are subject to the same redemption charges, if any, to which their securities of the applicable Terminating Fund were subject prior to the Merger.

## OPTIONAL PLANS

If you participate in a continuous savings plan in connection with any Terminating Fund(s), this plan will be continued following the Merger Date with the corresponding series of the Continuing Fund(s), except for any series of a Continuing Fund that will not be available for purchase following the applicable Merger. In such case, your continuous savings plan will be continued following the Merger Date with the series of the Continuing Fund for which Fund Facts are being mailed to you with this Management Information Circular, unless this plan is terminated prior to the Merger Date. If you participate in an automatic distribution reinvestment plan or systematic withdrawal plan in connection with any Terminating Fund(s), these plans will be continued following the Merger Date with the corresponding series of the relevant Continuing Fund(s) you receive upon the Mergers. You may cancel or change a systematic plan at any time.

## ELIGIBILITY FOR REGISTERED PLANS

Securities of each of the Funds are, and are expected to continue to be at all material times, qualified investments under the Tax Act for registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered education savings plans, registered disability savings plans and tax-free savings accounts (collectively, "**Registered Plans**").

## CANADIAN FEDERAL INCOME TAX CONSEQUENCES

This is a general summary of the principal Canadian federal income tax consequences, as of the date hereof, for the Funds and for investors in the Funds who are individuals, other than trusts. This summary assumes that, for the purposes of the Tax Act, individual investors are resident in Canada and hold securities of the Funds as capital property.

**This summary is of a general nature only and is not exhaustive of all possible income tax considerations. You should consult your own tax advisor about your individual circumstances.**

The following summary identifies the tax considerations for investors based upon whether the Fund is merging into a Continuing Corporate Class Fund or into a Continuing Trust Fund.

For information regarding the ongoing tax considerations for investors of holding securities of a Continuing Fund, see the simplified prospectus of the Funds under the heading "*Income tax considerations for investors*".

*Redemption Prior to the Mergers*

If you redeem securities of a Terminating Fund before the Merger Date, you will realize a capital gain (or capital loss) to the extent that the proceeds of this redemption exceed (or are exceeded by) the aggregate of your adjusted cost base of the securities and any costs of redemption. Unless you hold your securities in a Registered Plan, one-half of any such capital gain must be included in computing your income and one-half of any such capital loss may be deducted against taxable capital gains, subject to, and in accordance with, the detailed provisions of the Tax Act.

*Merger of a Terminating Trust Fund into its applicable Continuing Trust Fund – Taxable Merger*

The Merger of Canoe Canadian Corporate Bond Fund into Canoe Bond Advantage Fund and the Merger of Canoe Floating Rate Income Fund into Canoe Strategic High Yield Fund will occur on a taxable basis.

Each Terminating Trust Fund will realize any accrued capital gains and losses on its portfolio assets on or prior to the Merger Date because each Terminating Trust Fund will liquidate some of its securities before the Merger Date and because the portfolio assets will be transferred to the Continuing Trust Fund on a taxable basis for proceeds of disposition equal to their fair market value at that time. It is expected that each of Canoe Canadian Corporate Bond Fund and Canoe Floating Rate Income Fund will realize a net capital loss as a result of its Merger. If each Merger was effected as at November 30, 2018, it is expected that the amount of capital losses to Canoe Canadian Corporate Bond Fund will be approximately $4.6 million and the amount of capital losses to Canoe Floating Rate Income Fund will be approximately $3.1 million.

The cost to each Terminating Trust Fund of the units of the applicable Continuing Trust Fund received in the course of the Merger will be equal to the fair market value of each Terminating Trust Fund's assets transferred to the applicable Continuing Trust Fund. The distribution by each Terminating Trust Fund of units of the applicable Continuing Trust Fund to unitholders in exchange for units of each Terminating Trust Fund should not result in a capital gain or loss to the applicable Terminating Trust Fund, provided that such distribution occurs immediately after the transfer of the assets to the applicable Continuing Trust Fund. Any unused losses of each Terminating Trust Fund realized on or before the Merger cannot be used by the applicable Continuing Trust Fund and will expire.

Each Terminating Trust Fund will distribute a sufficient amount of its net income and net realized capital gains, as applicable, to unitholders on or before the Merger Date to ensure that each Terminating Trust Fund will not be subject to tax for its taxation year ending on the Merger Date. You will receive a statement for tax purposes identifying your share each Terminating Trust Fund's income and capital gains, if any, unless you hold units in a Registered Plan. The taxable portion of the amounts reported on the tax statement must be included in your income for 2018. Based on current market values, the Manager expects that each Terminating Trust Fund will not pay a distribution to unitholders as a result of the liquidation of securities before the Merger. The actual amount of distributions paid by each Terminating Trust Fund, if any, may be different from the current expectation due to changes in the value of securities held by the Terminating Trust Fund between the date of this Management Information Circular and the date of the Merger.

You will be considered to have disposed of all your units of each Terminating Trust Fund on the Merger Date in exchange for units of the applicable Continuing Trust Fund. Your proceeds of disposition will be equal to the fair market value of the units of the applicable Continuing Trust Fund that you receive. As a result, you will realize a capital gain (or a capital loss) equal to the amount by which your proceeds of disposition exceed (or are exceeded by) the adjusted cost base of your units of each Terminating Trust Fund and any reasonable costs of disposition. Unless units are held in a Registered Plan, one-half of any such capital gain is included in computing income and one-half of any such capital loss may be deducted against taxable capital gains subject to, and in accordance with, the detailed provisions of the Tax Act.

Your cost of the units of the Continuing Trust Fund that you receive on the Merger in exchange for your units of the applicable Terminating Trust Fund will be equal to the proceeds of disposition that you are considered to have received for those units of the applicable Terminating Trust Fund. In determining the adjusted cost base of your units of the Continuing Trust Fund, the cost of your new units of the Continuing Trust Fund must be averaged with the adjusted cost base of any other identical securities of the Continuing Trust Fund that you hold on the Merger Date.

*Merger of a Terminating Corporate Class Fund into a Continuing Corporate Class Fund – Substantially Tax-Deferred*

The Merger of Canoe Canadian Monthly Income Class into Canoe North American Monthly Income Class and the Merger of Canoe Equity Income Class into Canoe Asset Allocation Class will occur on a substantially tax-deferred basis.

CTF and Fund Corp. will realize any accrued capital gains and losses on its portfolio assets attributed to each Terminating Corporate Class Fund on or prior to the Merger Date because each Terminating Corporate Class Fund will liquidate some of its securities before the Merger Date. It is expected that the CTF and Fund Corp. will realize a net capital loss as a result of each Merger. If each Merger was effected as at November 30, 2018, it is expected that the amount of capital losses to CTF and Fund Corp., in respect of each of Canoe Canadian Monthly Income Class and Canoe Equity Income Class, will be nominal. The actual amount of gains and losses realized may be different from the current expectation due to changes in the value of securities between the date of this Management Information Circular and the date of the Merger. The transfer of assets in the portfolio of CTF and Fund Corp. related to each Terminating Corporate Class Fund to the portfolio of the applicable Continuing Corporate Class Fund will not result in a disposition of those assets or in a capital gain or loss to CTF or Fund Corp.

The cost to each Terminating Corporate Class Fund of the shares of the applicable Continuing Corporate Class Fund received in the course of the Merger will be equal to the fair market value of each Terminating Corporate Class Fund's assets transferred to the applicable Continuing Corporate Class Fund. The distribution by each Terminating Corporate Class Fund of shares of the applicable Continuing Corporate Class Fund to shareholders in exchange for shares of each Terminating Corporate Class Fund should not result in a capital gain or loss to the applicable Terminating Corporate Class Fund, provided that such distribution occurs immediately after the transfer of the assets to the applicable Continuing Corporate Class Fund.

Fund Corp. may pay ordinary dividends or capital gains dividends to securityholders of each Terminating Corporate Class Fund. Based on current market values, the Manager expects that Fund Corp. will not pay a capital gains dividend to securityholders of either Terminating Corporate Class Fund as a result of the liquidation of securities before the Merger. The actual amount of dividends paid by a Terminating Corporate Class Fund, if any, may be different from the current expectation due to changes in the value of securities held by the Terminating Corporate Class Fund between the date of this Management Information Circular and the date of the Merger.

CTF will distribute a sufficient amount of its net income and net realized capital gains, as applicable, to its unitholders on or before the Merger Date to ensure that CTF will not be subject to tax for its taxation year ending on the Merger Date. You will receive a statement for tax purposes identifying your share of CTF's income and capital gains, if any, unless you hold shares in a Registered Plan. The taxable portion of the amounts reported on the tax statement must be included in your income for 2018. Based on current market values, the Manager expects that CTF will not pay a distribution to unitholders as a result of the liquidation of securities of either Terminating Corporate Class Fund before the Merger. The actual amount of distributions paid by CTF, if any, may be different from the current expectation due to changes in the value of securities held by CTF in respect of the Terminating Corporate Class Fund between the date of this Management Information Circular and the date of the Merger.

You will be considered to have disposed of all your shares of each Terminating Corporate Class Fund on the Merger Date in exchange for shares of the applicable Continuing Corporate Class Fund. Your proceeds of disposition will be equal to the fair market value of the shares of the applicable Continuing Corporate Class Fund that you receive. As a result, you will realize a capital gain (or a capital loss) equal to the amount by which your proceeds of disposition exceed (or are exceeded by) the adjusted cost base of your shares of each Terminating Corporate Class Fund and any reasonable costs of disposition. Unless shares are held in a Registered Plan, one-half of any such capital gain is included in computing income and one-half of any such capital loss may be deducted against taxable capital gains subject to, and in accordance with, the detailed provisions of the Tax Act. It is expected that any capital gain (or capital loss) resulting from the disposition of shares should be nominal.

Your cost of the shares of the Continuing Corporate Class Fund that you receive on the Merger in exchange for your shares of the applicable Terminating Corporate Class Fund will be equal to the proceeds of disposition that you are considered to have received for those shares of the applicable Terminating Corporate Class Fund. In determining the adjusted cost base of your shares of the Continuing Corporate Class Fund, the cost of your new shares of the Continuing Corporate Class Fund must be averaged with the adjusted cost base of any other identical securities of the Continuing Corporate Class Fund that you hold on the Merger Date.

## REQUIRED SECURITYHOLDER APPROVAL

The Merger of Canoe Canadian Monthly Income Class into Canoe North American Monthly Income Class will not be effective unless approved by a two-thirds majority of the votes (i.e. more than 66 2/3%) of the outstanding securities of each of Canoe Canadian Monthly Income Class and Canoe North American Monthly Income Class cast at the Meeting.

The Merger of Canoe Equity Income Class into Canoe Asset Allocation Class will not be effective unless approved by a two-thirds majority of the votes (i.e. more than 66 2/3%) of the outstanding securities of each of Canoe Equity Income Class and Canoe Asset Allocation Class cast at the Meeting.

The Merger of Canoe Canadian Corporate Bond Fund into Canoe Bond Advantage Fund will not be effective unless approved by a majority of the votes (i.e. more than 50%) of the outstanding securities of Canoe Canadian Corporate Bond Fund cast at the Meeting.

The Merger of Canoe Floating Rate Income Fund into Canoe Strategic High Yield Fund will not be effective unless approved by a majority of the votes (i.e. more than 50%) of the outstanding securities of Canoe Floating Rate Income Fund cast at the Meeting.

Securityholders are entitled to one vote for each whole security held by such securityholder and, in the case of a Terminating Trust Fund, no votes for fractions of a security.

Holders of securities of record at the close of business on November 27, 2018 will be entitled to vote at the Meetings, except to the extent that such securities are redeemed prior to the Meetings or that a transferee of securities after that date complies with the required procedures in order to qualify to vote the transferred securities. If your securities were transferred to you from another holder after November 27, 2018 (this would occur only in unusual circumstances, such as death of a holder), you should contact the Manager to determine the documentation necessary to transfer the securities on the Manager’s records. You will only be able to vote the transferred securities after the transfer has been recorded on the Manager’s records.

No Merger is contingent on any other Merger, and one may proceed even if another is not approved.

To give effect to the foregoing, securityholders of the Terminating Funds and the Continuing Corporate Class Funds are requested to approve the resolutions that are set out in Schedule "A" to this Management Information Circular.

## ADDITIONAL INFORMATION

Additional information about the Funds is available in their simplified prospectus, annual information form, fund facts, management report of fund performance and financial statements. You can get a copy of these documents upon request and at no cost, by calling the Manager toll free at 1-800-250-3303, from your dealer or by e-mail at info@canoefinancial.com.

These documents and other information about the Funds, such as information circulars and material contracts, are also available on the Funds' website www.canoefinancial.com or at www.sedar.com.

## FUND MERGER DETAILS

### MERGER OF CANOE CANADIAN MONTHLY INCOME CLASS INTO CANOE NORTH AMERICAN MONTHLY INCOME CLASS (applicable to securityholders of Canoe Canadian Monthly Income Class and Canoe North American Monthly Income Class)

#### General

The Manager is seeking approval from securityholders of Canoe Canadian Monthly Income Class, the Terminating Fund, and Canoe North American Monthly Income Class, the Continuing Fund, for the Merger of the Terminating Fund into the Continuing Fund. Securityholders of the Terminating Fund are entitled to vote on the proposed Merger as: (i) its assets are being transferred to another investment fund, the Continuing Fund, which may not be considered to have "substantially similar" investment objectives; and (ii) a small portion of the Merger will be effected on a taxable basis, even though the Merger will be primarily tax-deferred. Securityholders of the Continuing Fund are entitled to vote on the proposed Merger because the *Business Corporations Act* (Alberta) (the "**ABCA**") requires those securityholders to approve an exchange of the securities of another class into the securities of the Continuing Fund, which is necessary to effect the Merger.

