

**NOTICE OF SPECIAL MEETINGS AND
JOINT MANAGEMENT INFORMATION CIRCULAR
OF THE UNITHOLDERS**

OF

**BROMPTON VIP INCOME TRUST
BROMPTON MVP INCOME FUND
BROMPTON STABLE INCOME FUND
BROMPTON EQUAL WEIGHT INCOME FUND
BUSINESS TRUST EQUAL WEIGHT INCOME FUND
BROMPTON EQUAL WEIGHT OIL & GAS INCOME FUND and
FLAHERTY & CRUMRINE INVESTMENT GRADE PREFERRED FUND**

TO BE HELD ON

OCTOBER 26, 2005

**BROMPTON VIP INCOME TRUST
BROMPTON MVP INCOME FUND
BROMPTON STABLE INCOME FUND
BROMPTON EQUAL WEIGHT INCOME FUND
BUSINESS TRUST EQUAL WEIGHT INCOME FUND
BROMPTON EQUAL WEIGHT OIL & GAS INCOME FUND and
FLAHERTY & CRUMRINE INVESTMENT GRADE PREFERRED FUND**

September 27, 2005

Dear Unitholders,

The attached notice of special meetings and joint management information circular are being sent to you in connection with the upcoming special meetings of unitholders of the following funds of the Brompton Group (each, a “**Fund**” and collectively, the “**Funds**”):

Brompton VIP Income Trust	Brompton Equal Weight Oil & Gas Income Fund
Brompton MVP Income Fund	Flaherty & Crumrine Investment Grade Preferred
Brompton Stable Income Fund	Fund
Brompton Equal Weight Income Fund	
Business Trust Equal Weight Income Fund	

As a holder of units (a “**Unitholder**”) of any one or more of these Funds, you are invited to attend a special meeting of the Unitholders of the Fund (each, a “**Meeting**” and collectively, the “**Meetings**”), to be held on Wednesday, October 26th, 2005 at 9:00 a.m. (Toronto time) at the offices of Stikeman Elliott LLP, 199 Bay Street, 51st Floor, Toronto Ontario, M5L 1B9.

The purpose of these Meetings is to consider certain amendments to the declaration of trust for each Fund. The proposed amendments are intended to allow for more efficient management of each Fund and to provide other benefits to Unitholders, as more fully described in the attached joint management information circular accompanying this letter (the “**Circular**”).

Additionally, if you are a Unitholder of Brompton VIP Income Trust or Brompton MVP Income Fund, you will be asked to vote on an extraordinary resolution authorizing the merger (the “**Merger**”) of these Funds. As described more fully in the Circular, the Merger will be effected on a tax-deferred “rollover” basis and is being proposed to provide Unitholders of these Funds with the opportunity to hold an investment in an entity that has a larger market capitalization, potential increased liquidity and a lower management expense ratio.

The Notice and Circular accompanying this letter both contain important information about these proposals. We urge you to read these carefully and hope that we can count on your support at the Meetings.

BY ORDER OF THE BOARD OF DIRECTORS OF EACH OF Brompton VIP Management Limited, the manager of Brompton VIP Income Trust, Brompton MVP Management Limited, the manager of Brompton MVP Income Fund, Brompton SI Fund Management Limited, the manager of Brompton Stable Income Fund, Brompton EWI Management Limited, the manager of Brompton Equal Weight Income Fund, Brompton Business Trust Management Limited, the manager of Business Trust Equal Weight Income Fund, Brompton Energy Trust Management Limited, the manager of Brompton Equal Weight Oil & Gas Income Fund and Brompton Preferred Management Limited, the manager of Flaherty & Crumrine Investment Grade Preferred Fund

By:



Raymond R. Pether
President and Chief Executive Officer

**BROMPTON VIP INCOME TRUST
BROMPTON MVP INCOME FUND
BROMPTON STABLE INCOME FUND
BROMPTON EQUAL WEIGHT INCOME FUND
BUSINESS TRUST EQUAL WEIGHT INCOME FUND
BROMPTON EQUAL WEIGHT OIL & GAS INCOME FUND and
FLAHERTY & CRUMRINE INVESTMENT GRADE PREFERRED FUND
(individually a "Fund" and collectively the "Funds")**

NOTICE OF SPECIAL MEETINGS OF UNITHOLDERS

NOTICE IS HEREBY GIVEN THAT special meetings (collectively, the "**Meetings**", or individually, a "**Meeting**") of the holders of trust units of each of Brompton VIP Income Trust ("**VIP**"), Brompton MVP Income Fund ("**MVP**"), Brompton Stable Income Fund ("**Stable**"), Brompton Equal Weight Income Fund ("**EWI**"), Business Trust Equal Weight Income Fund ("**BWI**"), Brompton Equal Weight Oil & Gas Income Fund ("**OGF**") and Flaherty & Crumrine Investment Grade Preferred Fund ("**FAC**") will be held Wednesday, October 26th, 2005 at 9:00 a.m. (Toronto time) at the offices of Stikeman Elliott LLP, 199 Bay Street, 51st Floor, Toronto Ontario, M5L 1B9 for the following purposes:

VIP and MVP

1. Merger of VIP and MVP. To consider and, if deemed advisable, to pass an extraordinary resolution approving the proposed merger of VIP and MVP, and all matters ancillary to, or necessary to implement, such merger, as more fully described in the joint management information circular (the "**Circular**") accompanying this notice of special meetings (the "**Notice**").

All Funds

2. Declaration of Trust Amendments. To consider and, if deemed advisable, to pass resolutions approving certain amendments to the declaration of trust of each Fund intended to allow for more efficient management of each Fund and to provide other benefits to Unitholders, as more fully described in the Circular.

Other Business.

3. To transact any other business which may properly come before the Meetings.

The specific details of the matters proposed to be put before the Meetings are set forth in the Circular accompanying this Notice.

UNITHOLDERS OF ANY OF THE FUNDS ARE INVITED TO ATTEND THE MEETINGS. UNITHOLDERS WHO ARE UNABLE TO ATTEND IN PERSON ARE REQUESTED TO DATE AND SIGN THE ENCLOSED FORM OF PROXY OR PROXIES AND TO RETURN IT OR THEM TO COMPUTERSHARE TRUST COMPANY OF CANADA, 100 UNIVERSITY AVENUE, 9TH FLOOR, TORONTO ONTARIO M5J 2Y1. IN ORDER TO BE VALID AND ACTED UPON AT THE MEETINGS, FORMS OF PROXY MUST BE RETURNED NOT LESS THAN 24 HOURS BEFORE THE TIME FOR HOLDING THE MEETINGS OR ANY ADJOURNMENT(S) THEREOF.

Dated at Toronto, Ontario this 27th day of September, 2005.

BY ORDER OF THE BOARD OF DIRECTORS OF EACH OF Brompton VIP Management Limited, the manager of Brompton VIP Income Trust, Brompton MVP Management Limited, the manager of Brompton MVP Income Fund, Brompton SI Fund Management Limited, the manager of Brompton Stable Income Fund, Brompton EWI Management Limited, the manager of Brompton Equal Weight Income Fund, Brompton Business Trust Management Limited, the manager of Business Trust Equal Weight Income Fund, Brompton Energy Trust Management Limited, the manager of Brompton Equal Weight Oil & Gas Income Fund and Brompton Preferred Management Limited, the manager of Flaherty & Crumrine Investment Grade Preferred Fund

By:



Raymond R. Pether
President and Chief Executive Officer

**BROMPTON VIP INCOME TRUST
BROMPTON MVP INCOME FUND
BROMPTON STABLE INCOME FUND
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FLAHERTY & CRUMRINE INVESTMENT GRADE PREFERRED FUND
(individually a "Fund" and collectively the "Funds")**

JOINT MANAGEMENT INFORMATION CIRCULAR

GENERAL PROXY INFORMATION

Solicitation of Proxies

This joint management information circular (the "Circular") is furnished in connection with the solicitation of proxies to be used at a special meeting (each, a "Meeting" and collectively, the "Meetings") of the holders (the "Unitholders") of units (the "Units") of each Fund or at any adjournment thereof. The Meetings will be held Wednesday, October 26th, 2005 at 9:00 a.m. (Toronto time) at the offices of Stikeman Elliott LLP, 199 Bay Street, 51st Floor, Toronto Ontario, M5L 1B9 for the purposes set forth in the notice of meeting accompanying this Circular (the "Notice"). While it is expected that the solicitation will be primarily by mail, proxies may be solicited personally or by telephone by directors, officers and employees of the managers of the Funds at nominal cost. The Funds may also engage the services of a proxy solicitation company to provide solicitation services in connection with the Meetings. The cost of the solicitation of proxies for a Fund will be borne by that Fund. The information contained in this Circular is given as of the date hereof, unless otherwise specifically stated.

If you have any questions about the information contained in this Circular or require assistance in completing the applicable form or forms of proxy, please contact Moyra MacKay, Corporate Secretary at (416) 642-6007.

Appointment of Proxies

Unitholders of any of the Funds who wish to vote their Units should complete, execute and deliver by regular mail the applicable attached form of proxy or proxies to Computershare Trust Company of Canada ("Computershare"), 100 University Avenue, 9th Floor, Toronto, Ontario M5J 2Y1, not less than 24 hours before the time for the holding of the Meetings or any adjournment(s) thereof. The record date for the Meetings has been established as September 26th, 2005 (the "Record Date"). Each Unitholder is entitled to one vote at the respective Meeting(s) for each Unit of such Fund registered in the Unitholder's name at the close of business on the Record Date. Only Unitholders of record of any of the Funds as at the Record Date are entitled to receive notice of, and to vote in person or by proxy at, the respective Meeting(s).

The individuals named in the accompanying forms of proxy are officers of the Manager of the Fund to which the proxy relates. **You have the right to appoint a person (who need not be a Unitholder) other than the persons named in the accompanying form of proxy to represent you at the respective Meeting by inserting such person's name in the blank space provided in the form of proxy delivered with the Circular and deliver the completed proxy as set forth above.**

Revocability of Proxies

You may revoke a proxy given for use at a Meeting at any time prior to its use. In addition to revocation in any other manner permitted by law, you may revoke a proxy before it is used by depositing an instrument in writing executed by you or your attorney authorized in writing, or, where the Unitholder is a corporation, by a duly authorized officer or attorney of the corporation, with (i) Computershare, at any time up to and including the last business day preceding the day of the applicable Meeting, or any adjournment thereof, at which the proxy is to be used, or (ii) the Chairman of the applicable Meeting on the day of the Meeting or any adjournment thereof, prior to the commencement of the Meeting.

Book-Entry System

The Units of each of the Funds are held in book-entry form through The Canadian Depository for Securities Limited (“CDS”). CDS is a limited purpose corporation organized as a “clearing corporation” under the applicable provincial securities regulatory authorities. CDS is owned or controlled by its participants (“CDS Participants”) and was created to hold securities for CDS Participants and to facilitate the clearance and settlement of securities transactions between CDS Participants through electronic book entries, thereby eliminating the need for physical movement of certificates. CDS Participants include securities brokers and dealers, banks, trust companies, and clearing corporations. Indirect access to the CDS system is also available to others such as bankers, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a CDS Participant, either directly or indirectly (“Indirect Participants”).