If approved, the Merger will become effective on or about March 8, 2019. The Manager will have the discretion to postpone implementation of the Merger until a later date (which shall be no later than May 31, 2019) or to not proceed with the Merger if it is considered in the best interests of the Terminating Fund or the Continuing Fund or their investors to not proceed. Following the Merger, the Terminating Fund will be wound up. If the Merger does not obtain securityholder approval, the Manager will consider the continued viability of the Terminating Fund and may, in its discretion, decide to terminate and cancel the Terminating Fund in accordance with the provisions of its constating documents and applicable securities law requirements as soon as practicable after the Merger Date. The proposed Merger of these Funds is also subject to regulatory approval.

In exchange for their current securities, securityholders of each series of the Terminating Fund shall receive securities of the applicable series of the Continuing Fund as set out below:

| Terminating Fund | Series Currently Held | Series Received pursuant to Merger | Continuing Fund |
|---|---|---|---|
| Canoe Canadian Monthly Income Class | A | AX | Canoe North American Monthly Income Class |
| | T6 | | |
| | F | F | |
| | F6 | | |

As a result of the Merger, securityholders of the Terminating Fund will receive securities of the Continuing Fund that have a management fee that is the same or lower than the management fee charged in respect of their securities of the Terminating Fund. Series A and Series T6 securityholders of the Terminating Fund will receive Series AX of the Continuing Fund which has a monthly distribution policy. Series F and Series F6 securityholders of the Terminating Fund will receive Series F of the Continuing Fund which has a monthly distribution policy.

By approving this Merger, securityholders of the Terminating Fund accept the investment objectives of the Continuing Fund, the fee structure of the Continuing Fund and the tax consequences of the Merger. See "Investment Objectives and Strategies" below for a comparison of the investment objectives of the Terminating Fund and the Continuing Fund, see "Comparison of Fund Size, Management Fee and Expenses" below for a discussion of the fees and expenses of the Terminating Fund and the Continuing Fund and see "Canadian Federal Income Tax Consequences" above for details regarding the tax consequences of the Merger for Canadian resident individuals.

**Benefits of this Merger**

As discussed above under "Benefits of the Proposed Fund Mergers", there are a number of benefits to securityholders of both the Terminating Fund and the Continuing Fund, including that, following the Merger, the Continuing Fund will have a portfolio of greater value, allowing for increased portfolio diversification opportunities, which may lead to increased returns and/or a reduction of risk. The Continuing Fund, as a result of its greater size, benefits from a larger profile in the marketplace by potentially attracting more securityholders and enabling it to maintain a "critical mass". In addition, a line-up consisting of fewer mutual funds that target similar types of securityholders will allow the Manager to concentrate its marketing efforts to attract additional assets in the Continuing Fund. Ultimately, this benefits unitholders because it ensures that the Continuing Fund remains a viable, long-term investment vehicle for existing and potential investors.

**Recommendation**

**The Manager recommends that securityholders of the Terminating Fund and Continuing Fund vote FOR the Merger.**

The IRC of each of the Funds has reviewed the potential conflict of interest matters related to the proposed Merger and has provided the Manager with a positive recommendation having determined that the proposed Merger, if implemented, achieves a fair and reasonable result for each of the Funds.

*Investment Objectives and Strategies*

The investment objectives and primary investment strategies of the Terminating Fund and the Continuing Fund are as follows:

| **Fund** | **Canoe Canadian Monthly Income Class** | **Canoe North American Monthly Income Class** |
|---|---|---|
| Investment Objectives | Canoe Canadian Monthly Income Portfolio Class aims to provide monthly income and capital growth by investing, indirectly through the Canoe Portfolio Class Limited Partnership (the "**Partnership**"), primarily in a mix of Canadian equity securities, Canadian fixed income securities, U.S. investment grade corporate and high yield fixed income securities, preferred stocks and convertible securities or other non-Canadian securities. The Fund may also invest indirectly through the Partnership in securities of REITs and ETFs. | Canoe North American Monthly Income Portfolio Class aims to generate income and long term capital growth by investing, indirectly through the Partnership, primarily in high-yielding equity securities and corporate bonds of North American issuers. The Fund may also invest, indirectly through the Partnership, primarily in securities of mutual funds. |
| Investment Strategies | The Fund's target asset mix is 50% equity securities and 50% fixed income securities. The Fund may invest, indirectly through the Partnership, up to 30% of its assets in foreign securities. Depending on market conditions, the portfolio manager may vary the Fund's asset mix from the target mix if it believes this will produce a better overall balance of risk and return.<br><br>The Fund may invest indirectly through the Partnership in any kind of equity or fixed income security or money market instrument, including real estate securities, investment trusts, preferred shares, convertible securities, and other debt securities, such as (but not limited to) government securities, corporate bonds, commercial mortgage-backed securities, asset backed securities, residential mortgage-backed securities, investment grade corporate bonds, high yield securities, leveraged loans, and emerging market securities. The portfolio manager will determine the asset class to which a security belongs based on its investment characteristics. For example, the portfolio manager may classify a security as fixed income or money market according to its interest rate sensitivity and maturity.<br><br>The Fund will invest indirectly through the Partnership in equity securities that are expected to distribute higher levels of | Canoe North American Monthly Income Portfolio Class seeks to achieve its investment objectives by investing indirectly through the Partnership approximately half of its net assets in equity securities of North American issuers and investing the remainder in fixed income securities of North American issuers. The portfolio manager will determine whether to invest indirectly through the Partnership in equity securities and bonds of North American issuers or in such securities through investing in other mutual funds.<br><br>The portfolio manager will actively manage the equity and fixed income components of the Fund. The Fund's current target mix is 50% equity securities and 50% fixed income securities. The Fund will invest, indirectly through the Partnership, at least 30% of its assets in foreign securities. The portfolio manager will determine how much to invest in each asset class according to market conditions.<br><br>The Fund may invest indirectly through the Partnership in any kind of equity or fixed income security or money market instrument, including real estate securities, investment trusts, preferred shares, convertible securities, and other debt securities, such as (but not limited to) government securities, corporate bonds, commercial mortgage- |

| Fund | Canoe Canadian Monthly Income Class | Canoe North American Monthly Income Class |
|---|---|---|
| | income in the aggregate. When buying and selling equity securities, the portfolio manager:<br><br>• examines each company's potential for success in light of its current financial condition, its industry position and economic and market conditions;<br>• focuses primarily on a company's valuations;<br>• invests in companies that it believes are undervalued in the marketplace in relation to factors such as the company's assets, sales, earnings, growth potential, or cash flow, or in relation to securities of other companies in the same industry; and<br>• considers factors like earnings estimates, ability to pay dividends, and quality of management.<br><br>The Fund may invest indirectly through the Partnership in small, medium, and large capitalization equity securities, whether Canadian or foreign.<br><br>For the fixed income portion of the Fund's portfolio, the portfolio manager:<br><br>• follows a fundamental bottom up approach to investing;<br>• maintains a value bias towards the purchase of fixed income securities; and<br>• focuses on credit quality, duration (term to maturity) and liquidity.<br><br>The Fund may invest indirectly through the Partnership up to 100% of its assets in other mutual funds (including ETFs that are index participation units), which may be managed by the Manager or an affiliate of the Manager. The portfolio manager will select these mutual funds using the same investment approach as undertaken when investing directly in equity and fixed income securities. | backed securities, asset backed securities, residential mortgage-backed securities, investment grade corporate bonds, high yield securities, leveraged loans, and emerging market securities. The portfolio manager will determine the asset class to which a security belongs based on its investment characteristics. For example, the portfolio manager may classify a security as fixed income or money market according to its interest rate sensitivity and maturity.<br><br>For the equity portion of the portfolio, the portfolio manager will invest indirectly through the Partnership primarily in common shares, preferred shares, REITs, royalty trusts and similar higher yielding equity investments from different parts of the world.<br><br>The Fund will invest indirectly through the Partnership in equity securities that are expected to distribute higher levels of income in the aggregate. When buying and selling equity securities, the portfolio manager:<br><br>• examines each company's potential for success in light of its current financial condition, its industry position and economic and market conditions;<br>• focuses primarily on a company's valuations;<br>• invests in companies that it believes are undervalued in the marketplace in relation to factors such as the company's assets, sales, earnings, growth potential, or cash flow, or in relation to securities of other companies in the same industry; and<br>• considers factors such as earnings estimates, ability to pay dividends, and quality of management.<br><br>The Fund may invest indirectly through the Partnership in small, medium and large capitalization equity securities, whether Canadian or foreign.<br><br>For the fixed income portion of the Fund's portfolio, the portfolio manager: |

| Fund | Canoe Canadian Monthly Income Class | Canoe North American Monthly Income Class |
| --- | --- | --- |
| | The Fund indirectly through the Partnership may enter into repurchase transactions, reverse repurchase transactions, and securities lending transactions. The Fund indirectly through the Partnership will only do so if there are suitable counterparties available and if the transactions are considered appropriate.<br><br>The Fund indirectly through the Partnership may engage in short selling in order to manage volatility or enhance the Fund's performance in declining or volatile markets. In compliance with its investment objectives, the Fund indirectly through the Partnership will engage in short sales by borrowing securities which the portfolio manager believes are overvalued and selling them in the open market. The securities indirectly through the Partnership will then be repurchased at a later date and returned to the lender. The Fund indirectly through the Partnership will only engage in short sales as permitted by Canadian securities regulators.<br><br>The Fund indirectly through the Partnership may use derivatives such as options, futures, forward contracts and swaps. The Fund indirectly through the Partnership may use forward contracts to hedge 0-100% of fluctuations caused by changes in exchange rates between foreign currencies and the Canadian dollar.<br><br>The Fund indirectly through the Partnership may also use derivatives to hedge against losses caused by changes in securities prices, interest rates, or commodity prices, or as a substitute for a stock, stock market or other security which is known as a "non-hedging" purpose.<br><br>The Fund indirectly through the Partnership may use derivatives in conjunction with its other investment strategies and in accordance with the limits, restrictions and practices set by Canadian securities regulations or as permitted under the terms of exemptive relief obtained from the securities regulators.<br><br>The Fund indirectly through the Partnership may depart from its investment objectives by | • follows a fundamental bottom up approach to investing;<br>• maintains a value bias towards the purchase of fixed income securities; and<br>• focuses on credit quality, duration (term to maturity) and liquidity.<br><br>The Fund may invest indirectly through the Partnership up to 100% of its assets in other mutual funds (including ETFs that are index participation units), which may be managed by the Manager or an affiliate of the Manager. The portfolio manager will select these mutual funds using the same investment approach as undertaken when investing directly in equity or fixed income securities.<br><br>The Fund has obtained an exemption from securities legislation that permits it to invest directly or indirectly up to 10% of its net assets, taken at market value at the time of purchase, in aggregate, in gold, gold certificates, silver, silver certificates, and derivatives the underlying interest of which are gold and/or silver and certain gold/silver ETFs on an unlevered basis. Gold/silver ETFs are exchange traded funds that seek to replicate the performance of gold and/or silver or an index which seeks to replicate the performance of gold and/or silver. The gold/silver ETFs may invest directly or indirectly in gold, silver or derivatives the underlying interest of which is gold and/or silver. In the case of gold, the Fund indirectly through the Partnership may also purchase gold directly, permitted gold certificates or specified derivatives where the underlying interest is gold.<br><br>The Fund indirectly through the Partnership may enter into repurchase transactions, reverse repurchase transactions, and securities lending transactions. The Fund indirectly through the Partnership will only do so if there are suitable counterparties available and if the transactions are considered appropriate by the portfolio manager. |

| Fund | Canoe Canadian Monthly Income Class | Canoe North American Monthly Income Class |
|---|---|---|
| | temporarily investing most or all of its assets in cash or fixed income securities issued or guaranteed by a Canadian or U.S. government, government agency or company to try to protect it during a market downturn or for other reasons.<br><br>The portfolio manager may actively trade the Fund's investments.  This can increase trading costs, which impacts the Fund's returns. It also increases the possibility of taxable capital gains if securities are held in a non-registered account. | The Fund indirectly through the Partnership may engage in short selling in order to manage volatility or enhance the Fund's performance in declining or volatile markets. In compliance with its investment objectives, the Fund indirectly through the Partnership will engage in short sales by borrowing securities which the portfolio manager believes are overvalued and selling them in the open market. The securities indirectly through the Partnership will then be repurchased at a later date and returned to the lender. The Fund indirectly through the Partnership will only engage in short sales as permitted by Canadian securities regulators.<br><br>The Fund indirectly through the Partnership may use derivatives such as options, futures, forward contracts and swaps. The Fund indirectly through the Partnership may use forward contracts to hedge 0-100% of fluctuations caused by changes in exchange rates between foreign currencies and the Canadian dollar.<br><br>The Fund indirectly through the Partnership may use derivatives in conjunction with its other investment strategies and in accordance with the limits, restrictions and practices set by Canadian securities regulations or as permitted under the terms of exemptive relief obtained from the securities regulators.<br><br>The Fund indirectly through the Partnership may depart from its investment objectives by temporarily investing most or all of its assets in cash or fixed income securities issued or guaranteed by a Canadian or U.S. government, government agency or company to try to protect it during a market downturn or for other reasons.<br><br>The portfolio manager may actively trade the Fund's investments. This can increase trading costs, which impacts the Fund's returns. It also increases the possibility of taxable capital gains if securities are held in a non-registered account. |

The Terminating Fund invests primarily in Canadian equity securities and fixed income securities, while the Continuing Fund invests primarily in high-yielding equity securities and corporate bonds of North American issuers. As a result of the fact that the Continuing Fund invests primarily in North American issuers, while the Terminating Fund invests primarily in Canadian issuers, the Manager believes a reasonable person would consider the investment objectives of the Terminating Fund to be not substantially similar to those of the Continuing Fund.

The portfolio manager of the Terminating Fund and the Continuing Fund is the Manager and the Manager will continue to be the portfolio manager of the Continuing Fund after the Merger.

**Comparison of Fund Size, Management Fee and Expenses**

The following table sets out the combined assets under management ("**AUM**"), management fees and administration fees for each series and the management expense ratio ("**MER**") for each series for each of the Terminating Fund and the Continuing Fund:

<table>
<tr><th rowspan="2">Terminating Fund</th><th rowspan="2">Series Currently Held</th><th>Management Fee[2]</th><th rowspan="2">MER[1]</th><th rowspan="2">MER[1]</th><th>Management Fee[2]</th><th rowspan="2">Series Received pursuant to Merger</th><th rowspan="2">Continuing Fund</th></tr>
<tr><th>Administration Fee[2]</th><th>Administration Fee[2]</th></tr>
<tr><td rowspan="8">Canoe Canadian Monthly Income Class<br><br>$64.2 MM AUM[3]</td><td rowspan="2">A</td><td>1.95%</td><td rowspan="2">2.45%</td><td rowspan="4">2.54%</td><td rowspan="2">1.95%</td><td rowspan="4">AX</td><td rowspan="8">Canoe North American Monthly Income Class<br><br>$358.6 MM AUM[3]</td></tr>
<tr><td>0.35%</td></tr>
<tr><td rowspan="2">T6</td><td>1.95%</td><td rowspan="2">2.45%</td><td rowspan="2">0.35%</td></tr>
<tr><td>0.35%</td></tr>
<tr><td rowspan="2">F</td><td>0.95%</td><td rowspan="2">1.43%</td><td rowspan="4">1.29%</td><td rowspan="2">1.15%[4]</td><td rowspan="4">F</td></tr>
<tr><td>0.35%</td></tr>
<tr><td rowspan="2">F6</td><td>0.95%</td><td rowspan="2">1.39%</td><td rowspan="2">0.35%</td></tr>
<tr><td>0.35%</td></tr>
</table>

1 MER of the relevant series is provided after waivers or absorptions as at December 31, 2017.
2 The same annual management fee rate and administration fee rate of a series of a Corporate Class Fund that is part of a Portfolio Class Fund also applies to that portion of a CTF unit that relates to such series of securities.
3 The assets under management is the total value of the Portfolio Class Fund which consists of an investment in shares of a Corporate Class Fund plus units of CTF.
4 Effective March 8, 2019, the management fee will be 0.95%.

In addition to the management fee, each Fund pays an administration fee in return for the Manager paying all operating expenses, other than the following fund costs: fees, costs and expenses associated with: all taxes (including, without limitation, HST, GST, capital taxes, income taxes and withholding taxes); bank charges, borrowing and interest; termination fees; in the case of a Portfolio Class Fund with respect to the shares of the applicable Corporate Class Fund and that portion of your CTF unit that relates to such shares, the proportionate share of directors' fees of the Fund Corp.; in the case of a trust fund and the CTF unit that forms part of a Portfolio Class Fund, the proportionate share of any trustee fees; securityholder meeting fees (where permitted to be charged to the Fund); the IRC or other advisory committee fees and expenses; compliance with any new governmental or regulatory requirements imposed after the date that securities of these Funds were first offered for sale to the public or the earliest start date specified in the Funds' simplified prospectus, whichever is earlier (including relating to the operating expenses); and any new type of cost, expense or fee arising after such date, including arising from new government or regulatory requirements relating to the operating expenses or related to external services that were not commonly charged in the Canadian mutual fund industry as of such date.

As a result of the Merger, securityholders of the Terminating Fund will receive securities of the Continuing Fund that have a management fee that is the same as or lower than the management fee charged in respect of their securities of the Terminating Fund. In addition, securityholders of the Terminating Fund will receive securities of the Continuing Fund that have an administration fee that is the same as the administration fee that is charged in respect of their securities of the Terminating Fund. It is the Manager's opinion that a reasonable person would consider the fee structures of the Terminating Fund and the Continuing Fund to be substantially similar.

**MERGER OF CANOE EQUITY INCOME CLASS INTO CANOE ASSET ALLOCATION CLASS**
**(applicable to securityholders of Canoe Equity Income Class and Canoe Asset Allocation Class)**

**General**

The Manager is seeking approval from securityholders of Canoe Equity Income Class, the Terminating Fund, and Canoe Asset Allocation Class, the Continuing Fund, for the Merger of the Terminating Fund into the Continuing Fund. Securityholders of the Terminating Fund are entitled to vote on the proposed Merger as: (i) its assets are being transferred to another investment fund, the Continuing Fund, which may not be considered to have "substantially similar" investment objectives; (ii) a small portion of the Merger will be effected on a taxable basis, even though the Merger will be primarily tax-deferred; and (iii) the materials to be sent to certain securityholders of certain series of the Terminating Fund in respect of the Merger will not include the current simplified prospectus or the most recently filed fund facts documents for the series of the Continuing Fund into which certain series of the Terminating Fund are merging. Securityholders of the Continuing Fund are entitled to vote on the proposed Merger because the ABCA requires those securityholders to approve an exchange of the securities of another class into the securities of the Continuing Fund, which is necessary to effect the Merger.

If approved, the Merger will become effective on or about March 8, 2019. The Manager will have the discretion to postpone implementation of the Merger until a later date (which shall be no later than May 31, 2019) or to not proceed with the Merger if it is considered in the best interests of the Terminating Fund or the Continuing Fund or their investors to not proceed. Following the Merger, the Terminating Fund will be wound up. If the Merger does not obtain securityholder approval, the Manager will consider the continued viability of the Terminating Fund and may, in its discretion, decide to terminate and cancel the Terminating Fund in accordance with the provisions of its constating documents and applicable securities law requirements as soon as practicable after the date of the Meeting. The proposed Merger of these Funds is also subject to regulatory approval.

In exchange for their current securities, securityholders of each series of the Terminating Fund shall receive securities of the applicable series of the Continuing Fund as set out below:

| Terminating Fund | Series Currently Held | Series Received pursuant to Merger | Continuing Fund |
|---|---|---|---|
| Canoe Equity Income Class | A | T6 | Canoe Asset Allocation Class |
| | AX | | |
| | F | F6 | |
| | FX | | |
| | X | X[1] | |
| | Y | Y[1] | |
| | Z | Z | |

1. New series.

As a result of the Merger, securityholders of the Terminating Fund will receive securities of the Continuing Fund that have a management fee that is the same or lower than the management fee charged in respect of their securities of the Terminating Fund. Series A and Series AX securityholders of the Terminating Fund will receive Series T6 of the Continuing Fund which has a monthly distribution policy. Series F and Series

FX securityholders of the Terminating Fund will receive Series F6 of the Continuing Fund which has a monthly distribution policy.

By approving this Merger, securityholders of the Terminating Fund accept the investment objectives of the Continuing Fund, the fee structure of the Continuing Fund and the tax consequences of the Merger. See "Investment Objectives and Strategies" below for a comparison of the investment objectives of the Terminating Fund and the Continuing Fund, see "Comparison of Fund Size, Management Fee and Expenses" below for a discussion of the fees and expenses of the Terminating Fund and the Continuing Fund and see "Canadian Federal Income Tax Consequences" above for details regarding the tax consequences of the Merger for Canadian resident individuals.

**Benefits of this Merger**

As discussed above under "Benefits of the Proposed Fund Mergers", there are a number of benefits to securityholders of both the Terminating Fund and the Continuing Fund, including that, following the Merger, the Continuing Fund will have a portfolio of greater value, allowing for increased portfolio diversification opportunities, which may lead to increased returns and/or a reduction of risk. The Continuing Fund, as a result of its greater size, benefits from a larger profile in the marketplace by potentially attracting more securityholders and enabling it to maintain a "critical mass". In addition, a line-up consisting of fewer mutual funds that target similar types of securityholders will allow the Manager to concentrate its marketing efforts to attract additional assets in the Continuing Fund. Ultimately, this benefits unitholders because it ensures that the Continuing Fund remains a viable, long-term investment vehicle for existing and potential investors.

**Recommendation**

**The Manager recommends that securityholders of the Funds vote FOR the Merger.**

The IRC of each of the Funds has reviewed the potential conflict of interest matters related to the proposed Merger and has provided the Manager with a positive recommendation having determined that the proposed Merger, if implemented, achieves a fair and reasonable result for each of the Funds.

**Investment Objectives and Strategies**

The investment objectives and primary investment strategies of the Terminating Fund and the Continuing Fund are as follows:

| Fund | Canoe Equity Income Class | Canoe Asset Allocation Class |
|---|---|---|
| Investment Objectives | Canoe Equity Income Portfolio Class aims to provide capital appreciation with some potential for income by investing indirectly through the Partnership primarily in Canadian equity and fixed income securities. | Canoe Asset Allocation Class aims to provide long term growth and capital preservation using a balanced investment approach. It invests indirectly through the Partnership primarily in a mix of Canadian equity securities, fixed income securities and money market instruments. The Fund may also invest indirectly through the Partnership in gold, gold certificates, silver certificates and certain gold/silver ETFs. |

| Fund | Canoe Equity Income Class | Canoe Asset Allocation Class |
|---|---|---|
| Investment Strategies | The portfolio manager will use strategic asset allocation to seek to achieve the Fund's investment objective. The Fund's asset mix exposure will generally be 60-90% in equity securities, 10-40% in fixed income securities and 0-10% in cash or cash equivalents. The Fund will invest indirectly through the Partnership primarily in Canadian equity and fixed income securities, but up to 30% of the Fund's assets may be invested indirectly through the Partnership in foreign securities. Depending on market conditions, the portfolio manager may vary the Fund's asset mix from the target mix if it believes this will produce a better overall balance of risk and return.<br><br>The Fund may invest indirectly through the Partnership in any kind of equity or fixed income security or money market instrument, including real estate securities, investment trusts, preferred shares, convertible securities, and other debt securities, such as (but not limited to) government securities, corporate bonds, commercial mortgage-backed securities, asset backed securities, residential mortgage-backed securities, investment grade corporate bonds, high yield securities, leveraged loans, and emerging market securities. The portfolio manager will determine the asset class to which a security belongs based on its investment characteristics. For example, the portfolio manager may classify a security as fixed income or money market according to its interest rate sensitivity and maturity.<br><br>The Fund will invest indirectly through the Partnership in equity securities that are expected to distribute higher levels of income in the aggregate. When buying and selling equity securities, the portfolio manager:<br><br>• examines each company's potential for success in light of its current financial condition, its industry position and economic and market conditions;<br>• focuses primarily on a company's valuations;<br>• invests in companies that it believes are undervalued in the marketplace in | The portfolio manager generally intends to keep the Fund's asset mix, indirectly through the Partnership, within the following ranges:<br><br>• 40% or less or 60% or more equity securities;<br>• 40% or less or 60% or more fixed income securities;<br>• 0-30% money market instruments; and<br>• 0-10% gold, gold certificates, silver certificates and certain gold/silver ETFs.<br><br>Depending on market conditions, the portfolio manager may vary the Fund's asset mix to a high (100%) fixed income or high (100%) equity weight, indirectly through the Partnership, if it believes this will produce a better overall balance of risk and return.<br><br>The Fund may invest indirectly through the Partnership up to 49% of its assets in foreign securities.<br><br>The Fund may invest indirectly through the Partnership in any kind of equity or fixed income security or money market instrument, including real estate securities, investment trusts, preferred shares, convertible securities, and other debt securities, such as (but not limited to) government securities, corporate bonds, commercial mortgage-backed securities, asset backed securities, residential mortgage-backed securities, investment grade corporate bonds, high yield securities, leveraged loans, and emerging market securities. The portfolio manager will determine the asset class to which a security belongs based on its investment characteristics. For example, the portfolio manager may classify a security as fixed income or money market according to its interest rate sensitivity and maturity.<br><br>When buying and selling equity securities, the portfolio manager:<br><br>• examines each company's potential for success in light of its current financial condition, its industry position and economic and market conditions; |