Non-Registered Holders

As a result of the Funds issuing their Units in book-entry form only, CDS is the sole registered Unitholder of each of the Funds. Only registered Unitholders or the persons they appoint as proxies are permitted to vote at the respective Meetings. All of the beneficial holders of Units of any of the Funds (the “Non-Registered Holders”) hold their Units through either CDS Participants or Indirect Participants (collectively, “Intermediaries”). In accordance with National Instrument 54-101 of the Canadian Securities Administrators, copies of the Notice, this Circular, and forms of proxy (together, the “meeting materials”) have been delivered to CDS and the Intermediaries for onward distribution to Non-Registered Holders. Intermediaries are required to forward the meeting materials to each Non-Registered Holder unless a Non-Registered Holder has waived its right to receive them. Generally, Non-Registered Holders who have not waived the right to receive meeting materials will be given voting instruction forms which, if the Non-Registered Holder desires to vote or be appointed a proxy, must be completed and signed by the Non-Registered Holder in accordance with the directions on the voting instruction forms (which may in some cases permit the completion of the voting instruction form by telephone or the Internet). The purpose of this procedure is to permit Non-Registered Holders to direct the voting of the Units they beneficially own. If a Non-Registered Holder who receives a voting instruction form(s) wishes to vote at the Meetings *in person* (or have another person attend the Meetings and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should strike out the names of the persons named as proxy on the voting instruction form(s) and insert the Non-Registered Holder’s (or such other person’s) name in the space provided and otherwise follow the instructions on the form(s). **Non-Registered Holders should carefully follow the instructions of their Intermediaries.**

Exercise of Discretion by Proxy

The Units represented by proxy(ies) which are hereby solicited (if properly executed and deposited) will be voted at the applicable Meeting and, where you specify a choice with respect to any matter to be acted upon, such Units will be voted in accordance with the specification so made. **In the absence of such specification, Units will be voted FOR of the proposed resolutions of the Unitholders of the applicable Fund(s) at the applicable Meeting(s). The accompanying forms of proxy also confer discretionary authority upon the persons named in the proxies with respect to amendments to or variations of the matters set out in the Notice and with respect to other matters that may properly come before the Meetings.** As of the date of this Circular, none of the Managers know of any such amendments, variations or other matters that may properly come before the Meetings. However, if any such amendments, variations or other matters are properly brought before the Meetings, the persons named in the accompanying form of proxy will vote on such matters in accordance with their best judgment.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference into this Circular from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated by reference herein may be obtained on request without charge from Brompton Funds, Suite 2930, P.O. Box 793, Bay Wellington Tower, BCE Place, 181 Bay Street, Toronto, Ontario M5J 2T3.

The following documents filed with the various provincial securities commissions or similar authorities in Canada, are specifically incorporated into and form an integral part of this Circular:

- the annual information form of each Fund dated May 19, 2005;
- the comparative financial statements, together with the accompanying report of the auditors, for the fiscal year ended December 31, 2004 of each of VIP and MVP; and
- management's discussion and analysis of financial condition and results of operations of each of VIP and MVP for the fiscal year ended December 31, 2004.

INFORMATION CONCERNING THE FUNDS

Each Fund is a closed-end investment trust established under the laws of the Province of Ontario pursuant to a declaration of trust. The trustee of each Fund, other than FAC, is Computershare Trust Company of Canada and the trustee of FAC is Brompton Preferred Management Limited (collectively, the "Trustee"). Each Fund is managed by a management company (each, a "Manager" and collectively, the "Managers") pursuant to a management agreement and the authority delegated to each Manager by the Trustee of each Fund pursuant to its respective declaration of trust (each, a "Declaration of Trust"). The following chart sets out the date of establishment and the date of the initial public offering of each Fund, the name of the Manager, and the number of Units outstanding, closing trading price and net asset value per Unit for each Fund as of September 15, 2005:

DETAILS FOR EACH FUND

<u>Name of Fund</u>	<u>Date Established:</u>	<u>Date of Initial Public Offering</u>	<u>Manager</u>	<u>Number of Units outstanding as at September 15, 2005</u>	<u>Closing Unit price on September 15, 2005 (\$)</u>	<u>Net Asset Value per Unit as at September 15, 2005 (\$)</u>
Brompton VIP Income Trust ("VIP")	October 25, 2001	February 19, 2002	Brompton VIP Management Limited	8,075,197	14.35	14.93
Brompton MVP Income Fund ("MVP")	May 22, 2002	July 17, 2002	Brompton MVP Management Limited	3,974,352	15.05	15.94
Brompton Stable Income Fund ("Stable")	October 1, 2002	December 9, 2002	Brompton SI Fund Management Limited	6,596,407	14.12	14.64
Brompton Equal Weight Income Fund (EWI")	May 26, 2003	July 16, 2003	Brompton EWI Management Limited	31,588,034	13.06	13.60
Business Trust Equal Weight Income Fund ("BWI")	September 25, 2003	October 22, 2003	Brompton Business Trust Management Limited	5,113,136	11.95	12.03
Brompton Equal Weight Oil & Gas Income Fund ("OGF")	September 28, 2004	October 7, 2004	Brompton Energy Trust Management Limited	41,870,918	11.80	12.17
Flaherty & Crumrine Investment Grade Preferred Fund ("FAC")	April 28, 2004	May 17, 2004	Brompton Preferred Management Limited	7,405,349	23.25 (as at September 16, 2005)	23.67 (as at September 16, 2005)

PARTICULARS OF MATTERS TO BE ACTED UPON AT THE MEETINGS

1. Merger of VIP and MVP

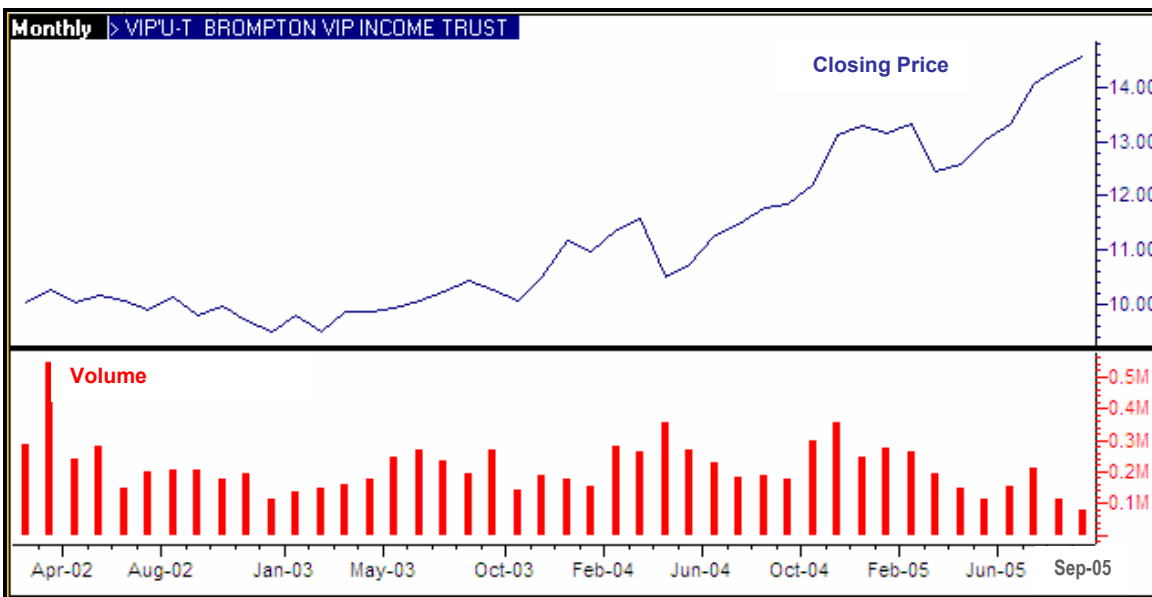
Unitholders of VIP (collectively referred to herein as the "VIP Unitholders" and individually as a "VIP Unitholder") and unitholders of MVP (collectively referred to herein as the "MVP Unitholders" and individually as a "MVP Unitholder") are being asked to approve the merger of VIP and MVP (the "Merger") into a single trust (the "Continuing Trust"), which, if approved, is expected to occur on or about January 1, 2006 (the "Effective Date"). VIP Unitholders will continue as, and MVP Unitholders will become, unitholders of, the

Continuing Trust. The Merger will enable VIP Unitholders and MVP Unitholders to have the opportunity to hold an investment in an entity that has a larger market capitalization, potential increased liquidity and a lower management expense ratio. The Merger will be effected on a tax-deferred “rollover” basis at an exchange ratio based on the relative net asset values of VIP and MVP.

Historical Performance

VIP completed its initial public offering on February 19, 2002 issuing 9,875,000 Units and raising gross proceeds of \$98,750,000 (including Units issued pursuant to the over-allotment option). As at September 15, 2005, there were 8,075,197 Units of VIP issued and outstanding having a market capitalization of \$115.9 million. The net asset value per Unit and the closing trading price of Units of VIP as at such date were \$14.93 and \$14.35, respectively. The closing trading prices and volume of trading of Units of VIP since inception are set forth in the chart below. Reference is made to the documents incorporated by reference herein, which provide additional information relating to VIP, including the net asset value and distribution history.

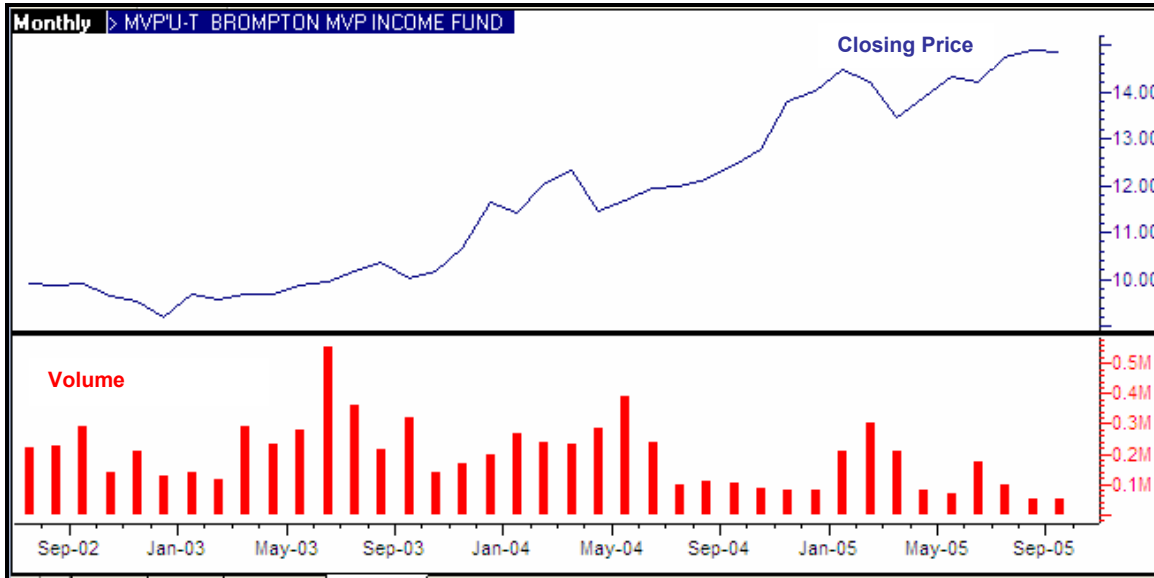
Brompton VIP Income Trust



(Source: Thomson Financial)

MVP completed its initial public offering on July 17, 2002 issuing 8,200,000 Units and raising gross proceeds of \$82,000,000 (including Units issued pursuant to the over-allotment option). As at September 15, 2005, there were 3,974,352 Units of MVP issued and outstanding having a market capitalization of \$59.8 million. The net asset value per Unit and the closing trading price of Units of MVP as at such date were \$15.94 and \$15.05, respectively. The closing trading prices and volume of trading of Units of MVP since inception are set forth in the chart below. Reference is made to the documents incorporated by reference herein, which provide additional information relating to MVP, including the net asset value and distribution history.