| Fund | Canoe Equity Income Class | Canoe Asset Allocation Class |
|---|---|---|
| | relation to factors such as the company's assets, sales, earnings, growth potential, or cash flow, or in relation to securities of other companies in the same industry; and<br>• considers factors like earnings estimates, ability to pay dividends, and quality of management.<br><br>The Fund may invest indirectly through the Partnership in small, medium, and large capitalization equity securities.<br><br>For the fixed income portion of the Fund's portfolio, the portfolio manager:<br><br>• follows a fundamental, bottom up approach to investing;<br>• maintains a value bias towards the purchase of fixed income securities; and<br>• focuses on credit quality, duration (term to maturity) and liquidity.<br><br>The Fund may invest indirectly through the Partnership up to 100% of its assets in other mutual funds (including ETFs that are index participation units), which may be managed by the Manager or an affiliate of the Manager. The portfolio manager will select these mutual funds using the same investment approach as undertaken when investing directly in equity or fixed income securities.<br><br>The Fund has obtained an exemption from securities legislation that permits it to invest directly or indirectly up to 10% of its net assets, taken at market value at the time of purchase, in aggregate, in gold, gold certificates, silver, silver certificates, and derivatives the underlying interest of which are gold and/or silver and certain gold/silver ETFs on an unlevered basis. Gold/silver ETFs are exchange traded funds that seek to replicate the performance of gold and/or silver or an index which seeks to replicate the performance of gold and/or silver. The gold/silver ETFs may invest directly or indirectly in gold, silver or derivatives the | • focuses primarily on a company's valuations;<br>• invests in companies that it believes are undervalued in the marketplace in relation to factors such as the company's assets, sales, earnings, growth potential, or cash flow, or in relation to securities of other companies in the same industry; and<br>• considers factors like earnings estimates, ability to pay dividends, and quality of management.<br><br>The Fund may invest indirectly through the Partnership in small, medium, and large capitalization equity securities, whether Canadian or foreign.<br><br>For the fixed income portion of the Fund's portfolio, the portfolio manager:<br><br>• follows a fundamental, bottom up approach to investing;<br>• maintains a value bias towards the purchase of fixed income securities; and<br>• focuses on credit quality, duration (term to maturity) and liquidity.<br><br>The Fund may invest indirectly through the Partnership up to 100% of its assets in other mutual funds (including ETFs that are index participation units), which may be managed by the Manager or an affiliate of the Manager. The portfolio manager will select these mutual funds using the same investment approach as undertaken when investing directly in equity and fixed income securities.<br><br>The Fund has obtained an exemption from securities legislation that permits it to invest directly or indirectly up to 10% of its net assets, taken at market value at the time of purchase, in aggregate, in gold, gold certificates, silver, silver certificates, and derivatives the underlying interest of which are gold and/or silver and certain gold/silver ETFs on an unlevered basis. Gold/silver ETFs are exchange traded funds that seek to replicate the performance of gold and/or silver or an index which seeks to replicate |

| Fund | Canoe Equity Income Class | Canoe Asset Allocation Class |
|---|---|---|
| | underlying interest of which is gold and/or silver.<br><br>The Fund indirectly through the Partnership may enter into repurchase transactions, reverse repurchase transactions, and securities lending transactions. The Fund indirectly through the Partnership will only do so if there are suitable counterparties available and if the transactions are considered appropriate by the portfolio manager.<br><br>The Fund indirectly through the Partnership may engage in short selling in order to manage volatility or enhance the Fund's performance in declining or volatile markets. In compliance with its investment objectives, the Fund indirectly through the Partnership will engage in short sales by borrowing securities which the portfolio manager believes are overvalued and selling them in the open market. The securities indirectly through the Partnership will then be repurchased at a later date and returned to the lender. The Fund indirectly through the Partnership will only engage in short sales as permitted by Canadian securities regulators.<br><br>The Fund indirectly through the Partnership may use derivatives such as options, futures, forward contracts and swaps. The Fund indirectly through the Partnership may use forward contracts to hedge 0-100% of fluctuations caused by changes in exchange rates between foreign currencies and the Canadian dollar.<br><br>The Fund indirectly through the Partnership may use derivatives in conjunction with its other investment strategies and in accordance with the limits, restrictions and practices set by Canadian securities regulations or as permitted under the terms of exemptive relief obtained from the securities regulators.<br><br>The Fund indirectly through the Partnership may depart from its investment objectives by temporarily investing most or all of its assets in cash or fixed income securities issued or guaranteed by a Canadian or U.S. government, government agency or company | the performance of gold and/or silver. The gold/silver ETFs may invest directly or indirectly in gold, silver or derivatives the underlying interest of which is gold and/or silver. In the case of gold, the Fund indirectly through the Partnership may also purchase gold, permitted gold certificates or specified derivatives where the underlying interest is gold.<br><br>The Fund indirectly through the Partnership may enter into repurchase transactions, reverse repurchase transactions, and securities lending transactions. The Fund indirectly through the Partnership will only do so if there are suitable counterparties available and if the transactions are considered appropriate.<br><br>The Fund indirectly through the Partnership may engage in short selling in order to manage volatility or in declining or volatile markets. In compliance with its investment objectives, the Fund indirectly through the Partnership will engage in short sales by borrowing securities which the portfolio manager believes are overvalued and selling them in the open market. The securities indirectly through the Partnership will then be repurchased through the Partnership at a later date and returned to the lender. The Fund indirectly through the Partnership will only engage in short sales as permitted by Canadian securities regulators.<br><br>The Fund indirectly through the Partnership may use derivatives such as options, futures, forward contracts and swaps. The Fund indirectly through the Partnership may use forward contracts to hedge 0-100% of fluctuations caused by changes in exchange rates between foreign currencies and the Canadian dollar.<br><br>The Fund indirectly through the Partnership may also use derivatives to hedge against losses caused by changes in securities prices, interest rates, or commodity prices, or as a substitute for a stock, stock market or other security which is known as a “non-hedging” purpose.<br><br>The Fund indirectly through the Partnership may use derivatives in conjunction with its |

| Fund | Canoe Equity Income Class | Canoe Asset Allocation Class |
|---|---|---|
| | to try to protect it during a market downturn or for other reasons<br><br>The portfolio manager may actively trade the Fund’s investments. This can increase trading costs, which impacts the Fund’s returns. It also increases the possibility of taxable capital gains if securities are held in a non-registered account. | other investment strategies and in accordance with the limits, restrictions and practices set by Canadian securities regulations or as permitted under the terms of exemptive relief obtained from the securities regulators.<br>The Fund indirectly through the Partnership may depart from its investment objectives by temporarily investing most or all of its assets in cash or fixed income securities issued or guaranteed by a Canadian or U.S. government, government agency or company to try to protect it during a market downturn or for other reasons.<br><br>The portfolio manager may actively trade the Fund's investments. This can increase trading costs, which impacts the Fund's returns. It also increases the possibility of taxable capital gains if securities are held in a non-registered account. |

While both the Terminating Fund and the Continuing Fund invest primarily in Canadian equity and fixed income securities, as a result of the fact that the Continuing Fund also invests in money market instruments and aims to provide capital preservation (along with growth) while the Terminating Fund does not invest in money market instruments and aims to provide capital appreciation and some income, the Manager believes a reasonable person would consider the investment objectives of the Terminating Fund to be not substantially similar to those of the Continuing Fund.

The portfolio manager of the Terminating Fund and the Continuing Fund is the Manager and the Manager will continue to be the portfolio manager of the Continuing Fund after the Merger.

**Comparison of Fund Size, Management Fee and Expenses**

The following table sets out the combined AUM, management fees and administration fees for each series and the MER for each series for each of the Terminating Fund and the Continuing Fund:

<table>
<tr><th rowspan="2">Terminating Fund</th><th rowspan="2">Series Currently Held</th><th>Management Fee[4]</th><th rowspan="2">MER[2]</th><th rowspan="2">MER[2]</th><th>Management Fee[4]</th><th rowspan="2">Series Received pursuant to Merger</th><th rowspan="2">Continuing Fund</th></tr>
<tr><th>Administration Fee[4]</th><th>Administration Fee[4]</th></tr>
<tr><td rowspan="13">Canoe Equity Income Class<br><br>$93.8 MM AUM[5]</td><td rowspan="2">A</td><td>2.10%</td><td rowspan="2">2.60%</td><td rowspan="4">2.60%</td><td rowspan="2">2.10%[1]</td><td rowspan="4">T6</td><td rowspan="13">Canoe Asset Allocation Class<br><br>$225.7 MM AUM[5]</td></tr>
<tr><td>0.35%</td></tr>
<tr><td rowspan="2">AX</td><td>2.00%</td><td rowspan="2">2.62%</td><td rowspan="2">0.35%</td></tr>
<tr><td>0.35%</td></tr>
<tr><td rowspan="2">F</td><td>1.10%</td><td rowspan="2">1.58%</td><td rowspan="5">1.60%</td><td rowspan="2">1.00%</td><td rowspan="5">F6</td></tr>
<tr><td>0.35%</td></tr>
<tr><td rowspan="3">FX</td><td>1.00%</td><td rowspan="3">1.47%</td><td rowspan="2">0.35%</td></tr>
<tr><td>0.35%</td></tr>
<tr><td>0.35%</td><td>0.35%</td></tr>
<tr><td rowspan="2">X</td><td>1.90%</td><td rowspan="2">2.50%</td><td rowspan="2">N/A</td><td>1.90%</td><td rowspan="2">X[3]</td></tr>
<tr><td>0.35%</td><td>0.35%</td></tr>
<tr><td rowspan="2">Y</td><td>1.95%</td><td rowspan="2">2.56%</td><td rowspan="2">N/A</td><td>1.95%</td><td rowspan="2">Y[3]</td></tr>
<tr><td>0.35%</td><td>0.35%</td></tr>
</table>

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | Z | 1.90%<br>0.35% | 2.52% | 2.48% | 1.90%<br>0.35% | Z | |

1 Effective January 1, 2019, the management fee will be 2.00%.

2 MER of the relevant series is provided after waivers or absorptions as at December 31, 2017.

3 This series will be created to facilitate the Mergers. As this series will be newly created, it does not yet have a MER.

4 The same annual management fee rate and administration fee rate of a series of a Corporate Class Fund that is part of a Portfolio Class Fund also applies to that portion of a CTF unit that relates to such series of securities.

5 The assets under management is the total value of the Portfolio Class Fund which consists of an investment in shares of a Corporate Class Fund plus units of CTF.

In addition to the management fee, each Fund pays an administration fee in return for the Manager paying all operating expenses, other than the following fund costs: fees, costs and expenses associated with: all taxes (including, without limitation, HST, GST, capital taxes, income taxes and withholding taxes); bank charges, borrowing and interest; termination fees; in the case of a Portfolio Class Fund with respect to the shares of the applicable Corporate Class Fund and that portion of your CTF unit that relates to such shares, the proportionate share of directors' fees of the Fund Corp.; in the case of a trust fund and the CTF unit that forms part of a Portfolio Class Fund, the proportionate share of any trustee fees; securityholder meeting fees (where permitted to be charged to the Fund); the IRC or other advisory committee fees and expenses; compliance with any new governmental or regulatory requirements imposed after the date that securities of these Funds were first offered for sale to the public or the earliest start date specified in the Funds' simplified prospectus, whichever is earlier (including relating to the operating expenses); and any new type of cost, expense or fee arising after such date, including arising from new government or regulatory requirements relating to the operating expenses or related to external services that were not commonly charged in the Canadian mutual fund industry as of such date.

As a result of the Merger, securityholders of the Terminating Fund will receive securities of the Continuing Fund that have a management fee that is the same as or lower than the management fee charged in respect of their securities of the Terminating Fund. In addition, securityholders of the Terminating Fund will receive securities of the Continuing Fund that have an administration fee that is the same as the administration fee that is charged in respect of their securities of the Terminating Fund. It is the Manager's opinion that a reasonable person would consider the fee structures of the Terminating Fund and the Continuing Fund to be substantially similar.

## MERGER OF CANOE CANADIAN CORPORATE BOND FUND INTO CANOE BOND ADVANTAGE FUND
## (applicable to unitholders of Canoe Canadian Corporate Bond Fund)

### General

The Manager is seeking approval from unitholders of Canoe Canadian Corporate Bond Fund, the Terminating Fund, for the Merger of the Terminating Fund into Canoe Bond Advantage Fund, the Continuing Fund. Unitholders of the Terminating Fund are entitled to vote on the proposed Merger as: (i) its assets are being transferred to another investment fund, the Continuing Fund, which may not be considered to have "substantially similar" investment objectives; (ii) the Merger will be effected on a taxable basis; and (iii) the materials to be sent to certain unitholders of certain series of the Terminating Fund in respect of the Merger will not include the current simplified prospectus or the most recently filed fund facts documents for the series of the Continuing Fund into which certain series of the Terminating Fund are merging.

If approved, the Merger will become effective on or about March 8, 2019. The Manager will have the discretion to postpone implementation of the Merger until a later date (which shall be no later than May 31, 2019) or to not proceed with the Merger if it is considered in the best interests of the Terminating Fund or the Continuing Fund or their investors to not proceed. Following the Merger, the Terminating Fund will be wound up. If the Merger does not obtain securityholder approval, the Manager will consider the continued viability of the Terminating Fund and may, in its discretion, decide to terminate and wind up the Terminating Fund in accordance with the provisions of the declaration of trust of the Terminating Fund and applicable securities law requirements as soon as practicable following the date of the Meeting. The proposed Merger of these Funds is also subject to regulatory approval.

In exchange for their current securities, unitholders of each series of the Terminating Fund shall receive securities of the applicable series of the Continuing Fund as set out below:

| Terminating Fund | Series Currently Held | Series Received pursuant to Merger | Continuing Fund |
|---|---|---|---|
| Canoe Canadian Corporate Bond Fund | A | A | Canoe Bond Advantage Fund |
| | F | F | |
| | FH | FH[1,2] | |

1. Not available for sale.
2. This series will be created solely to facilitate the Merger and will not be available for purchase following the Merger. As no fund facts exist for Series FH, the Manager will mail fund facts pertaining to Series F of Canoe Bond Advantage Fund to affected unitholders.

As a result of the Merger, unitholders of the Terminating Fund will receive securities of the Continuing Fund that have a management fee that is the same or lower than the management fee charged in respect of their securities of the Terminating Fund.

By approving this Merger, unitholders of the Terminating Fund accept the investment objectives of the Continuing Fund, the fee structure of the Continuing Fund, and the tax consequences of the Merger. See "Investment Objectives and Strategies" below for a comparison of the investment objectives of the Terminating Fund and the Continuing Fund, see "Comparison of Fund Size, Management Fee and Expenses" below for a discussion of the fees and expenses of the Terminating Fund and the Continuing Fund and see "Canadian Federal Income Tax Consequences" above for details regarding the tax consequences of the Merger for Canadian resident individuals.

**Benefits of this Merger**

As discussed above under "Benefits of the Proposed Fund Mergers", there are a number of benefits to securityholders of both the Terminating Fund and the Continuing Fund, including that, following the Merger, the Continuing Fund will have a portfolio of greater value, allowing for increased portfolio diversification opportunities, which may lead to increased returns and/or a reduction of risk. The Continuing Fund, as a result of its greater size, benefits from a larger profile in the marketplace by potentially attracting more securityholders and enabling it to maintain a "critical mass". In addition, a line-up consisting of fewer mutual funds that target similar types of securityholders will allow the Manager to concentrate its marketing efforts to attract additional assets in the Continuing Fund. Ultimately, this benefits unitholders because it ensures that the Continuing Fund remains a viable, long-term investment vehicle for existing and potential investors.

**Recommendation**

**The Manager recommends that unitholders of the Terminating Fund vote FOR the Merger.**

The IRC of each of the Funds has reviewed the potential conflict of interest matters related to the proposed Merger and has provided the Manager with a positive recommendation having determined that the proposed Merger, if implemented, achieves a fair and reasonable result for each of the Funds.

**Investment Objectives and Strategies**

The investment objectives and primary investment strategies of the Terminating Fund and the Continuing Fund are as follows:

| Fund | Canoe Canadian Corporate Bond Fund | Canoe Bond Advantage Fund |
|---|---|---|
| Investment Objectives | The Canoe Canadian Corporate Bond Fund aims to provide a steady flow of income and preservation of capital by investing primarily in Canadian fixed income securities. | The Canoe Bond Advantage Fund aims to provide long term stable growth and income by investing primarily in Canadian fixed income securities. |
| Investment Strategies | The Fund invests primarily in fixed income securities of Canadian issuers but may also invest in debt securities of U.S. issuers or supranationals. Up to 30% of the Fund's assets may be invested in foreign securities.<br><br>To achieve the Fund's investment objective, the portfolio manager will<br><br>• follow a fundamental, bottom up approach to investing;<br>• maintain a value bias towards the purchase of fixed income securities; and<br>• focus on credit quality, duration (term to maturity) and liquidity.<br><br>The portfolio manager generally will seek to maintain the duration of the Fund's portfolio within a range of plus or minus five years of the duration of the FTSE TMX Canada Corporate Bond Universe Index or any successor index.<br><br>The portfolio manager generally will seek high quality marketable securities and corporate bonds with an average investment grade credit rating at the time of purchase. A portion of the Fund's assets maybe invested in investment grade bonds. In order to enhance yield, a portion of the Fund's assets may also be invested in below investment grade and un-rated securities. Investment in asset-backed commercial paper (ABCP) will not exceed 5% of the Fund's net assets, in aggregate. The Fund may also invest in cash or cash equivalents.<br><br>The Fund may invest up to 50% of its assets in other mutual funds (including ETFs that are index participation units), which may be managed by the Manager or an affiliate of the Manager. The portfolio manager will | The Fund invests primarily in fixed income securities of Canadian issuers but may also invest in debt securities of U.S. issuers or supranationals. Up to 30% securities of the Fund's assets may be invested in foreign securities.<br><br>To achieve the Fund's investment objective, the portfolio manager will:<br><br>• follow a fundamental, bottom up approach to investing;<br>• maintain a value bias towards the purchase of fixed income securities; and<br>• focus on credit quality, duration (term to maturity) and liquidity.<br><br>The portfolio manager generally will seek to maintain the duration of the Fund's portfolio within a range of plus or minus two years of the duration of the FTSE TMX Canada Universe Bond Index or any successor index.<br><br>The portfolio manager, in its analysis of bonds, will also emphasize cash flow coverage of debt service and analysis of short-term refinancing risk. The portfolio manager will focus on corporate bonds that it believes offer capital preservation and high levels of income and capital appreciation.<br><br>The portfolio manager generally will seek high quality marketable securities and corporate bonds with an average investment grade credit rating at the time of purchase. A portion of the Fund's assets may be invested in investment grade bonds. In order to enhance yield, a portion of the Fund's assets may also be invested in below investment grade and un-rated securities. Investment in asset-backed commercial paper (ABCP) will not exceed 5% of the Fund's net assets, in |

| Fund | Canoe Canadian Corporate Bond Fund | Canoe Bond Advantage Fund |
|---|---|---|
| | select these mutual funds using the same investment approach as undertaken when investing directly in equity securities.<br><br>The Fund may enter into repurchase transactions, reverse repurchase transactions, and securities lending transactions. The Fund will only do so if there are suitable counterparties available and if the transactions are considered appropriate.<br><br>The Fund may engage in short selling in order to manage volatility or enhance the Fund's performance in declining or volatile markets. In compliance with its investment objectives, the Fund will engage in short sales by borrowing securities which the portfolio manager believes are overvalued and selling them in the open market. The securities will then be repurchased at a later date and returned to the lender. The Fund will only engage in short sales as permitted by Canadian securities regulators.<br><br>The Fund may use derivatives such as options, futures, forward contracts and swaps. The Fund may use forward contracts to hedge 0-100% of fluctuations caused by changes in exchange rates between foreign currencies and the Canadian dollar.<br><br>The Fund may also use derivatives to hedge against losses caused by changes in securities prices, interest rates, or commodity prices, or as a substitute for a stock, stock market or other security which is known as a “non-hedging” purpose.<br><br>The Fund may use derivatives for other purposes in conjunction with its other investment strategies and in accordance with the limits, restrictions and practices set by Canadian securities regulations or as permitted under the terms of the exemptive relief which the Fund obtained from the securities regulators.<br><br>The Fund may depart from its investment objectives by temporarily investing most or all of its assets in cash to try to protect it during a market downturn or for other reasons. | aggregate. The Fund may also invest in cash or cash equivalents.<br><br>The Fund may invest up to 10% of its assets in other mutual funds (including ETFs that are index participation units), which may be managed by the Manager or an affiliate of the Manager. The portfolio manager will select these mutual funds using the same investment approach as undertaken when investing directly in fixed income securities.<br><br>The Fund may enter into repurchase transactions, reverse repurchase transactions, and securities lending transactions. The Fund will only do so if there are suitable counterparties available and if the transactions are considered appropriate.<br><br>The Fund may engage in short selling in order to manage volatility or enhance the Fund's performance in declining or volatile markets. In compliance with its investment objectives, the Fund will engage in short sales by borrowing securities which the portfolio manager believes are overvalued and selling them in the open market. The securities will then be repurchased at a later date and returned to the lender. The Fund will only engage in short sales as permitted by Canadian securities regulators.<br><br>The Fund may use derivatives such as options, futures, forward contracts and swaps. The Fund may use forward contracts to hedge 0-100% of fluctuations caused by changes in exchange rates between foreign currencies and the Canadian dollar.<br><br>The Fund may use derivatives for other purposes in conjunction with its other investment strategies and in accordance with the limits, restrictions and practices set by Canadian securities regulations or as permitted under the terms of exemptive relief which the Fund obtained from the securities regulators.<br><br>The Fund may depart from its investment objectives by temporarily investing most or all of its assets in cash or fixed income securities issued or guaranteed by a Canadian or U.S. government, government agency or |

| Fund | Canoe Canadian Corporate Bond Fund | Canoe Bond Advantage Fund |
|---|---|---|
| | | company to try to protect it during a market downturn or for other reasons.<br><br>The portfolio manager may actively trade the Fund's investments. This can increase trading costs, which impacts the Fund's returns. It also increases the possibility of taxable capital gains if securities are held in a non-registered account. |

While both the Terminating Fund and the Continuing Fund invest primarily in Canadian fixed income securities, as a result of the fact that the Terminating Fund aims to provide a steady flow of income and capital preservation, while the Continuing Fund aims to provide long term stable growth and income, the Manager believes a reasonable person would consider the investment objectives of the Terminating Fund to be <u>not</u> substantially similar to those of the Continuing Fund.

The portfolio manager of the Terminating Fund and the Continuing Fund is the Manager and the Manager will continue to be the portfolio manager of the Continuing Fund after the Merger.

**Comparison of Fund Size, Management Fee and Expenses**

The following table sets out the combined AUM, management fees and administration fees for each series and the MER for each series for each of the Terminating Fund and the Continuing Fund:

| Terminating Fund | Series Currently Held | Management Fee / Administration Fee | MER[1] | MER[1] | Management Fee / Administration Fee | Series Received pursuant to Merger | Continuing Fund |
|---|---|---|---|---|---|---|---|
| Canoe Canadian Corporate Bond Fund<br><br>$24.5 MM AUM | A | 1.25% | 1.60% | 1.60% | 1.35%[3] | A | Canoe Bond Advantage Fund<br><br>$361.2 MM AUM |
| | | 0.35% | | | 0.35% | | |
| | F | 0.75% | 1.03% | 0.99% | 0.85%[4] | F | |
| | | 0.35% | | | 0.35% | | |
| | FH | 0.60% | 0.95% | N/A | 0.60% | FH[2] | |
| | | 0.35% | | | 0.35% | | |

1 MER of the relevant series is provided after waivers or absorptions as at December 31, 2017.
2 This series will be created to facilitate the Mergers. As this series will be newly created, it does not yet have a MER.
3 Effective January 1, 2019, the management fee will be 1.25%.
4 Effective January 1, 2019, the management fee will be 0.75%.

In addition to the management fee, each Fund pays an administration fee in return for the Manager paying all operating expenses, other than the following fund costs: fees, costs and expenses associated with: all taxes (including, without limitation, HST, GST, capital taxes, income taxes and withholding taxes); bank charges, borrowing and interest; termination fees; securityholder meeting fees (where permitted to be charged to the Fund); the IRC or other advisory committee fees and expenses; compliance with any new governmental or regulatory requirements imposed after April 1, 2016 for Canoe Canadian Corporate Bond Fund and the date that securities of Canoe Bond Advantage Fund were first offered for sale to the public or the earliest start date specified in Canoe Bond Advantage Fund's simplified prospectus, whichever is earlier (including relating to the operating expenses); and any new type of cost, expense or fee arising after such date, including arising from new government or regulatory requirements relating to the operating expenses or related to external services that were not commonly charged in the Canadian mutual fund industry as of such date.

As a result of the Merger, unitholders of the Terminating Fund will receive securities of the Continuing Fund that have a management fee that is the same as or lower than the management fee charged in respect of their securities of the Terminating Fund. In addition, unitholders of the Terminating Fund will receive securities of the Continuing Fund that have an administration fee that is the same as the administration fee that is charged in respect of their securities of the Terminating Fund. It is the Manager's opinion that a reasonable person would consider the fee structures of the Terminating Fund and the Continuing Fund to be substantially similar.

## MERGER OF CANOE FLOATING RATE INCOME FUND INTO CANOE STRATEGIC HIGH YIELD FUND
## (applicable to unitholders of Canoe Floating Rate Income Fund)

### General

The Manager is seeking approval from unitholders of Canoe Floating Rate Income Fund, the Terminating Fund, for the Merger of the Terminating Fund into Canoe Strategic High Yield Fund, the Continuing Fund. Unitholders of the Terminating Fund are entitled to vote on the proposed Merger as: (i) its assets are being transferred to another investment fund, the Continuing Fund, which may not be considered to have "substantially similar" investment objectives; (ii) the Merger will be effected on a taxable basis; and (iii) the materials to be sent to certain unitholders of certain series of the Terminating Fund in respect of the Merger will not include the current simplified prospectus or the most recently filed fund facts documents for the series of the Continuing Fund into which certain series of the Terminating Fund are merging.