Brompton MVP Income Fund



(Source: Thomson Financial)

Reasons for the Merger

The Merger is being proposed to enable VIP Unitholders and MVP Unitholders to hold Continuing Trust Units which will have a market capitalization, based on current prices and units outstanding, of over \$175 million. This is expected to reduce the operating costs of the Continuing Trust on a per unit basis and increase ongoing liquidity of the Continuing Trust Units on the Toronto Stock Exchange (the "TSX"). Under a merged trust, administrative cost savings will be realized through eliminating the duplication of certain third party costs including transfer agent fees, audit fees, legal fees, exchange listing fees, printing fees and mailing and reporting costs. Any net cost savings will benefit Continuing Trust Unitholders.

If approved, the Merger will be effected on a tax-deferred "rollover" basis. This will allow MVP Unitholders to defer any capital gain on their Units which for an original investor in MVP would represent, based on available tax information, approximately 40% of the net asset value as at August 31, 2005. Also if the Merger is approved, VIP Unitholders and MVP Unitholders, regardless of how they vote, will be entitled to redeem their investment and receive 100% of the net asset value per Unit of the Continuing Trust on or prior to the Effective Date of the Merger.

Impact of the Merger on the Portfolio and the Loan Facilities

Pursuant to the Merger, the investment portfolios for VIP and MVP will be consolidated. The Continuing Trust will adopt the investment strategy of MVP, which utilizes an active asset and sector allocation strategy to invest in a diversified portfolio of income trusts and high-yield debt across a broad range of industries and geographic areas. The investment focus will be on business funds with smaller weightings in real estate investment trusts, oil and gas funds, power and pipeline funds, high-yield debt and special situations. At this time, the portfolio manager does not expect to significantly alter the investment portfolio of the Continuing Trust. VIP and MVP currently pay out distributions at the same annualized rate of \$1.00 per unit. The Continuing Trust anticipates that it will continue to pay distributions at this rate. See "Risk Factors".

As of the date of this Circular, with no adjustment to the existing debt levels of VIP and MVP, the Continuing Trust would have debt representing approximately 16% of its total assets. The Continuing Trust will maintain the ability to borrow up to 25% of total assets, which currently exists in both VIP and MVP.

Recommendation of the Manager

The boards of directors of the Manager of each of VIP and MVP have unanimously determined that the Merger is in the best interests of VIP Unitholders and MVP Unitholders. In reaching their conclusion, the boards of directors considered, among other things, the reasons set forth above under “Merger of VIP and MVP – Reasons for the Merger”. The full text of the form of extraordinary resolution to be passed by VIP Unitholders and MVP Unitholders approving the Merger and the amendments to the Declarations of Trust governing each of VIP and MVP that are necessary to give effect to the Merger, as described below under “Procedure for the Merger to Become Effective”, are annexed hereto as Appendices “A” and “B”, respectively.

The Board of Directors of each of the Managers of VIP and MVP unanimously recommend that:

- **the VIP Unitholders vote FOR the extraordinary resolution set forth in the attached Appendix “A”, approving the Merger (the “VIP Merger Resolution”); and**
- **the MVP Unitholders vote FOR the extraordinary resolution set forth in the attached Appendix “B”, approving the Merger (the “MVP Merger Resolution”).**

The VIP Merger Resolution requires the approval of not less than two-thirds of the votes cast by VIP Unitholders present in person or by proxy at the Meeting and the MVP Merger Resolution requires the approval of not less than two-thirds of the votes cast by MVP Unitholders present in person or by proxy at the Meeting, respectively.

It is the intention of the persons named in the enclosed forms of proxy relating to the Merger, if not expressly directed to the contrary in such proxies, to vote such proxies FOR the extraordinary resolutions set forth in the attached Appendices “A” and “B”, respectively.

Procedure for the Merger to Become Effective

If the Merger is implemented, VIP Unitholders will continue as, and MVP Unitholders will become, Continuing Trust Unitholders. Subject to the fulfillment of the conditions to the Merger described under “Merger of VIP and MVP – Conditions to the Merger”, it is anticipated that the Merger will become effective on the Effective Date with VIP being the Continuing Trust. The following events will occur in order to give effect to the Merger:

- The Declaration of Trust for VIP (being the Continuing Trust) will be amended as required in order to implement the Merger.
- The Declaration of Trust for MVP will be amended as required in order to implement the Merger.
- The Exchange Ratio will be calculated based on the relative net asset value of each of VIP and MVP as at the close of trading on the TSX on the day prior to the Effective Date.
- On the Effective Date, MVP will transfer all of its property and liabilities to VIP in consideration for the issue to MVP of an appropriate number of VIP Units based on the Exchange Ratio.
- On the Effective Date, all of the MVP Units will be automatically redeemed and each MVP Unitholder will receive Continuing Trust Units equal in number to the number of MVP Units held by such MVP Unitholder multiplied by the Exchange Ratio.
- All tax elections and tax returns in connection with the Merger will be prepared and filed by VIP and MVP.
- Following the Merger, VIP will change its name to “Brompton VIP Income Fund”, and will continue trading under the symbol “VIP.UN”.

Basis of Exchange

Units of MVP will be exchanged for Continuing Trust Units at an exchange ratio (the “**Exchange Ratio**”) calculated based on the relative net asset value of each of VIP and MVP as at the close of trading on the TSX on the business day prior to the Effective Date, which net asset values will be calculated in accordance with the provisions of the Declaration of Trust relating to each of VIP and MVP. Unitholders of VIP will continue to hold the same number of Units of the Continuing Trust. By way of illustration, if on the day prior to the Effective Date the net asset value of VIP was \$14.93 per VIP Unit and the net asset value of MVP was \$15.94 per MVP Unit, then on the Merger, each VIP Unit would be equal to 1.0 Continuing Trust Unit and each MVP Unit would be exchanged for 1.0676 Continuing Trust Units (being \$15.94 divided by \$14.93).

No fractional Continuing Trust Units will be issued upon the Merger and such fractional interests shall not entitle the owner thereof to exercise any rights as a Unitholder of the Continuing Trust.

Exchange of Units

If the Merger is approved, VIP Unitholders and MVP Unitholders are not required to take any action in order to be recognized as Continuing Trust Unitholders and to be in a position to trade Continuing Trust Units following the Merger.

On the Effective Date, each VIP Unit held by VIP Unitholders will equal one Continuing Trust Unit and each MVP Unit held by MVP Unitholders will automatically be exchanged for that number of Continuing Trust Units as calculated by reference to the Exchange Ratio. Registration of such beneficial interests in Continuing Trust Units will be made only through the book-based system administered by CDS. On the Effective Date, the Trustee will deliver to CDS a certificate evidencing the aggregate number of Continuing Trust Units held by the Continuing Trust Unitholders on the Merger.

Conditions to the Merger

The currently outstanding VIP Units and MVP Units are listed and posted for trading on the TSX. An application to the TSX has been made for approval of the listing of the VIP Units (which will be the Continuing Trust Units following the Merger) which are to be issued in connection with the Merger and such units will, subject to such approval and the fulfillment of the TSX’s requirements, be listed and posted for trading on the TSX following completion of the Merger. Following the Effective Date, the MVP Units will be delisted from the TSX.

Failure to Meet the Conditions to the Merger

There is no assurance that the conditions to the Merger will be satisfied on a timely basis, if at all. If the conditions to the Merger are not satisfied prior to the Effective Date, VIP and MVP will not merge but will continue as separate trusts.

Tax Considerations

If approved, the Merger will be effected on a tax-deferred “rollover” basis. The disposition by MVP Unitholders of MVP Units in exchange for units of the Continuing Trust (the “**Continuing Trust Units**”) will generally not result in capital gains or losses for MVP Unitholders and VIP Unitholders will not be subject to any material Canadian federal income tax consequences as a result of the Merger. MVP Unitholders will be deemed to acquire the Continuing Trust Units at a cost equal to the “cost amount” (as such term is defined in the Income Tax Act) of his or her Units of MVP. Following the Merger, the normal tax rules applicable to VIP Unitholders and MVP Unitholders will continue to apply to the Continuing Trust and to the Continuing Trust Unitholders, including former MVP Unitholders.

ADDITIONAL INFORMATION REGARDING THE CONTINUING TRUST

Except as described herein, the attributes of the Continuing Trust will be the same in all material respects as the attributes of VIP.

Investment Objectives

The investment objectives of the Continuing Trust will be substantially the same as MVP, which are to:

- provide the Continuing Trust Unitholders with a high level of income through receipt of monthly cash distribution(s) (the “**Distributions**”); and
- preserve the net asset value of the Continuing Trust.

The Manager

Brompton VIP Management Limited will be the manager of the Continuing Trust (the “**Manager**”) on the same terms and conditions as are currently in place for VIP and MVP, including the payment to the Manager of an annual fee equal to 0.85% per annum of net asset value of the Continuing Trust, calculated and payable monthly in arrears plus applicable taxes. The Manager is responsible for fees payable to the Advisor (defined below). As is the case with VIP and MVP, the Continuing Trust will be responsible for all of its service and operating expenses.

The Advisor

MFC Global Investment Management will continue to be the advisor of the Continuing Trust (the “**Advisor**”) to implement the investment strategy subject to the investment restrictions and to select and manage the Continuing Trust Investments.

Voting Rights in Respect of Continuing Trust Investments

The Continuing Trust Unitholders will have no voting rights in respect of the fund investments acquired and managed by the Advisor on behalf of the Continuing Trust. From time to time, the Advisor will determine whether or not to exercise the voting rights attached to the Continuing Trust investments and, if so, how such securities will be voted.

Continuing Trust Units

The Continuing Trust is authorized to issue an unlimited number of transferable, redeemable units of beneficial interest, each of which represents an equal, undivided interest in the net assets of the Continuing Trust. Fractions of Continuing Trust Units may be issued which will have the same rights, restrictions, conditions and limitations attaching to whole Continuing Trust Units in the proportion which they bear to a whole Continuing Trust Unit, except fractional Continuing Trust Units will not have the right to vote.