If approved, the Merger will become effective on or about March 8, 2019 and the name of the Continuing Fund will change to Canoe Credit Opportunities Fund. The Manager will have the discretion to postpone implementation of the Merger until a later date (which shall be no later than May 31, 2019) or to not proceed with the Merger if it is considered in the best interests of the Terminating Fund or the Continuing Fund or their investors to not proceed. Following the Merger, the Terminating Fund will be wound up. If the Merger does not obtain securityholder approval, the Manager will consider the continued viability of the Terminating Fund and may, in its discretion, decide to terminate and wind up the Terminating Fund in accordance with the provisions of the declaration of trust of the Terminating Fund and applicable securities law requirements as soon as practicable following the date of the Meeting. The proposed Merger of these Funds is also subject to regulatory approval.

In exchange for their current securities, unitholders of each series of the Terminating Fund shall receive securities of the applicable series of the Continuing Fund as set out below:

| Terminating Fund | Series Currently Held | Series Received pursuant to Merger | Continuing Fund |
|---|---|---|---|
| Canoe Floating Rate Income Fund | A | AX | Canoe Strategic High Yield Fund |
| | A (hedged) | | |
| | F | FY[1] | |
| | F (hedged) | | |
| | FH (hedged) | FH[1,2] | |
| | I (hedged) | I | |
| | A (USD) | UA[1,2, 3] | |
| | F (USD) | UF[1,2, 3] | |
| | Z | Z[1] | |

1. New series.

2. This series will be created solely to facilitate the Merger and will not be available for purchase following the Merger. As no fund facts exist for Series UA, Series UF and Series FH, the Manager will mail fund facts pertaining to Series F or Series A, as applicable, of Canoe Strategic High Yield Fund to affected unitholders.
3. This series will be available in U.S. dollars.

As a result of the Merger, unitholders of the Terminating Fund will receive securities of the Continuing Fund that have a management fee that is the same or lower than the management fee charged in respect of their securities of the Terminating Fund. Series A and Series A (hedged) securityholders of the Terminating Fund will receive Series AX of the Continuing Fund which has a monthly distribution policy. Series F and Series F (hedged) securityholders of the Terminating Fund will receive Series FY of the Continuing Fund which has a monthly distribution policy.

By approving this Merger, unitholders of the Terminating Fund accept the investment objectives of the Continuing Fund, the fee structure of the Continuing Fund, and the tax consequences of the Merger. See “Investment Objectives and Strategies” below for a comparison of the investment objectives of the Terminating Fund and the Continuing Fund, see “Comparison of Fund Size, Management Fee and Expenses” below for a discussion of the fees and expenses of the Terminating Fund and the Continuing Fund and see “Canadian Federal Income Tax Consequences” above for details regarding the tax consequences of the Merger for Canadian resident individuals.

**Benefits of this Merger**

As discussed above under “Benefits of the Proposed Fund Mergers”, there are a number of benefits to securityholders of both the Terminating Fund and the Continuing Fund, including that, following the Merger, the Continuing Fund will have a portfolio of greater value, allowing for increased portfolio diversification opportunities, which may lead to increased returns and/or a reduction of risk. The Continuing Fund, as a result of its greater size, benefits from a larger profile in the marketplace by potentially attracting more securityholders and enabling it to maintain a “critical mass”. In addition, a line-up consisting of fewer mutual funds that target similar types of securityholders will allow the Manager to concentrate its marketing efforts to attract additional assets in the Continuing Fund. Ultimately, this benefits unitholders because it ensures that the Continuing Fund remains a viable, long-term investment vehicle for existing and potential investors.

**Recommendation**

**The Manager recommends that unitholders of the Terminating Fund vote FOR the Merger.**

The IRC of each of the Funds has reviewed the potential conflict of interest matters related to the proposed Merger and has provided the Manager with a positive recommendation having determined that the proposed Merger, if implemented, achieves a fair and reasonable result for each of the Funds.

**Investment Objectives and Strategies**

The investment objectives and primary investment strategies of the Terminating Fund and the Continuing Fund are as follows:

| Fund | Canoe Floating Rate Income Fund | Canoe Strategic High Yield Fund |
|---|---|---|
| Investment Objectives | The Canoe Floating Rate Income Fund aims to provide income by investing in a diversified portfolio comprised primarily of | The Canoe Strategic High Yield Fund aims to generate a high level of current income by |

| Fund | Canoe Floating Rate Income Fund | Canoe Strategic High Yield Fund |
|---|---|---|
| | senior floating rate loans, floating rate notes and other floating rate securities, as well as other debt obligations, of investment grade and non-investment grade Canadian and global issuers. | investing primarily in high-yield debt securities. |
| Investment Strategies | The Fund invests in a diversified portfolio comprised primarily of senior loans, floating rate notes and other floating rate securities (collectively Floating Rate Debt) and short duration bonds of investment grade and non-investment grade Canadian and global issuers, as described below.<br><br>Floating Rate Debt instruments typically pay interest quarterly, at a margin or spread above a reference base rate (often the London Interbank Offered Rate or LIBOR), resulting in higher payments to investors as the benchmark interest rate increases (and lower payments if the benchmark rate decreases). Diversification across senior loans, floating rate notes and short duration bonds provides the potential for greater diversification, liquidity and income compared to investing only in senior loans, while limiting portfolio duration and limiting portfolio sensitivity to increasing interest rates.<br><br>To achieve the Fund’s investment objectives, the sub-advisor will:<br><br>• seek senior loans, floating rate notes and short duration bonds that generate income while protecting capital from the impact of increasing interest rates,<br>• follow a top down analysis of the interest rate and credit cycle, and market conditions for senior loans, floating rate notes and short duration bonds,<br>• follow a bottom up fundamental credit analysis of issuers, involving industry analysis, review of business fundamentals, financial position, cash flow and liquidity, as well as analysis of terms, covenants and creditor protection.<br><br>The sub-advisor will select securities that it believes provide attractive value, and investments that are diversified across industry sectors. Under normal market | The Fund will invest primarily in non-investment grade securities including high yield credit, senior loans, floating rate notes, other floating rate securities (collectively Floating Rate Debt), emerging market debt and distressed securities. It may also invest in government and government agency securities, preferred shares and other types of debt securities including investment grade credit and structured finance securities (ABS, CMBS, and RMBS). The Fund may also invest in cash or cash equivalents.<br><br>The Fund may invest 70-100% of its assets in securities of U.S. issuers.<br><br>High yield debt securities are rated in medium or lower categories by credit rating agencies or are determined by the sub-advisor to be of comparable quality. The sub-advisory strategy is to seek to achieve higher yields while seeking to manage the Fund's risk.<br><br>In managing the Fund’s assets, the sub-advisor uses a combination of a global “top down” analysis and a “bottom up” fundamental analysis. In the sub-advisor’s qualitative “top down” approach, the sub-advisor analyzes various factors that affect the movement of markets and securities prices worldwide. This “top-down” analysis assists the sub-advisor in analyzing portfolio risk and allocating assets among fixed income asset classes, sectors and industries. In its “bottom up” approach, the sub-advisor considers various fundamental and other factors, such as creditworthiness, capital structure, and, from a quantitative perspective, analyzes historical cash flows and financial data.<br><br>The sub-advisor may sell portfolio securities when it determines there are changes in economic indicators, technical indicators or valuation. |

| Fund | Canoe Floating Rate Income Fund | Canoe Strategic High Yield Fund |
| --- | --- | --- |
| | conditions, the sub-advisor will generally invest at least 80% of its assets in Floating Rate Debt, short duration bonds and cash, and not more than 20% in other fixed income securities including mortgage-backed, commercial mortgage-backed, and asset-backed securities (including collateralized mortgage obligations), and up to 30% of the Fund's portfolio in issuers not domiciled in the U.S. or Canada.<br><br>The sub-advisor will invest will invest a portion of the Fund's portfolio in senior loans. Investment in senior loans will primarily be invested in loans that are constituents of recognized senior loan indices, currently comprised of more than 1000 loans with a total market value exceeding $500 billion and an average senior loan size of approximately $400 million, contracted by companies in a range of industry sectors, primarily including consumer non-cyclical, consumer cyclical, communications, industrial and technology, and greater than $4 billion average market capitalization for the publicly-listed entities. In general, investors participating as lenders in senior loans are typically banks, insurance companies, pension funds, mutual funds and collateralized loan obligations investments funds. The sub-advisor will purchase loan participations in primary offerings of senior loans typically managed by one or more of the largest U.S. and global commercial banks; and the sub-advisor may buy and sell senior loan participations in transactions with fixed income trading departments of the largest U.S. and global commercial banks, for which the settlement process is facilitated by an established third-party electronic system.<br><br>The sub-advisor will also invest a portion of the Fund's portfolio in floating rate notes. The sub-advisor may also selectively invest in fixed coupon bonds and use an interest rate swap to hedge or change the income on the respective bonds from fixed to floating. Additionally, the sub-advisor will invest a portion of the Fund's portfolio in debt obligations of sub-investment grade and investment grade issuers with a maximum remaining term to maturity of five years. | The Fund may invest up to 50% of its assets in other mutual funds (including ETFs that are index participation units), which may be managed by the Manager or an affiliate of the Manager. The sub-advisor will select these mutual funds using the same investment approach as undertaken when investing directly in debt securities.<br><br>The Fund may enter into repurchase transactions, reverse repurchase transactions, and securities lending transactions. The Fund will only do so if there are suitable counterparties available and if the transactions are considered appropriate by the sub-advisor.<br><br>The Fund may engage in short selling in order to manage volatility or enhance the Fund's performance in declining or volatile markets. In compliance with its investment objectives, the Fund will engage in short sales by borrowing securities which the portfolio manager believes are overvalued and selling them in the open market. The securities will then be repurchased at a later date and returned to the lender. The Fund will only engage in short sales as permitted by Canadian securities regulators.<br><br>The Fund may use derivatives such as options, futures, forward contracts and swaps for hedging purposes or for non hedging purposes, to increase income or reduce loss potential. The Fund may use forward contracts to hedge 0-100% of fluctuations caused by changes in exchange rates between foreign currencies and the Canadian dollar.<br><br>The Fund may use derivatives in conjunction with its other investment strategies and in accordance with the limits, restrictions and practices set by Canadian securities regulations or as permitted under the terms of exemptive relief obtained from the securities regulators.<br><br>The Fund may depart from its investment objectives by temporarily investing most or all of its assets in cash or fixed income securities issued or guaranteed by a Canadian or U.S. government, government agency or company to try to protect it during a market downturn or for other reasons. |

| Fund | Canoe Floating Rate Income Fund | Canoe Strategic High Yield Fund |
| --- | --- | --- |
| | The Fund may invest up to 10% of its assets in other mutual funds (including ETFs that are index participation units), which may be managed by the Manager or an affiliate of the Manager. The sub-advisor will select these mutual funds using the same investment approach as undertaken when investing directly in equity securities.<br><br>The Fund may enter into repurchase transactions, reverse repurchase transactions, and securities lending transactions. The Fund will only do so if there are suitable counterparties and if the transactions are considered appropriate.<br><br>The Fund may engage in short selling in order to manage volatility or enhance the Fund's performance in declining or volatile markets. In compliance with its investment objectives, the Fund will engage in short sales by borrowing securities which the portfolio manager believes are overvalued and selling them in the open market. The securities will then be repurchased at a later date and returned to the lender. The Fund will only engage in short sales as permitted by Canadian securities regulators.<br><br>The Fund may use derivatives such as options, futures, forward contracts and swaps. The Fund may use forward contracts to hedge 0-100% of fluctuations caused by changes in exchange rates between foreign currencies and the Canadian dollar.<br><br>The Fund may also use derivatives to hedge against losses caused by changes in securities prices, interest rates, or commodity prices, or as a substitute for a stock, stock market or other security which is known as a "non-hedging" purpose.<br><br>The Fund may use derivatives for other purposes in conjunction with its other investment strategies and in accordance with the limits, restrictions and practices set by Canadian securities regulations or as permitted under the terms of exemptive relief which the Fund obtained from the securities regulators. | |

| Fund | Canoe Floating Rate Income Fund | Canoe Strategic High Yield Fund |
|---|---|---|
| | The Fund may depart from its investment objectives by temporarily investing most or all of its assets in cash to try to protect it during a market downturn or for other reasons. | |

Both the Terminating Fund and the Continuing Fund aim to provide income. However, the Terminating Fund invests primarily in in a diversified portfolio comprised primarily of senior floating rate loans, floating rate notes and other floating rate securities, as well as other debt obligations, of investment grade and non-investment grade Canadian and global issuers, while the Continuing Fund invests primarily in primarily in high yield debt securities. As a result of the fact that the Continuing Fund invests primarily in high yield debt securities, while the Terminating Fund invests in a more diversified portfolio of floating rate securities and other debt obligations, the Manager believes a reasonable person would consider the investment objectives of the Terminating Fund to be <u>not</u> substantially similar to those of the Continuing Fund.

The portfolio manager and sub-advisor of each of the Terminating Fund and the Continuing Fund are the Manager and Aegon USA Investment Management, LLC ("**Aegon**"), respectively. After the Merger, the portfolio manager and sub-advisor of the Continuing Fund will continue to be the Manager and Aegon, respectively. As a result, there will be no significant change in the individuals who will be principally responsible for the day to day management of the portfolio of the Fund.

***Hedged and Unhedged Series***

The Terminating Fund issues hedged series of securities (Series A (hedged), Series F (hedged), Series FH (hedged) and Series I (hedged) are collectively the "**Hedged Series**") and series of securities for which there is no currency hedging (Series A, Series F and Series Z are collectively the "**Unhedged Series**"). The Hedged Series are intended for investors who wish to gain exposure to foreign securities but wish to reduce a majority of their exposure to fluctuations in foreign currencies relative to the Canadian dollar. The Unhedged Series is intended for investors who wish to gain exposure to foreign securities but also wish to have all of their investment exposed to fluctuations in foreign currencies.

The Continuing Fund does not distinguish between series in its use of hedging and thus does not allocate a portion of the expenses related to currency hedging to any particular series. At the discretion of the sub-advisor, the Continuing Fund may hedge the foreign currency exposure of the portfolio to the Canadian dollar. As a result, investors in the Hedged Series and the Unhedged Series who become investors in the Continuing Fund may be exposed to a greater or lesser amount of fluctuation in foreign currencies relative to the Canadian dollar than they currently experience in the Hedged Series and Unhedged Series of the Terminating Fund, depending on the hedging strategy employed in the Continuing Fund. As investors in the Unhedged Series were previously fully exposed to fluctuations in foreign currencies, they may now experience a reduction in foreign currency fluctuations due to the hedging strategies that can be used by the Continuing Fund. Conversely, investors in the Hedged Series were previously less exposed to fluctuations in foreign currencies and they now may experience an increase in foreign currency fluctuations to the extent the Continuing Fund does not hedge a majority of its exposure to foreign currencies.

**Comparison of Fund Size, Management Fee and Expenses**

The following table sets out the combined AUM, management fees and administration fees for each series and the MER for each series for each of the Terminating Fund and the Continuing Fund:

| Terminating Fund | Series Currently Held | Management Fee<br>Administration Fee | MER[1] | MER[1] | Management Fee<br>Administration Fee | Series Received pursuant to Merger | Continuing Fund |
|---|---|---|---|---|---|---|---|
| Canoe Floating Rate Income Fund<br><br>$47.4 MM AUM | A | 1.45%<br>0.35% | 1.88% | 1.98% | 1.45% | AX | Canoe Strategic High Yield Fund<br><br>$48.5 MM AUM |
| | A (hedged) | 1.45%<br>0.35% | 1.88% | | 0.35% | | |
| | F | 0.75%<br>0.35% | 1.08% | N/A | 0.75% | FY[2] | |
| | F (hedged) | 0.75%<br>0.35% | 1.08% | | 0.35% | | |
| | FH (hedged) | 0.60%<br>0.35% | 0.98% | N/A | 0.60%<br>0.35% | FH[2] | |
| | I (hedged) | ≤1.45%[3]<br>≤0.35%[4] | 0.01% | - | ≤1.85[5]<br>≤0.35[4] | I | |
| | A (USD) | 1.45%<br>0.35% | 1.88% | N/A | 1.45%<br>0.35% | UA[2] | |
| | F (USD) | 0.75%<br>0.35% | 1.08% | N/A | 0.75%<br>0.35% | UF[2] | |
| | Z | 1.90%<br>0.35% | 2.47% | N/A | 1.90%<br>0.35% | Z[2] | |

1 MER of the relevant series is provided after waivers or absorptions as at December 31, 2017.
2 This series will be created to facilitate the Mergers. As this series will be newly created, it does not yet have a MER.
3 Negotiated and paid directly by investors, but will not exceed 1.45%.
4 Negotiated and paid directly by investors, but will not exceed 0.35%.
5 Negotiated and paid directly by investors, but will not exceed 1.85%.

In addition to the management fee, each Fund pays an administration fee in return for the Manager paying all operating expenses, other than the following fund costs: fees, costs and expenses associated with: all taxes (including, without limitation, HST, GST, capital taxes, income taxes and withholding taxes); bank charges, borrowing and interest; termination fees; securityholder meeting fees (where permitted to be charged to the Fund); the IRC or other advisory committee fees and expenses; compliance with any new governmental or regulatory requirements imposed after April 1, 2016 for Canoe Floating Rate Income Fund Fund and the date that securities of Canoe Strategic High Yield Fund were first offered for sale to the public or the earliest start date specified in Canoe Strategic High Yield Fund's simplified prospectus, whichever is earlier (including relating to the operating expenses); and any new type of cost, expense or fee arising after such date, including arising from new government or regulatory requirements relating to the operating expenses or related to external services that were not commonly charged in the Canadian mutual fund industry as of such date.

As a result of the Merger, unitholders of the Terminating Fund will receive securities of the Continuing Fund that have a management fee that is the same as or lower than the management fee charged in respect of their securities of the Terminating Fund. In addition, unitholders of the Terminating Fund will receive securities of the Continuing Fund that have an administration fee that is the same as the administration fee that is charged in respect of their securities of the Terminating Fund. It is the Manager's opinion that a reasonable person would consider the fee structures of the Terminating Fund and the Continuing Fund to be substantially similar.

## APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the proxy form accompanying this Management Information Circular is an officer and/or director of the general partner of the Manager**. A securityholder has the right to appoint a person (who need not be a securityholder) other than the person specified in such proxy form to attend and**

**act for such securityholder and on behalf of such securityholder at the Meetings**. Such right may be exercised by striking out the names of the persons specified in the proxy form, inserting the name of the person to be appointed in the blank space so provided, signing the proxy form and returning it in the reply envelope.

A securityholder who executes and returns the proxy form may revoke it: (i) by depositing an instrument of revocation in writing executed by him or her or by his or her attorney authorized in writing, or if the securityholder is a corporation, under the corporate seal or under the hand of an officer or attorney so authorized, at the registered office of the Manager, at any time up to the business day that is 48 hours prior to the date of the Meetings, or any adjournment thereof; or (ii) by depositing such instrument in writing with the Chair of the Meetings on the day of such Meeting or any adjournment thereof by the start of the Meetings at the latest; or (iii) by completing and signing a proxy bearing a later date and depositing it as described above; or (iv) in any other manner permitted by law. In order to be voted, proxies must be deposited with Broadridge Investor Communication Solutions, at Data Processing Centre, P.O. Box 3700, Stn Industrial Park, Markham, Ontario, L3R 9Z9. Alternatively, investors may exercise their right to vote by telephone at 1-800-474-7493 or may vote online at www.proxyvote.com. Your proxy or voting instruction form must be deposited so as to arrive at least 48 hours (excluding Saturdays, Sundays and public holidays) before the start of the Meetings or any adjourned, postponed or continued meeting.

## VOTING OF PROXIES

The persons named in the enclosed form of proxy will vote the securities for which they are appointed proxy in accordance with the instructions of the securityholder as indicated on the proxy.

Except as indicated below, where no direction is given by a securityholder submitting a proxy, the persons named in the enclosed proxy form will vote the securities in favour of each of the matters set out therein. If no date is inserted on a signed proxy, the proxy will be deemed to have been dated on the date prior to the date of the Meetings.

The enclosed proxy form confers discretionary authority upon the persons named therein with respect to amendments or variations to the matters identified in the Notice of Special Meetings of Investors and with respect to other matters which may properly come before the Meetings in respect of which the proxy is granted or any adjournment of the Meetings. As of the date hereof, the Manager knows of no such amendments, variations or other matters to come before the Meetings.

## RECORD DATES

November 27, 2018 is the record date for the determination of beneficial ownership of securityholders entitled to receive notice of and to vote at the Meetings or any adjournment of the Meetings.

## VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The following table represents the issued and outstanding securities of each series of the Terminating Funds and the Continuing Corporate Class Funds as at November 23, 2018:

| | **Number of Securities Issued and Outstanding** |
|---|---|
| **Canoe Canadian Monthly Income Class** | |
| Series A | 4,878,889.69 |
| Series F | 1,963,551.14 |
| Series F6 | 145,674.90 |

| | Number of Securities Issued and Outstanding |
|---|---|
| Series T6 | 1,815,968.47 |
| **Canoe Equity Income Class** | |
| Series A | 6,359,169.18 |
| Series AX | 503,900.98 |
| Series F | 1,659,621.73 |
| Series H* | 0 |
| Series FX | 179,115.24 |
| Series X | 1,899,520.20 |
| Series Y | 773,768.00 |
| Series Z | 229,388.10 |
| **Canoe Canadian Corporate Bond Fund** | |
| Series A | 1,286,742.28 |
| Series F | 1,372,707.15 |
| Series FH | 20,015.31 |
| Series H* | 1,359.61 |
| Series I | 0 |
| **Canoe Floating Rate Income Fund** | |
| Series A (hedged) | 740,726.61 |
| Series A | 173,849.12 |
| Series A (USD) | 29,990.87 |
| Series F (hedged) | 456,218.61 |
| Series F | 164,080.37 |
| Series F (USD) | 43,964.70 |
| Series FH (hedged) | 594,319.55 |
| Series H (hedged)* | 0 |
| Series I (hedged) | 0 |
| Series Z | 345,170.15 |
| **Canoe North American Monthly Income Class** | |
| Series A | 16,861,975.62 |
| Series AX | 2,384,978.64 |
| Series AZ | 303,608.48 |
| Series F | 12,817,001.76 |
| Series FH | 40,441.41 |
| Series FX | 461,335.64 |
| Series H* | 9,288.52 |
| Series X | 1,178,339.27 |
| Series Z | 778,993.48 |
| **Canoe Asset Allocation Class** | |
| Series A | 10,879,051.37 |
| Series AV | 0 |
| Series D | 0 |
| Series F | 6,519,092.77 |
| Series F6 | 719,954.45 |
| Series FV | 0 |
| Series FY | 0 |
| Series T6 | 1,899,032.00 |
| Series H* | 0 |
| Series X | 0 |

| | Number of Securities Issued and Outstanding |
|---|---|
| Series Y | 0 |
| Series Z | 1,221,486.74 |

*As at December 14, 2018, there are no longer any outstanding securities in this series.

As of November 23, 2018, to the knowledge of the Manager, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, more than 10% of the voting rights attached to the securities of any series of a Fund entitled to be voted at the Meetings except as follows:

| Investor Name | Fund | Series | Type of ownership | Number of securities | % of series of outstanding securities |
|---|---|---|---|---|---|
| 3333353 Canada Ltd | Canoe Canadian Corporate Bond Fund | F | Units | 418,211.74 | 30.42% |
| 3333353 Canada Ltd | Canoe Canadian Corporate Bond Fund | F | Units | 355,506.51 | 25.86% |
| Individual Investor A* | Canoe Canadian Corporate Bond Fund | FH | Units | 8,566.90 | 42.80% |
| Individual Investor B* | Canoe Canadian Corporate Bond Fund | FH | Units | 5,386.78 | 26.91% |
| 4940 Holdings Ltd. | Canoe Floating Rate Income Fund | F | Units | 115,198.23 | 25.25% |
| W H G Investments Ltd. | Canoe Floating Rate Income Fund | FH | Units | 469,621.78 | 79.02% |
| Canoe North American Monthly Income Portfolio Class | Canoe Floating Rate Income Fund | I (hedged) | Units | 2,074,455.86 | 84.58% |
| Canoe Enhanced Income Fund | Canoe Floating Rate Income Fund | I (hedged) | Units | 378,187.19 | 15.42% |
| Basic Tool Inc. | Canoe Floating Rate Income Fund | A | Units | 24,678.62 | 14.20% |
| Gestion Nicole Bergeron Inc | Canoe Floating Rate Income Fund | A (USD) | Units | 7,231.85 | 24.11% |
| Individual Investor C* | Canoe Floating Rate Income Fund | A (USD) | Units | 5,179.24 | 17.27% |
| Individual Investor D* | Canoe Floating Rate Income Fund | A (USD) | Units | 3,765.15 | 12.55% |
| 9138-1079 Quebec Inc. | Canoe Floating Rate Income Fund | A (USD) | Units | 3,098.68 | 10.33% |
| Individual Investor E* | Canoe Floating Rate Income Fund | F (USD) | Units | 21,794.16 | 49.57% |

| Investor Name | Fund | Series | Type of ownership | Number of securities | % of series of outstanding securities |
|---|---|---|---|---|---|
| Individual Investor F* | Canoe Floating Rate Income Fund | F (USD) | Units | 9,039.03 | 20.56% |
| Individual Investor G* | Canoe Floating Rate Income Fund | F (USD) | Units | 4,923.43 | 11.20% |
| W H G Investments Ltd. | Canoe Equity Income Class | FX | Shares | 29,042.70 | 16.21% |
| W H G Investments Ltd. | Canoe North American Monthly Income Class | FH | Shares | 27,697.04 | 68.49% |
| Individual Investor H* | Canoe North American Monthly Income Class | FH | Shares | 12,744.38 | 31.51% |
| Individual Investor I* | Canoe North American Monthly Income Class | H** | Shares | 9,288.52 | 100.00% |

*To protect the privacy of investors, we have omitted the names of the beneficial owners. You may request this information by contacting the Manager directly at 1-800-250-3303.

** As at December 14, 2018, there are no longer any outstanding securities in this series.

Securities of the Terminating Funds and the Continuing Corporate Class Funds that are held by other mutual funds managed by the Manager or its affiliates, will not be voted at the Meetings. The Manager will vote any securities of the Terminating Funds or the Continuing Corporate Class Funds held by it in favour of the resolutions.