All Continuing Trust Units have equal rights and privileges. Each whole Continuing Trust Unit is entitled to one vote at all meetings of Continuing Trust Unitholders and is entitled to participate equally with respect to any and all distributions made by the Continuing Trust, including distributions of net income and net realized capital gains, if any. On termination or liquidation of the Continuing Trust, the holders of outstanding Continuing Trust Units of record are entitled to receive on a *pro rata* basis, all of the assets of the Continuing Trust remaining after payment of all debts, liabilities and liquidation expenses of the Continuing Trust. Continuing Trust Units are issued only as fully paid and are non-assessable.

Continuing Trust Distributions

Continuing Trust Unitholders are entitled to participate equally in respect of each Continuing Trust Unit held with respect to any and all distributions made by the Continuing Trust. Distributions by the Continuing Trust are expected to be paid on or before the tenth business day of the month to the Continuing Trust Unitholders of record at the close of business on the last business day of the preceding month. The Continuing Trust may make other distributions at any time in addition to monthly distributions, if the Manager considers it appropriate.

The distributions received by the Continuing Trust from issuers whose securities are included in the portfolio may vary from month to month and certain of these issuers may pay distributions less frequently than monthly, with the result that the monthly cash available for distribution to Continuing Trust Unitholders could

vary substantially and there can be no assurance that the Continuing Trust will make any distributions in any particular month or months.

The Continuing Trust is subject to tax under Part I of the *Income Tax Act* (Canada) (the “**Tax Act**”) on the amount of its income for tax purposes for the year, including net realized taxable capital gains, less the portion thereof that it claims in respect of the amounts paid or payable to the Continuing Trust Unitholders in the year. Provided the Continuing Trust makes distributions in each year of its net income and net realized capital gains, and provided the Continuing Trust deducts in computing its income the full amount available for deduction in each year, the Continuing Trust will not generally be liable for income tax under Part I of the Tax Act. In order to ensure this result, the Declaration of Trust provides that an Additional Distribution will, if necessary, be automatically payable in each year to the Continuing Trust Unitholders of record on December 31 (the “**Additional Distribution**”). The Additional Distribution may be necessary where the Continuing Trust realizes income for tax purposes which is in excess of the monthly Distributions paid or made payable to the Continuing Trust Unitholders during the year. In the event that the Continuing Trust does not have cash in an amount sufficient to pay the full amount of the Additional Distribution, such Additional Distribution may, at the option of the Trustee, be satisfied by the issuance of additional Continuing Trust Units having a value equal to the cash shortfall. Following such issue of additional Continuing Trust Units, the outstanding Continuing Trust Units will be automatically consolidated on a basis such that the number of consolidated Continuing Trust Units (before giving effect to any redemption of Continuing Trust Units on such date) is equal to the number of Continuing Trust Units outstanding immediately preceding the Additional Distribution Date, except in the case of a non-resident Continuing Trust Unitholder if tax was required to be withheld in respect of the Distribution, in which case the consolidation will result in such Continuing Trust Unitholder holding that number of Continuing Trust Units equal to (i) the number of Continuing Trust Units held by such Continuing Trust Unitholder prior to the Distribution plus the number of Continuing Trust Units received by such Continuing Trust Unitholder in connection with the Distribution (net of withholding taxes) multiplied by (ii) the fraction obtained by dividing the aggregate number of Continuing Trust Units outstanding prior to the Distribution by the aggregate number of Continuing Trust Units that would be outstanding following the Distribution and before the consolidation, if no withholding were required in respect of any part of the distribution payable to any Continuing Trust Unitholder.

On or before each March 31, the information necessary to enable such Continuing Trust Unitholder to complete an income tax return with respect to amounts paid or payable by the Continuing Trust to the Continuing Trust Unitholder in the preceding taxation year of the Continuing Trust will be made available to Continuing Trust Unitholders.

Termination of the Continuing Trust

The Continuing Trust will be terminated upon not less than 90 days written notice to the Manager from the Trustee that an ordinary resolution calling for the termination of the Continuing Trust has been approved at a duly convened meeting of Continuing Trust Unitholders, provided that Continuing Trust Unitholders voting in favour of such ordinary resolution represent Continuing Trust Units equal to at least 10% of the Continuing Trust Units outstanding on the record date of the meeting held to approve such ordinary resolution. In addition, the Manager of VIP is proposing at the Meeting that Unitholders approve an amendment to the termination provisions to allow the Manager to terminate the Continuing Trust without Unitholder approval, if, in the Manager’s opinion, it would be in the best interests of the Unitholders. Prior to the date the Continuing Trust is terminated (the “**Termination Date**”), the Manager will instruct the Advisor to convert the Continuing Trust Investments to cash to the extent practicable and will satisfy or make appropriate provision for all liabilities of the Continuing Trust. The Manager may, in its discretion and upon not less than 30 days notice to the Continuing Trust Unitholders, extend the Termination Date by a period of up to 180 days if the Advisor advises the Manager that the Advisor will be unable to convert all of the Continuing Trust Investments to cash prior to the original Termination Date and the Manager determines that it would be in the best interests of the Continuing Trust Unitholders to do so. The Continuing Trust will distribute to Continuing Trust Unitholders their *pro rata* portions of the remaining assets of the Continuing Trust which will include cash and, to the extent liquidation of certain assets is not practicable or the Advisor considers such liquidation not to be appropriate prior to the Termination Date, such unliquidated assets *in specie* rather than in cash, subject to compliance with any securities or other laws applicable to such Distributions. Following such Distribution and wind-up, the Continuing Trust will be

dissolved. The Continuing Trust will also be terminated in the event of the resignation of the Manager if a replacement manager has not been appointed within 120 days of the date upon which the Manager gives notice to the Trustee of its resignation. Such termination shall occur on the date which is 60 days following the end of the aforementioned 120-day period.

Meetings of Continuing Trust Unitholders

A meeting of Continuing Trust Unitholders may be convened by the Trustee at any time and must be convened if requisitioned by the beneficial holders of not less than 10% of the Continuing Trust Units then outstanding by a written requisition specifying the purpose of the meeting. The Continuing Trust does not intend to hold annual meetings of the Continuing Trust Unitholders.

Risk Factors

The risk factors which VIP Unitholders and MVP Unitholders should be aware of relating to an investment in the Continuing Trust are set out in the annual information forms of VIP and MVP dated May 19, 2005, the contents of which annual information forms are specifically incorporated by reference herein.

2. Amendments to the Declaration of Trust for each Fund

As a result of recent changes to the regulations applying to closed-end investment funds, the managers of various Brompton Funds reviewed the Declarations of Trust governing the Funds. Based on these reviews and after assessing the experience to date of the Managers in administering the Funds and changes in industry practices, the Managers are proposing to Unitholders amendments to certain portions of the Declarations of Trust (i) to conform to current regulatory requirements and industry practices, and (ii) to provide greater flexibility and certainty in the administration of the Funds and to reduce administrative costs. The Manager of MVP is also recommending that MVP Unitholders pass these resolutions in the event that the Merger is not approved. The text of the resolutions which the Unitholders of each Fund are being asked to consider is set forth in the appendices to the Circular.

A. Amendments to Allow for More Efficient Management of the Funds

Amendment to Financial Statement Requirements for all Funds

The Declarations of Trust for all Funds currently provide that quarterly and annual financial statements shall be provided to Unitholders. In order to reduce administrative costs associated with the preparation and mailing of such financial statements, and to bring the Declarations of Trust into conformity with current rules and regulations regarding investment funds (which do not require the Funds to prepare or provide to Unitholders financial statements for the first and third quarters), Unitholders of all Funds will be asked to consider and, if thought fit, to pass a resolution amending the requirement so that the Funds will only be required to provide Unitholders with such financial statements and other continuous disclosure documents as may be required by applicable law.

Amendment Regarding the Calling of Unitholder Meetings for all Funds

Currently, the Declarations of Trust for all of the Funds provide specific requirements regarding the provision of notices of Unitholder meetings, with respect to both the timing and the form of such notices. In order to bring the Declarations of Trust into conformity with applicable laws and regulations, including the recent enactment of rules relating to communicating with Non-Registered Unitholders, and in order to avoid requiring further amendments to the Declarations of Trust if the applicable rules and regulations should change at a later date, Unitholders will be asked to consider and, if thought fit, to pass a resolution amending the Declarations of Trust to provide that the Funds will call Unitholder meetings in accordance with applicable law.

Amendment to Amendment Provisions for all Funds

The Declarations of Trust for all Funds currently permit certain amendments to be made to the Declarations of Trust without approval of or notice to Unitholders, provided that that the Fund obtains an opinion from its counsel that such amendments are necessary or advisable for the correction of typographical

mistakes or to cure ambiguities or defective or inconsistent provisions or omissions, or manifest errors. The Managers believe that it is unnecessary to require an opinion of counsel as to these matters, as there is no detrimental effect on Unitholders if a Declaration of Trust is amended to cure these types of mistakes. Therefore, Unitholders will be asked to consider and, if thought fit, to pass a resolution deleting from the Declarations of Trust of all Funds the requirement to obtain an opinion from counsel on these matters. In addition, Unitholders will be asked to consider and, if thought fit, to pass a resolution adding to each of the Declarations of Trust the ability of the Trustee to amend such Declarations of Trust without the consent of, or notice to, Unitholders in order to bring the declaration of Trust into conformity with applicable laws, rules and policies of Canadian securities regulators or with current practice within the securities or investment fund industries, provided that such amendments do not, in the opinion of the Manager, adversely affect Unitholders.

Amendment to Certificate Requirements for all Funds

The Declarations of Trust for all Funds currently sets out lengthy requirements as to the form and content of Unit certificates. In order to simplify the Declarations of Trust and to allow the Funds the flexibility to adapt the form and content of their Unit certificates to changing legal requirements, Unitholders of all Funds will be asked to consider and, if thought fit, to pass a resolution deleting the specific form and content requirement for Unit certificates from each Declaration of Trust and substituting therefor the requirement that Unit certificates be in such form as may be approved from time to time by the Manager of the Fund, subject to applicable law.

Amendment to Repurchase Language for all Funds

Currently, the Declarations of Trust for all Funds provides that the Fund may purchase Units of such Fund for cancellation, not to exceed certain specified limits within a 12-month period. In order to make the language regarding this purchase of Units consistent throughout all of the Declarations of Trust, and to conform to applicable laws, Unitholders of all Funds will be asked to consider and, if thought fit, to pass a resolution amending the provision in each Declaration of Trust to provide that each Fund may purchase Units subject to applicable law and stock exchange requirements.

Amendment to Notice Provisions for Notice of Subdivision or Consolidation of Units for all Funds

Currently, none of the Declarations of Trust provide that Units of a Fund may be consolidated or subdivided upon notice to Unitholders. In order to bring the Funds into conformity with other investment funds currently in the market, Unitholders of each of the Funds will be asked to consider and, if thought fit, to pass a resolution to amend each of the Declarations of Trust to allow each Fund to subdivide or consolidate its Units provided that notice of any such consolidation or subdivision is first disseminated to the public by press release.

Amendment to Method of Provision of Tax Information to Unitholders for all Funds except OGF

Currently, the Declarations of Trust for all Funds except OGF provide that the Fund shall mail to each Unitholder annually the information necessary to enable such Unitholder to complete an income tax return with respect to amounts paid or payable by the Fund to such Unitholder in the preceding taxation year. However, the current procedure followed by the Funds is that the tax information is provided by each Fund to CDS, and CDS then sends such tax information to CDS Participants who are responsible for mailing such information to Unitholders. Therefore, in order to bring the Declarations of Trust for all Funds except OGF (which already contemplates this current procedure) into conformity with current practice, Unitholders of all Funds except OGF will be asked to consider and, if thought fit, to pass a resolution amending the Declarations of Trust for such Funds to provide that the Funds will make such tax information available to Unitholders.

Amendment to Manager's Ability to Terminate a Fund for all Funds except FAC and to Method of Notice of Termination for all Funds

Currently, only the Declaration of Trust for FAC provides the Manager with the ability to terminate the Fund without Unitholder approval if, in the Manager's opinion, it would be in the best interests of the Unitholders to terminate the Fund. The Managers of the Funds believe that the ability to terminate the applicable Fund is reasonable and in the best interests of the Unitholders, as it eliminates the costs associated with Unitholder approval. Therefore, Unitholders of each Fund except FAC will be asked to consider and, if thought fit, to pass a resolution adding to the Declarations of Trust for each Fund other than FAC the ability to terminate

the Fund if, in the Manager's opinion, it would be in the Unitholders' best interests. In addition, the Declarations of Trust for all of the Funds currently provide that a Fund may be terminated with the approval of the Unitholders of such Fund, provided that, among other things, notice of approval of such ordinary resolution is published in a national newspaper. In order to reduce administrative costs to the Funds, Unitholders of the Funds will be asked to consider and, if thought fit, to approve a resolution amending the Declarations of Trust of each of the Funds to allow such notice to be provided by press release rather than publication in a national newspaper.

Amendment to Allow the Portfolio Manager of FAC to be Paid its Fee in Units

Currently, the Declaration of Trust for FAC does not contemplate the payment of the fee to the Portfolio Manager in Units of FAC. In order to be consistent with other Brompton Funds, Unitholders of FAC will be asked to consider and, if thought fit, to pass a resolution amending the Declaration of Trust of FAC to give the Trustee the ability to pay the Portfolio Manager of FAC in Units of FAC, at the Portfolio Manager's option. Any such Units will be issued based on the net asset value per Unit as at the last day of the applicable month. Currently, there are 118,613 Units reserved for issuance to the Manager and, if this resolution is approved, the Portfolio Manager, on a combined basis.

To be effective, the resolutions to make the various amendments described above must be passed by a simple majority of the votes cast thereon by Unitholders of each of the Funds at the applicable Meeting. The board of directors of the Manager of each of the Funds unanimously recommends that Unitholders of each of the Funds vote in favour of these resolutions. The persons designated in the applicable form of proxy, unless instructed otherwise, intend to vote FOR these resolutions.

B. Amendments Relating to Redemptions

Amendment to Redemption Dates and Redemption Notice Periods for all Funds except OGF

The redemption dates for the various Funds currently range from March to December of each year. The Managers of each of the Funds believe that the redemption process would be streamlined and administrative costs would be reduced if the redemption dates for the Funds occurred in either November or December of each year. Accordingly, Unitholders will be asked to consider and, if thought fit, to pass a resolution to change the redemption date for Stable, BWI and FAC to the second last business day of November and in the case of VIP, MVP and EWI to change the redemption date to the second last business day in December. The Declaration of Trust of EWI will also be amended to provide that the month in which the annual rebalancing will occur will be in January of each year.

In addition, currently the Declarations of Trust for each of VIP, MVP and Stable provide that Unitholders of such Funds must deliver notices of redemption to their CDS Participant at least five business days prior to the redemption date for the particular Fund, while the Declarations of Trust for each of EWI, BWI and FAC provide that Unitholders of such Funds must deliver notices of redemption to their CDS Participant, in the case of EWI, at least 7 business days and, in the case of BWI and FAC, at least 15 business days prior to the redemption date, respectively. In more recent Funds, the redemption notice period is at least 20 business days prior to the redemption date. In order to provide consistency amongst the Funds and to allow the Managers of the Funds an appropriate amount of time to process the redemption notices and liquidate the necessary portfolio securities to fund such redemptions in an orderly manner, the Managers of each of the Funds believe that the appropriate redemption notice period is 20 business days prior to the redemption date. Unitholders of the Funds will also be asked to change the redemption notice period to 20 business days prior to the redemption date. Unitholders should also note that in connection with the proposal to amend the Declaration of Trust to change the redemption date, the notice period for such redemption date occurring on November 29, 2005 will be 10 business days prior to the redemption date.

Amendment to Redemption Amount for each of VIP, MVP, Stable, EWI and BWI

Currently, the Declarations of Trust of each of VIP, MVP, Stable, EWI and BWI provide that the entitlement of a Unitholder to a redemption price in respect of Units properly surrendered for redemption is

equal to the net asset value per Unit of such Fund determined in accordance with the provisions of the applicable Declaration of Trust. In order to bring these Declarations of Trust into conformity with other Brompton Funds, Unitholders of each of VIP, MVP, Stable, EWI and BWI will be asked to consider and, if thought fit, to pass a resolution to amend the redemption amount so as to exclude from such amount any costs associated with the redemption, including brokerage costs. The Managers of these Funds believe that it is more appropriate for such costs to be borne by the redeeming Unitholder as opposed to the Fund and, in turn, the remaining Unitholders.

To be effective, the resolutions to make the various amendments described above must be passed by a two-thirds majority of the votes cast thereon by Unitholders of the Funds at the applicable Meeting. The board of directors of Brompton VIP Management Limited, Brompton MVP Management Limited, Brompton SI Fund Management Limited, Brompton EWI Management Limited, Brompton Business Trust Management Limited and Brompton Preferred Management Limited unanimously recommend that Unitholders of VIP, MVP, Stable, EWI, BWI and FAC vote in favour of these resolutions. The persons designated in the applicable form of proxy, unless instructed otherwise, intend to vote FOR these resolutions.

C. Amendments Relating to Investment Guidelines and Investment Restrictions

Amendment to Foreign Property Restrictions for all Funds except FAC

Currently, the Declarations of Trust for all Funds except FAC provide an investment restriction on the amount of “foreign property” that the Fund may own. This provision was included in the Declarations of Trust for these Funds in order to comply with certain foreign property rules under the *Income Tax Act* (Canada). However, the foreign property rule has since been repealed and, therefore, this investment restriction is no longer required. In order to bring the Declarations of Trust into conformity with existing law, the Unitholders of each of the Funds, except FAC, will be asked to consider and, if thought fit, to pass an extraordinary resolution deleting the foreign property investment restriction from their respective Declarations of Trust.

Amendment to Investment Restrictions for all Funds

Currently, none of the Declarations of Trust provide an investment restriction prohibiting the Funds from purchasing the securities of an issuer if, as a result of such purchase, the Fund would be required to make a formal takeover bid for such issuer, for the purposes of applicable securities laws. The Managers of the Funds believe it would be in the best interests of the Unitholders of the Funds to add this investment restriction to the Declarations of Trust, in order to allow the Managers to avoid unintentionally triggering takeover bid requirements and Unitholders of each of the Funds will be asked to consider and, if thought fit, to pass an extraordinary resolution adding such investment restriction.

Amendment to Investment Guidelines for EWI

Currently, the Declaration of Trust for EWI does not allow the Manager of EWI discretion to exclude or remove from the portfolio of EWI any investment where the Manager considers that facts unrelated to the business of such investment may have a material adverse effect on the market price or value of such investment’s securities. The Manager of EWI believes that such discretion is important in the context of passively-managed funds such as EWI to allow the Manager the ability to exclude from the portfolio investments that, through the application of the Fund’s investment guidelines, would automatically be included in the portfolio but which are considered by the Manager to have been adversely impacted by facts unrelated to the business of such investment. This discretion is provided in the Declaration of Trust for all other Brompton passively-managed Funds. Therefore, Unitholders of EWI will be asked to consider and, if thought fit, to pass an extraordinary resolution amending the Declaration of Trust of EWI to provide to the Manager the discretion described above. In addition, the Declaration of Trust for EWI provides that rebalancing transactions will be effected as soon as practicable during the month of August of each year, but in any event no later than August 15. The Manager of EWI believes that Unitholders of EWI would benefit if it were provided with greater flexibility to achieve optimal trading results and liquidity for the portfolio of EWI if the Declaration of Trust of EWI were amended to provide that rebalancing transactions will occur as soon as reasonably practicable.

Amendment to Investment Guidelines for each of EWI, BWI and OGF to Provide for Market Capitalization Threshold and, in the case of EWI and BWI, a Maximum Number of Investments

The current investment guidelines for each of EWI and BWI provide specific criteria for inclusion in their respective portfolios, but do not provide a maximum number of income funds which may be included in the respective Fund's portfolio. The criteria for inclusion are based in part on a minimum float capitalization of \$200 million with respect to EWI, \$150 million with respect to BWI and \$500 million with respect to OGF. Based on the Managers' experience in operating the Funds, the application of float capitalization when compared to market capitalization does not materially affect the composition of the portfolio. The Manager of each of EWI, BWI and OGF proposes to change the minimum threshold from a float capitalization test to a market capitalization test in order to reduce the administrative costs associated with calculating each issuer's float capitalization (which involves determining securities held by persons beneficially owning or exercising control or direction over 20% or more of an issuer's outstanding securities).

In addition, due to the number of income funds which have come into existence and the number of income funds which have increased their float capitalizations, the number of income funds comprising the portfolio of EWI was 131 as at September 15, 2005 (up from 69 at inception), and the number of income funds comprising the portfolio of BWI was 72 as at September 15, 2005 (up from 37 at inception). The Manager of each of EWI and BWI believes that these numbers will continue to increase with the continued growth of the income fund sector. Accordingly, the Manager of each of EWI and BWI believe that it would be in the best interest of EWI Unitholders and BWI Unitholders to limit the number of income funds that each Fund may invest in. This limit on the number of income funds in which each of EWI and BWI may invest is intended to decrease costs of these Funds associated with rebalancing and redemption of Units, while continuing to maintain a highly diversified and liquid portfolio. Therefore, Unitholders of EWI will be asked to consider and, if thought fit, to pass an extraordinary resolution limiting the number of income funds that EWI may invest in to an aggregate of the largest 100 income funds (based on market capitalization) that otherwise meet the investment criteria applicable to EWI, and Unitholders of BWI will be asked to consider and, if thought fit, to pass an extraordinary resolution limiting the number of income funds that BWI may invest in to an aggregate of the largest 75 income funds (based on market capitalization) that otherwise meet the investment criteria applicable to BWI.