## MANAGEMENT OF THE FUNDS

The Manager acts as manager of the Funds pursuant to an amended and restated master management agreement (the "**Master Management Agreement**") made as of February 10, 2011, as amended and restated as of December 9, 2011, March 12, 2013, August 7, 2013, November 18, 2013, January 1, 2014, February 17, 2016, April 16, 2016 and August 28, 2018. The Master Management Agreements may be terminated by the Manager or the Funds on 90 days' prior written notice. Any change in the manager of a Fund (other than to an affiliate of the Manager) may be made only with the approval of the investors of that Fund and, where applicable, in accordance with securities legislation.

The management fees (excluding HST) paid by the Funds to the Manager during the year ended December 31, 2017 and during the period from January 1, 2018 to November 23, 2018 were as follows:

| | Management Fees Paid During the Year Ended December 31, 2017 | Management Fees Paid During the Period January 1, 2018 to November 23, 2018 |
|---|---|---|
| **Canoe Canadian Monthly Income Class** | $1,317,389 | $1,033,527 |
| **Canoe Equity Income Class** | $2,219,327 | $1,715,508 |
| **Canoe Canadian Corporate Bond Fund** | $332,957 | $249,724 |

| | | |
|---|---|---|
| **Canoe Floating Rate Income Fund** | $521,813 | $280,294 |
| **Canoe North American Monthly Income Class** | $6,457,980 | $5,742,296 |
| **Canoe Asset Allocation Class** | $3,349,470 | $3,352,128 |
| **Canoe Strategic High Yield Fund** | $303,297 | $206,650 |

The names, places of residence and present positions held by the directors and officers of Canoe Financial Corp., the general partner of Canoe Financial LP, the Manager, who thus are considered insiders of the Funds, are listed below.

| **Name and Municipality of Residence** | **Position with the Manager** |
|---|---|
| Darcy Hulston<br>Calgary, Alberta | President, Chief Executive Officer and Director of the Manager |
| David J. Rain<br>Calgary, Alberta | Director of the Manager |
| Rafi Tahmazian<br>Calgary, Alberta | Director, Senior Portfolio Manager of the Manager |
| Renata Colic<br>Calgary, Alberta | Chief Financial Officer of the Manager |
| Kim Jativa<br>Georgetown, Ontario | Chief Operating Officer of the Manager |
| David Lupini<br>Toronto, Ontario | Vice President, Marketing of the Manager |
| Darcy M. Lake<br>Calgary, Alberta | Senior Vice President, Chief Compliance Officer and General Counsel of the Manager |
| Robert Taylor<br>Etobicoke, Ontario | Senior Vice President, Portfolio Manager of the Manager |
| Marc Goldfried<br>Thornhill, Ontario | Senior Vice President, Chief Investment Officer and Portfolio Manager of the Manager |

The names, places of residence and present positions held by the directors and officers of Fund Corp., who thus are considered insiders of the Terminating Corporate Class Funds and the Continuing Corporate Class Funds, are listed below.

| **Name and Municipality of Residence** | **Position with Fund Corp.** |
|---|---|
| Joseph Palin<br>Calgary, Alberta | Director of Fund Corp. |
| Randolph Ambrosie<br>Oakville, Ontario | Director of Fund Corp. |
| W. Brett Wilson<br>Calgary, Alberta | Chairman and Director of Fund Corp. |
| Darcy Hulston<br>Calgary, Alberta | President and Chief Executive Officer of Fund Corp. |
| David J. Rain<br>Calgary, Alberta | Director of Fund Corp. |
| Renata Colic<br>Calgary, Alberta | Chief Financial Officer of Fund Corp. |

Other than ownership of securities of the Terminating Funds and/or the Continuing Funds, none of the above individuals was indebted to or had any transaction arrangement with the Terminating Funds or the Continuing Funds during the last fiscal year of the Funds. As at November 23, 2018, KAI Commercial Trust, a privately held commercial trust, is the sole voting shareholder of Class A shares of Canoe Financial Corp., the general partner of the Manager. Hawthorne Energy Ltd. holds beneficially and of record 68,933,063 limited partnership units of the Manager, representing 77.12% of the issued and outstanding securities of the Manager. As at November 23, 2018, the Class A shares of Fund Corp. are held by Canoe Financial Corporate Fund Trust, a voting trust.

Each non-management director of Fund Corp. is paid compensation for his or her services by all of the Terminating Corporate Class Funds and the Class Funds respectively. Each of the Terminating Corporate Class Funds and the Continuing Corporate Class Funds will pay its pro rata share of the fees paid to the non-management directors. For the financial year ended December 31, 2017, the aggregate amount of fees and expenses paid to the directors was $20,000.

Other than the purchase, sale and ownership of securities of the Funds and the compensation described above, none of these individuals received any form of compensation from the Funds, and none of them was indebted to or had any transaction or arrangement with the Funds during the last completed financial year of the Funds.

## RECOMMENDATION REGARDING THE MERGERS

For the reasons set out above, the Manager strongly recommends that vote FOR the proposed special resolutions.

## CERTIFICATE

The contents of this Management Information Circular and its distribution have been approved by the board of directors of Canoe Financial Corp., the general partner of Canoe Financial LP, as the manager of the Funds and by the board of directors of Canoe 'GO CANADA!' Fund Corp., in respect of the Terminating Corporate Class Funds and Continuing Corporate Class Funds.

DATED at Toronto, Ontario, this 14th day of December, 2018.

**Canoe Financial LP, the manager of the Funds, by its general partner, Canoe Financial Corp.**

By: *(signed) "Darcy Hulston"*
Name: Darcy Hulston
Title: President & Chief Executive Officer

**Canoe 'GO CANADA!' Fund Corp., in respect of the Terminating Corporate Class Funds and the Continuing Corporate Class Funds**

By: *(signed) "Darcy Hulston"*
Name: Darcy Hulston
Title: President & Chief Executive Officer

## SCHEDULE “A”
## MERGER RESOLUTIONS

**Resolution to merge each Terminating Corporate Class Fund into its corresponding Continuing Corporate Class Fund**
*(for securityholders of each Terminating Corporate Class Fund and its corresponding Continuing Corporate Class Fund)*

**WHEREAS** it is in the best interests of each Terminating Corporate Class Fund and Continuing Corporate Class Fund and their securityholders to merge each Terminating Portfolio Class Fund (comprised of shares of a Corporate Class Fund and units of Canoe Trust Fund (“**CTF**”)) into the applicable Continuing Portfolio Class Fund (comprised of shares of a Corporate Class Fund and units of CTF), as described in the management information circular dated December 14, 2018 and to cancel the shares of the Terminating Corporate Class Fund as hereinafter provided;

**BE IT RESOLVED THAT:**

1. the Merger of the Terminating Corporate Class Fund into its corresponding Continuing Corporate Class Fund, as described in the management information circular dated December 14, 2018, including the investment of the Terminating Portfolio Class Fund’s portfolio assets in cash or in securities that meet the investment objectives of the Continuing Portfolio Class Fund immediately prior to the Merger, be and the same is hereby authorized and approved;

2. Canoe ‘GO CANADA!’ Fund Corp. (the “**Fund Corp.**”) and the trustee of CTF are hereby authorized to:

   (a) sell any securities in the Terminating Portfolio Class Fund that do not meet the investment objectives and investment strategies of its corresponding Continuing Portfolio Class Fund;

   (b) value the Terminating Portfolio Class Fund’s portfolio and other assets at the close of business on the effective date of the Merger in accordance with the constating documents of the Terminating Portfolio Class Fund;

   (c) pay ordinary income, taxable dividends or capital gains to securityholders of the Terminating Corporate Class Fund and/or its corresponding Continuing Corporate Class Fund, as determined by the Manager at the time of the Merger;

   (d) attribute the investment portfolio and other assets and liabilities of the Terminating Portfolio Class Fund within each of the Fund Corp, and CTF to the investment portfolio and other assets and liabilities to its corresponding Continuing Portfolio Class Fund within each of the Fund Corp. and CTF;

   (e) increase the net asset value of the applicable Continuing Portfolio Class Fund (within each of Fund Corp. and CTF) by an amount equal to the value of the portfolio and other assets (minus liabilities) being attributed to the applicable Continuing Portfolio Class Fund (within each of Fund Corp. and CTF) determined at the close of business on the Merger Date in accordance with the constating documents of the applicable Continuing Portfolio Class Fund;

   (f) amend its articles to provide for the exchange of all of the issued and outstanding shares of the Terminating Corporate Class Fund for securities of its corresponding Continuing Corporate Class Fund on a dollar-for-dollar and series-by-series basis;

(g) exchange the securities of the Terminating Corporate Class Fund for securities of its corresponding Continuing Corporate Class Fund on a dollar-for-dollar and series-by-series basis; and

(h) cancel the shares of the Fund Corp. forming part of the Terminating Corporate Class Fund;

3. all amendments to any agreements to which Fund Corp. or CTF is a party that are required to give effect to the matters approved in this resolution be and are hereby authorized and approved;

4. any one officer or director of Canoe Financial LP, as manager (the "**Manager**") of the Terminating Portfolio Class Fund and its corresponding Continuing Portfolio Class Fund, any one officer or director of Fund Corp. and any one officer or director of the trustee of CTF be and are hereby authorized and directed, on behalf of the Terminating Portfolio Class Fund and its corresponding Continuing Portfolio Class Fund to execute and deliver all such documents and do all such other acts and things as may be necessary or desirable for the implementation of this resolution, including any amendments to the articles of Fund Corp., material agreements of the Corporate Class Funds and the declaration of trust and material agreements of CTF, such determination to be conclusively evidenced by their execution and delivery;

5. the Manager shall have the discretion to postpone implementing the Merger until a later date (which shall be no later than May 31, 2019) if it considers such postponement to be advantageous to the Terminating Corporate Class Fund or its corresponding Continuing Corporate Class Fund, for tax or other reasons; and

6. the Manager be and is hereby authorized to revoke this resolution for any reason whatsoever in its sole and absolute discretion, without further approval of the investors of the Terminating Corporate Class Fund or its corresponding Continuing Corporate Class Fund, at any time prior to the implementation of the changes described above if it is considered to be in the best interests of the Terminating Corporate Class Fund or its corresponding Continuing Corporate Class Fund or their securityholders not to proceed.

*

**Resolution to merge each Terminating Trust Fund into its corresponding Continuing Trust Fund**
*(for securityholders of each Terminating Trust Fund)*

**WHEREAS** it is in the best interests of each Terminating Trust Fund and its corresponding Continuing Trust Fund and their securityholders to merge each Terminating Trust Fund into the applicable Continuing Trust Fund, as described in the management information circular dated December 14, 2018 and to dissolve the Terminating Trust Fund as hereinafter provided;

**BE IT RESOLVED THAT:**

1. the Merger of the Terminating Trust Fund into its corresponding Continuing Trust Fund as described in the management information circular dated December 14, 2018, including the investment of some or all of the Terminating Trust Fund's portfolio assets cash or in securities that meet the investment objectives of the Continuing Trust Fund immediately prior to the Merger, be and the same is hereby authorized and approved;

2. Canoe Financial LP as manager (the "**Manager**") and trustee of the Terminating Trust Fund be and is hereby authorized to:

(a) value the Terminating Trust Fund's portfolio and other assets at the close of business on the effective date of the Merger in accordance with the constating documents of the Terminating Trust Fund;

(b) distribute a sufficient amount of the Terminating Trust Fund's net income and net realized capital gains, if any, to securityholders to ensure that it will not be subject to tax for its then current tax year;

(c) sell the net assets of the Terminating Trust Fund to its corresponding Continuing Trust Fund Continuing Trust Fund in exchange for securities of the Continuing Trust Fund issued at the applicable series net asset value per security as of the close of business on the effective date of the Merger;

(d) retain sufficient assets for the Terminating Trust Fund to satisfy its estimated liabilities, if any, as of the effective date of the Merger;

(e) distribute the securities of the applicable Continuing Trust Fund received by the Terminating Trust Fund to the unitholders of the Terminating Trust Fund in exchange for their units in the Terminating Trust Fund on a dollar-for-dollar and series by series basis;

(f) wind up the Terminating Trust Fund as soon as reasonably possible following the Merger; and

(g) amend the declaration of trust of the Terminating Trust Fund to the extent necessary to give effect to the foregoing;

3. all amendments to any agreements to which the Terminating Trust Fund is a party that are required to give effect to the matters approved in this resolution be and are hereby authorized and approved;

4. any one officer or director of the Manager and any one officer or director of the trustee be and is hereby authorized and directed, on behalf of the Terminating Trust Fund, to execute or cause to be executed and to deliver or cause to be delivered, all such documents, agreements and instruments and to do or cause to be done all such other acts and things as such directors or officers shall determine to be necessary or desirable in order to carry out the intent of the foregoing resolutions and the matters authorized thereby, including any amendments to the declaration of trust and material agreements of the Terminating Trust Fund, such determination to be conclusively evidenced by their execution and delivery;

5. the Manager shall have the discretion to postpone implementing the Merger until a later date (which shall be no later than May 31, 2019) without further approval of the unitholders of the Terminating Trust Fund; and

6. the Manager be and is hereby authorized to revoke this resolution for any reason whatsoever in its sole and absolute discretion, without further approval of the investors of the Terminating Trust Fund at any time prior to the implementation of the changes described above if it is considered to be in the best interests of the Terminating Trust Fund or its corresponding Continuing Trust Fund or their securityholders not to proceed.