Amendment to Investment Restrictions of FAC

Currently, the investment restrictions contained in the Declaration of Trust of FAC prohibit borrowing or employing other forms of leverage for investment purposes in an aggregate amount that would exceed 25% of the total assets of FAC at the time the borrowing or other transaction is entered into. Unitholders of FAC will be asked to consider, and if thought fit, to pass an extraordinary resolution to amend the investment restrictions of FAC to increase the aggregate amount permitted to be borrowed to up to 35% of the total assets at the time the borrowing or other transaction is entered into. The increased borrowing ability is being proposed in order that net investment income may be maintained at a level which will support the current annual distribution rate based on current market conditions and interest rate levels. This will also make the leverage restrictions on FAC consistent with those of Flaherty & Crumrine Investment Grade Fixed Income Fund, which is managed by an affiliate of the FAC Manager.

To be effective, the resolutions to make the various amendments described above must be passed by a two-thirds majority of the votes cast thereon by Unitholders of the applicable Funds at the applicable Meeting. The board of directors of the Manager of each of the Funds unanimously recommend that Unitholders of each of the Funds, vote in favour of these resolutions. The persons designated in the applicable form of proxy, unless instructed otherwise, intend to vote FOR these resolutions.

PRINCIPAL HOLDERS OF UNITS

The number of Units of each Fund that were issued and outstanding as at September 15, 2005 are set out under the heading "Information Concerning the Funds". To the knowledge of the directors and officers of each of the Managers, in respect of the particular Fund of which it is the Manager, no person or corporation beneficially owns, directly or indirectly, or exercises control or direction over Units of any Fund carrying more than 10% of the votes attached to all of the issued and outstanding Units of each such Fund.

QUORUM FOR THE TRANSACTION OF BUSINESS

Pursuant to the Declaration of Trust of each Fund, the quorum for any meeting of Unitholders called to consider a matter requiring the approval of Unitholders by an Ordinary Resolution is two or more Unitholders present in person or represented by proxy holding not less than five percent (5%) of the Units then outstanding. Unless the meeting was requisitioned by Unitholders, if no quorum is present at such meeting when called, the meeting shall be adjourned for not less than 14 days and the Unitholders present in person or represented by proxy at such adjourned meeting will form the necessary quorum. It is intended that if a quorum is not present for any Meeting as at the appropriate time on October 26, 2005, that such Meeting will be adjourned to the same time on November 9, 2005 and any proxy properly submitted prior to the time called for the Meeting will, unless revoked in the manner described above, be effective at the adjourned meeting.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed herein, neither the Trustee, any Manager, nor any director or officer of any Manager, nor any other insider of the Trust, the Trustee or any Manager, nor any associate or affiliate of any one of them, has or has had, at any time since the inception of a Fund, any material interest, direct or indirect, in any transaction or proposed transaction that has materially affected or would materially affect a Fund.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

Except as otherwise disclosed herein, neither the Trustee, any Manager, nor any of the directors or officers of the Manager, nor any associate or affiliate of any of them, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on each Meeting.

MANAGEMENT CONTRACTS

For descriptions of the management agreements and investment advisor or portfolio management (as applicable) agreements relating to each Fund, please see the applicable Fund's annual information form dated May 19, 2005 incorporated by reference herein.

AUDITORS, CUSTODIAN, AND TRANSFER AGENT

The auditor of each of the Funds is PricewaterhouseCoopers LLP, Chartered Accountants, Suite 3000, Royal Trust Tower, Toronto-Dominion Centre, Toronto, Ontario M5K 1G8.

Computershare Trust Company of Canada has been appointed the registrar and transfer agent for each of the Funds other than FAC, for which Computershare Investor Services Inc. has been appointed the registrar and transfer agent.

Royal Trust Company, as custodian, has been appointed the custodian of each of the Funds' assets pursuant to custodian agreements. The address of the custodian is 77 King Street West, 11th Floor, Toronto, Ontario M5W 1P9.

ADDITIONAL INFORMATION

The Managers of the Funds will provide, without charge to a Unitholder of any such Fund, a copy of the Funds' 2004 Annual Report to Unitholders containing the comparative financial statements for 2004 together with the Auditors' Reports thereon and Management's Discussion and Analysis, interim financial statements for subsequent periods and a copy of this Circular upon request.

Any request for these documents should be made care of the respective Fund for which information is being requested to Brompton Funds, Suite 2930, P.O. Box 793, Bay Wellington Tower, BCE Place, 181 Bay Street, Toronto, Ontario M5J 2T3. If you wish, this information may be accessed on SEDAR at www.sedar.com. Additional information can also be obtained on the Brompton website at www.bromptongroup.com.

APPROVAL OF THE MANAGERS AND CERTIFICATE

Each Manager has approved the contents and the sending of this Circular in respect of the contents of this Circular that relate to the Fund managed by such Manager.

DATED at Toronto, Ontario this 27th day of September, 2005.

BY ORDER OF THE BOARD OF DIRECTORS OF EACH OF Brompton VIP Management Limited, the manager of Brompton VIP Income Trust, Brompton MVP Management Limited, the manager of Brompton MVP Income Fund, Brompton SI Fund Management Limited, the manager of Brompton Stable Income Fund, Brompton EWI Management Limited, the manager of Brompton Equal Weight Income Fund, Brompton Business Trust Management Limited, the manager of Business Trust Equal Weight Income Fund, Brompton Energy Trust Management Limited, the manager of Brompton Equal Weight Oil & Gas Income Fund and Brompton Preferred Management Limited, the manager of Flaherty & Crumrine Investment Grade Preferred Fund

By:



Raymond R. Pether

President and Chief Executive Officer

APPENDIX "A"
RESOLUTIONS PERTAINING TO BROMPTON VIP INCOME TRUST

A. THE MERGER

BE IT RESOLVED that the merger (the "**Merger**") of Brompton VIP Income Trust ("**VIP**") and Brompton MVP Income Fund ("**MVP**") on the effective date, as described in the joint management information circular dated September 27, 2005 (the "**Circular**"), is hereby approved and, without limiting the generality of the foregoing:

1. the Trustee is hereby authorized to amend the Declaration of Trust of VIP to the extent necessary to permit the steps required to be taken to complete the Merger, all as described in the Circular and to execute and deliver such amendments or amendments and restatements of the Declaration of Trust to give effect to the foregoing;
2. the Manager is hereby authorized and directed to execute on behalf of VIP and to deliver and to cause and be delivered, all such documents, agreements, instruments and tax elections and designations and to do or cause to be done all such other acts and things as it shall determine to be necessary or desirable in order to carry out the intent of the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement, instrument or tax election or designation or the doing of any such act or thing;
3. this resolution may be revoked for any reason whatsoever in the sole and absolute discretion of the Manager, without further approval of the unitholders of VIP at any time prior to the completion of the Merger; and
4. all capitalized terms not otherwise defined in this resolution have the meanings ascribed thereto in the Circular.

B. ADMINISTRATIVE MATTERS

BE IT RESOLVED that:

The Declaration of Trust is hereby amended as follows and the Trustee is hereby authorized to execute and deliver such amendments or amendments and restatements of the Declaration of Trust to give effect to the following:

1. Paragraph (e) of Section 11.2, "Duties of Manager" is deleted in its entirety and replaced with the following:

"the preparation of accounting, management and other reports, including such interim and annual reports to Unitholders, financial statements, tax reporting to Unitholders and income tax returns as may be required by applicable law;"
2. Section 14.6, "Annual Financial Statements" is deleted in its entirety and replaced with the following:

"Section 14.6. Financial Statements

The Trust shall prepare and file such financial statements and other continuous disclosure documents as are required by applicable law."

and Section 14.7, "Quarterly Financial Statements" is deleted in its entirety.
3. Section 14.2, "Notice of Meetings and Quorum" is amended by deleting from paragraph (a) the following:

"Notice of all meetings of Unitholders shall be given by mail to each Unitholder at his address of record, mailed at least 21 days and not more than 50 days before the meeting and shall be published at least 21 days prior to such meeting in a national newspaper. Such notice shall set the time when, and the place where, the meeting is to be held and shall specify, in general terms, the nature of the business to be transacted thereat, together with the text of any Extraordinary Resolution to be approved but it shall not be necessary to specify in the notice the text of any Ordinary Resolution to be approved, confirmed or passed", and substituting therefor the following:

"Notice of all meetings of Unitholders shall be given in accordance will applicable laws."

4. Section 14.3, "Voting Rights of Unitholders" is amended by deleting paragraph (e) in its entirety and substituting therefor the following:

"(e) The Trustee is entitled to amend the Declaration of Trust without the consent of, or notice to, the Unitholders, to:

(i) remove any conflicts or other inconsistencies which may exist between any terms of the Declaration of Trust and any provisions of any law, regulation or requirements of any governmental authority applicable to or affecting the Trust;

(ii) make any change or correction which is of a typographical nature or is required to cure or correct any ambiguity or defective or inconsistent provision, clerical omission, mistake or manifest error contained therein;

(iii) bring the Declaration of Trust into conformity with applicable laws, rules and policies of Canadian securities regulators or with current practice within the securities or investment fund industries, provided such amendments do not, in the opinion of the Manager, adversely affect the pecuniary value of the interest of the Unitholders or restrict any protection for the Trustee or the Manager or increase their respective responsibilities;

(iv) maintain the status of the Trust as a "mutual fund trust" and a "registered investment" for the purposes of the Income Tax Act or to respond to amendments to such Act or to the interpretation or administration thereof; or

(v) provide added protection or benefit to Unitholders."

5. Section 14.4, "Record Dates" is amended by deleting the phrase "not more than 50 days prior to the date of any meeting of Unitholders or other action".

6. Section 7.4, "Form of Certificates" and Section 7.5, "Content of Certificates" are deleted in their entirety and replaced with the following:

"Section 7.4. Unit Certificates

The Trust Unit Certificate shall be in such form and shall contain such information as is from time to time approved by the Manager, subject to applicable law."

7. Paragraph (a) of Section 9.1, "Repurchase of Trust Units" is deleted in its entirety and replaced with the following:

"Section 9.1. Repurchase of Trust Units

(a) The Trust may, in its sole discretion, from time to time purchase (in the open market or by invitation for tenders) Trust Units for cancellation, subject to applicable law and stock exchange requirements."

8. Section 6.2, "Number of Trust Units" is amended by adding as a last sentence the following:

"Once issued, the number of outstanding Trust Units may be consolidated or subdivided as the Trustee, at the direction of the Manager, shall determine provided that notice of any such consolidation or subdivision is first disseminated to the public by press release."

9. Paragraph (b) of Section 10.1, "Distributions" is hereby deleted in its entirety and replaced with the following:

"(b) With respect to any distribution by the Trust in or in respect of a taxation year, the Trust shall make available to each Unitholder annually on or before March 31 of the following year information necessary to enable such Unitholder to complete an income tax return with respect to amounts paid or payable by the Trust to the Unitholders in the preceding taxation year of the Trust."

10. Paragraph (a) of Section 17.1, "Termination of the Trust" is amended by deleting the last sentence of paragraph (a) and replacing it with the following:

"The Trust shall issue a press release regarding the passing of such Ordinary Resolution and such termination and shall do all such other acts as may be required by applicable law."

11. Section 17.1, "Termination of the Trust" is amended by adding as paragraph (h) the following:

"(h) Notwithstanding Section 17.1(a) or any other provision hereof, the Manager may, in its discretion, terminate the Trust without the approval of Unitholders if, in its opinion, it would be in the best interests of the Unitholders."

C. *REDEMPTION RELATED MATTERS*

BE IT RESOLVED that:

The Declaration of Trust is hereby amended as follows and the Trustee is hereby authorized to execute and deliver such amendments or amendments and restatements of the Declaration of Trust to give effect to the following:

1. Section 1.1, "Definitions" is amended by deleting the definition of "Redemption Date" and replacing it with the following:

" **"Redemption Date"** means the second last business day of December of each year."

2. Paragraph (a) of Section 9.2, "Redemption of Trust Units" is deleted in its entirety and replaced with the following:

"(a) Subject to the Trust's right to suspend redemptions (as described in Section 9.2(d) below), Trust Units may be surrendered for redemption in December of each year (but must be surrendered at least 20 business days prior to the Redemption Date except as provided herein). The entitlement of a redeeming Unitholder will be determined on the relevant Redemption Date."

3. Paragraph (b) of Section 9.2, "Redemption of Trust Units" is amended by deleting the words "at least five business days prior to the Redemption Date" from the second line, and substituting therefor the words "at least 20 business days prior to the Redemption Date".

4. Paragraph (b) of Section 9.2 is amended by adding, after the words "equal to the Net Asset Value per Trust Unit determined as of the Redemption Date" in the third and fourth lines, the words ", less any costs associated with the redemption, including brokerage costs".

D. *INVESTMENT GUIDELINES AND RESTRICTIONS RELATED MATTERS*

BE IT RESOLVED that:

The Declaration of Trust is hereby amended as follows and the Trustee is hereby authorized to execute and deliver such amendments or amendments and restatements of the Declaration of Trust to give effect to the following:

1. Paragraph (x) of Section 5.3(a), "Investment Restrictions" restricting the Fund's ability to invest in foreign property is deleted in its entirety;

2. The following new paragraph (x) of Section 5.3(a), "Investment Restrictions" shall be added:

"(x) purchase the securities of an issuer if, as a result of such purchase, the Trust would be required to make a take-over bid that is a "formal bid" for the purposes of the *Securities Act* (Ontario) or the equivalent provisions of applicable securities laws of any other jurisdiction."

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APPENDIX "B"

RESOLUTIONS RELATING TO BROMPTON MVP INCOME FUND

A. THE MERGER

BE IT RESOLVED that the merger (the "**Merger**") of Brompton VIP Income Trust ("**VIP**") and Brompton MVP Income Fund ("**MVP**") on the effective date, as described in the joint management information circular dated September 27, 2005 (the "**Circular**"), is hereby approved and, without limiting the generality of the foregoing:

1. the Trustee is hereby authorized to amend the Declaration of Trust of MVP to the extent necessary to permit the steps required to be taken to complete the Merger, all as described in the Circular and to execute and deliver such amendments or amendments and restatements of the Declaration of Trust to give effect to the foregoing;
2. the Manager is hereby authorized and directed to execute on behalf of MVP and to deliver and to cause and be delivered, all such documents, agreements, instruments and tax elections and designations and to do or cause to be done all such other acts and things as it shall determine to be necessary or desirable in order to carry out the intent of the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement, instrument or tax election or designation or the doing of any such act or thing;
3. this resolution may be revoked for any reason whatsoever in the sole and absolute discretion of the Manager, without further approval of the unitholders of MVP at any time prior to the completion of the Merger; and
4. all capitalized terms not otherwise defined in this resolution have the meanings ascribed thereto in the Circular.

B. ADMINISTRATIVE MATTERS

BE IT RESOLVED that:

The Declaration of Trust is hereby amended as follows and the Trustee is hereby authorized to execute and deliver such amendments or amendments and restatements of the Declaration of Trust to give effect to the following:

1. Paragraph (e) of Section 11.2, "Duties of Manager" is deleted in its entirety and replaced with the following:

"the preparation of accounting, management and other reports, including such interim and annual reports to Unitholders, financial statements, tax reporting to Unitholders and income tax returns as may be required by applicable law;"
2. Section 14.6, "Annual Financial Statements" is deleted in its entirety and replaced with the following:

"Section 14.6. Financial Statements

The Trust shall prepare and file such financial statements and other continuous disclosure documents as are required by applicable law."

and Section 14.7, "Quarterly Financial Statements" is deleted in its entirety.
3. Section 14.2, "Notice of Meetings and Quorum" is amended by deleting from paragraph (a) the following:

"Notice of all meetings of Unitholders shall be given by mail to each Unitholder at his address of record, mailed at least 21 days and not more than 50 days before the meeting and shall be published at least 21 days prior to such meeting in a national newspaper. Such notice shall set the time when, and the place where, the meeting is to be held and shall specify, in general terms, the nature of the business to be transacted thereat, together with the text of any Extraordinary Resolution to be approved but it shall not be necessary to specify in the notice the text of any Ordinary Resolution to be approved, confirmed or passed", and substituting therefor the following:

"Notice of all meetings of Unitholders shall be given in accordance will applicable laws."

4. Section 14.3, "Voting Rights of Unitholders" is amended by deleting paragraph (e) in its entirety and substituting therefor the following:

"(e) The Trustee is entitled to amend the Declaration of Trust without the consent of, or notice to, the Unitholders, to:

(i) remove any conflicts or other inconsistencies which may exist between any terms of the Declaration of Trust and any provisions of any law, regulation or requirements of any governmental authority applicable to or affecting the Trust;

(ii) make any change or correction which is of a typographical nature or is required to cure or correct any ambiguity or defective or inconsistent provision, clerical omission, mistake or manifest error contained therein;

(iii) bring the Declaration of Trust into conformity with applicable laws, rules and policies of Canadian securities regulators or with current practice within the securities or investment fund industries, provided such amendments do not, in the opinion of the Manager, adversely affect the pecuniary value of the interest of the Unitholders or restrict any protection for the Trustee or the Manager or increase their respective responsibilities;

(iv) maintain the status of the Trust as a "mutual fund trust" and a "registered investment" for the purposes of the Income Tax Act or to respond to amendments to such Act or to the interpretation or administration thereof; or

(v) provide added protection or benefit to Unitholders."

5. Section 14.4, "Record Dates" is amended by deleting the phrase "not more than 50 days prior to the date of any meeting of Unitholders or other action".

6. Section 7.4, "Form of Certificates" and Section 7.5, "Content of Certificates" are deleted in their entirety and replaced with the following:

"Section 7.4. Unit Certificates

The Trust Unit Certificate shall be in such form and shall contain such information as is from time to time approved by the Manager, subject to applicable law."

7. Paragraph (a) of Section 9.1, "Repurchase of Trust Units" is deleted in its entirety and replaced with the following:

"Section 9.1. Repurchase of Trust Units

(a) the Trust may, in its sole discretion, from time to time purchase (in the open market or by invitation for tenders) Trust Units for cancellation, subject to applicable law and stock exchange requirements."

8. Section 6.2, "Number of Trust Units" is amended by adding as a last sentence the following:

"Once issued, the number of outstanding Trust Units may be consolidated or subdivided as the Trustee, at the direction of the Manager, shall determine provided that notice of any such consolidation or subdivision is first disseminated to the public by press release."

9. Paragraph (b) of Section 10.1, "Distributions" is hereby deleted in its entirety and replaced with the following:

"(b) With respect to any distribution by the Trust in or in respect of a taxation year, the Trust shall make available to each Unitholder annually on or before March 31 of the following year information necessary to enable such Unitholder to complete an income tax return with respect to amounts paid or payable by the Trust to the Unitholders in the preceding taxation year of the Trust."

10. Paragraph (a) of Section 17.1, "Termination of the Trust" is amended by deleting the last sentence of paragraph (a) and replacing it with the following:

"The Trust shall issue a press release regarding the passing of such Ordinary Resolution and such termination and shall do all such other acts as may be required by applicable law."

11. Section 17.1, "Termination of the Trust" is amended by adding as paragraph (h) the following:

"(h) Notwithstanding Section 17.1(a) or any other provision hereof, the Manager may, in its discretion, terminate the Trust without the approval of Unitholders if, in its opinion, it would be in the best interests of the Unitholders."

C. REDEMPTION RELATED MATTERS

BE IT RESOLVED that:

The Declaration of Trust is hereby amended as follows and the Trustee is hereby authorized to execute and deliver such amendments or amendments and restatements of the Declaration of Trust to give effect to the following:

1. Section 1.1, "Definitions" is amended by deleting the definition of "Redemption Date" and replacing it with the following:

" "Redemption Date" means the second last business day of December of each year."

2. Paragraph (a) of Section 9.2, "Redemption of Trust Units" is deleted in its entirety and replaced with the following:

"(a) Subject to the Trust's right to suspend redemptions (as described in Section 9.2(d) below), Trust Units may be surrendered for redemption in December of each year (but must be surrendered at least 20 business days prior to the Redemption Date except as provided herein). The entitlement of a redeeming Unitholder will be determined on the relevant Redemption Date."

3. Paragraph (b) of Section 9.2, "Redemption of Trust Units" is amended by deleting the words "at least five business days prior to the Redemption Date" from the second line, and substituting therefor the words "at least 20 business days prior to the Redemption Date".

4. Paragraph (b) of Section 9.2 is amended by adding, after the words "equal to the Net Asset Value per Trust Unit determined as of the Redemption Date" in the third and fourth lines, the words ", less any costs associated with the redemption, including brokerage costs".

D. INVESTMENT GUIDELINES AND RESTRICTIONS RELATED MATTERS

BE IT RESOLVED that:

The Declaration of Trust is hereby amended as follows and the Trustee is hereby authorized to execute and deliver such amendments or amendments and restatements of the Declaration of Trust to give effect to the following:

1. Paragraph (xii) of Section 5.3(a), "Investment Restrictions" restricting the Fund's ability to invest in foreign property is deleted in its entirety;

2. The following new paragraph (xii) of Section 5.3(a), "Investment Restrictions" shall be added:

"(x) purchase the securities of an issuer if, as a result of such purchase, the Trust would be required to make a take-over bid that is a "formal bid" for the purposes of the *Securities Act* (Ontario) or the equivalent provisions of applicable securities laws of any other jurisdiction."

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APPENDIX "C"

RESOLUTIONS RELATING TO BROMPTON STABLE INCOME FUND

A. ADMINISTRATIVE MATTERS

BE IT RESOLVED that:

The Declaration of Trust is hereby amended as follows and the Trustee is hereby authorized to execute and deliver such amendments or amendments and restatements of the Declaration of Trust to give effect to the following:

1. Paragraph (e) of Section 11.2, "Duties of Manager" is deleted in its entirety and replaced with the following:

"the preparation of accounting, management and other reports, including such interim and annual reports to Unitholders, financial statements, tax reporting to Unitholders and income tax returns as may be required by applicable law;"

2. Section 14.6, "Annual Financial Statements" is deleted in its entirety and replaced with the following:

"Section 14.6. Financial Statements

The Trust shall prepare and file such financial statements and other continuous disclosure documents as are required by applicable law."

and Section 14.7, "Quarterly Financial Statements" is deleted in its entirety.

3. Section 14.2, "Notice of Meetings and Quorum" is amended by deleting from paragraph (a) the following:

"Notice of all meetings of Unitholders shall be given by mail to each Unitholder at his address of record, mailed at least 21 days and not more than 50 days before the meeting and shall be published at least 21 days prior to such meeting in a national newspaper. Such notice shall set the time when, and the place where, the meeting is to be held and shall specify, in general terms, the nature of the business to be transacted thereat, together with the text of any Extraordinary Resolution to be approved but it shall not be necessary to specify in the notice the text of any Ordinary Resolution to be approved, confirmed or passed", and substituting therefor the following:

"Notice of all meetings of Unitholders shall be given in accordance with applicable laws."

4. Section 14.3, "Voting Rights of Unitholders" is amended by deleting paragraph (e) in its entirety and substituting therefor the following:

"(e) The Trustee is entitled to amend the Declaration of Trust without the consent of, or notice to, the Unitholders, to:

(i) remove any conflicts or other inconsistencies which may exist between any terms of the Declaration of Trust and any provisions of any law, regulation or requirements of any governmental authority applicable to or affecting the Trust;

(ii) make any change or correction which is of a typographical nature or is required to cure or correct any ambiguity or defective or inconsistent provision, clerical omission, mistake or manifest error contained therein;

(iii) bring the Declaration of Trust into conformity with applicable laws, rules and policies of Canadian securities regulators or with current practice within the securities or investment fund industries, provided such amendments do not, in the opinion of the Manager, adversely affect the pecuniary value of the interest of the Unitholders or restrict any protection for the Trustee or the Manager or increase their respective responsibilities;

(iv) maintain the status of the Trust as a “mutual fund trust” and a “registered investment” for the purposes of the Income Tax Act or to respond to amendments to such Act or to the interpretation or administration thereof; or

(v) provide added protection or benefit to Unitholders.”

5. Section 14.4, “Record Dates” is amended by deleting the phrase “not more than 50 days prior to the date of any meeting of Unitholders or other action”.

6. Section 7.4, “Form of Certificates” and Section 7.5, “Content of Certificates” are deleted in their entirety and replaced with the following:

“Section 7.4. Unit Certificates

The Trust Unit Certificate shall be in such form and shall contain such information as is from time to time approved by the Manager, subject to applicable law.”

7. Paragraph (a) of Section 9.1, “Repurchase of Trust Units” is deleted in its entirety and replaced with the following:

“Section 9.1. Repurchase of Trust Units

(a) the Trust may, in its sole discretion, from time to time purchase (in the open market or by invitation for tenders) Trust Units for cancellation, subject to applicable law and stock exchange requirements.”

8. Section 6.2, “Number of Trust Units” is amended by adding as a last sentence the following:

“Once issued, the number of outstanding Trust Units may be consolidated or subdivided as the Trustee, at the direction of the Manager, shall determine provided that notice of any such consolidation or subdivision is first disseminated to the public by press release.”

9. Paragraph (b) of Section 10.1, “Distributions” is hereby deleted in its entirety and replaced with the following:

“(b) With respect to any distribution by the Trust in or in respect of a taxation year, the Trust shall make available to each Unitholder annually on or before March 31 of the following year information necessary to enable such Unitholder to complete an income tax return with respect to amounts paid or payable by the Trust to the Unitholders in the preceding taxation year of the Trust.”

10. Paragraph (a) of Section 17.1, “Termination of the Trust” is amended by deleting the last sentence of paragraph (a) and replacing it with the following:

“The Trust shall issue a press release regarding the passing of such Ordinary Resolution and such termination and shall do all such other acts as may be required by applicable law.”

11. Section 17.1, “Termination of the Trust” is amended by adding as paragraph (h) the following:

“(h) Notwithstanding Section 17.1(a) or any other provision hereof, the Manager may, in its discretion, terminate the Trust without the approval of Unitholders if, in its opinion, it would be in the best interests of the Unitholders.”

B. REDEMPTION RELATED MATTERS

BE IT RESOLVED that:

The Declaration of Trust is hereby amended as follows and the Trustee is hereby authorized to execute and deliver such amendments or amendments and restatements of the Declaration of Trust to give effect to the following:

1. Section 1.1, "Definitions" is amended by deleting the definition of "Redemption Date" and replacing it with the following:

" "Redemption Date" means the second last business day of November of each year."

2. Paragraph (a) of Section 9.2, "Redemption of Trust Units" is deleted in its entirety and replaced with the following:

"(a) Subject to the Trust's right to suspend redemptions (as described in Section 9.2(d) below), Trust Units may be surrendered for redemption in November of each year (but must be surrendered at least 20 business days prior to the Redemption Date except as provided herein). The entitlement of a redeeming Unitholder will be determined on the relevant Redemption Date."

3. Paragraph (b) of Section 9.2, "Redemption of Trust Units" is amended by deleting the words "at least five business days prior to the Redemption Date" from the second line, and substituting therefor the words "at least 20 business days prior to the Redemption Date except for the Redemption Date occurring in 2005 in which case Trust Units must be surrendered at least 10 business days prior to the Redemption Date".

4. Paragraph (b) of Section 9.2 is amended by adding, after the words "equal to the Net Asset Value per Trust Unit determined as of the Redemption Date" in the third and fourth lines, the words ", less any costs associated with the redemption, including brokerage costs".

D. INVESTMENT GUIDELINES AND RESTRICTIONS RELATED MATTERS

BE IT RESOLVED that:

The Declaration of Trust is hereby amended as follows and the Trustee is hereby authorized to execute and deliver such amendments or amendments and restatements of the Declaration of Trust to give effect to the following:

1. Paragraph (xii) of Section 5.3(a), "Investment Restrictions" restricting the Fund's ability to invest in foreign property is deleted in its entirety;

2. The following new paragraph (xii) of Section 5.3(a), "Investment Restrictions" shall be added:

"(xii) purchase the securities of an issuer if, as a result of such purchase, the Trust would be required to make a take-over bid that is a "formal bid" for the purposes of the *Securities Act* (Ontario) or the equivalent provisions of applicable securities laws of any other jurisdiction."

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APPENDIX "D"

RESOLUTIONS RELATING TO BROMPTON EQUAL WEIGHT INCOME FUND

A. ADMINISTRATIVE MATTERS

BE IT RESOLVED that:

The Declaration of Trust is hereby amended as follows and the Trustee is hereby authorized to execute and deliver such amendments or amendments and restatements of the Declaration of Trust to give effect to the following:

1. Paragraph (e) of Section 11.2, "Duties of Manager" is deleted in its entirety and replaced with the following:

"the preparation of accounting, management and other reports, including such interim and annual reports to Unitholders, financial statements, tax reporting to Unitholders and income tax returns as may be required by applicable law;"

2. Section 14.6, "Annual Financial Statements" is deleted in its entirety and replaced with the following:

"Section 14.6. Financial Statements

The Trust shall prepare and file such financial statements and other continuous disclosure documents as are required by applicable law."

and Section 14.7, "Quarterly Financial Statements" is deleted in its entirety.

3. Section 14.2, "Notice of Meetings and Quorum" is amended by deleting from paragraph (a) the following:

"Notice of all meetings of Unitholders shall be given by mail to each Unitholder at his address of record, mailed at least 21 days and not more than 50 days before the meeting and shall be published at least 21 days prior to such meeting in a national newspaper. Such notice shall set the time when, and the place where, the meeting is to be held and shall specify, in general terms, the nature of the business to be transacted thereat, together with the text of any Extraordinary Resolution to be approved but it shall not be necessary to specify in the notice the text of any Ordinary Resolution to be approved, confirmed or passed", and substituting therefor the following:

"Notice of all meetings of Unitholders shall be given in accordance with applicable laws."

4. Section 14.3, "Voting Rights of Unitholders" is amended by deleting paragraph (e) in its entirety and substituting therefor the following:

"(e) The Trustee is entitled to amend the Declaration of Trust without the consent of, or notice to, the Unitholders, to:

(i) remove any conflicts or other inconsistencies which may exist between any terms of the Declaration of Trust and any provisions of any law, regulation or requirements of any governmental authority applicable to or affecting the Trust;

(ii) make any change or correction which is of a typographical nature or is required to cure or correct any ambiguity or defective or inconsistent provision, clerical omission, mistake or manifest error contained therein;

(iii) bring the Declaration of Trust into conformity with applicable laws, rules and policies of Canadian securities regulators or with current practice within the securities or investment fund industries, provided such amendments do not, in the opinion of the Manager, adversely affect the pecuniary value of the interest of the Unitholders or restrict any protection for the Trustee or the Manager or increase their respective responsibilities;

(iv) maintain the status of the Trust as a “mutual fund trust” and a “registered investment” for the purposes of the Income Tax Act or to respond to amendments to such Act or to the interpretation or administration thereof; or

(v) provide added protection or benefit to Unitholders.”

5. Section 14.4, “Record Dates” is amended by deleting the phrase “not more than 50 days prior to the date of any meeting of Unitholders or other action”.

6. Section 7.4, “Form of Certificates” and Section 7.5, “Content of Certificates” are deleted in their entirety and replaced with the following:

“Section 7.4. Unit Certificates

The Trust Unit Certificate shall be in such form and shall contain such information as is from time to time approved by the Manager, subject to applicable law.”

7. Paragraph (a) of Section 9.1, “Repurchase of Trust Units” is deleted in its entirety and replaced with the following:

“Section 9.1. Repurchase of Trust Units

(a) the Trust may, in its sole discretion, from time to time purchase (in the open market or by invitation for tenders) Trust Units for cancellation, subject to applicable law and stock exchange requirements.”

8. Section 6.2, “Number of Trust Units” is amended by adding as a last sentence the following:

“Once issued, the number of outstanding Trust Units may be consolidated or subdivided as the Trustee, at the direction of the Manager, shall determine provided that notice of any such consolidation or subdivision is first disseminated to the public by press release.”

9. Paragraph (b) of Section 10.1, “Distributions” is hereby deleted in its entirety and replaced with the following:

“(b) With respect to any distribution by the Trust in or in respect of a taxation year, the Trust shall make available to each Unitholder annually on or before March 31 of the following year information necessary to enable such Unitholder to complete an income tax return with respect to amounts paid or payable by the Trust to the Unitholders in the preceding taxation year of the Trust.”

10. Paragraph (a) of Section 17.1, “Termination of the Trust” is amended by deleting the last sentence of paragraph (a) and replacing it with the following:

“The Trust shall issue a press release regarding the passing of such Ordinary Resolution and such termination and shall do all such other acts as may be required by applicable law.”

11. Section 17.1, “Termination of the Trust” is amended by adding as paragraph (h) the following:

“(h) Notwithstanding Section 17.1(a) or any other provision hereof, the Manager may, in its discretion, terminate the Trust without the approval of Unitholders if, in its opinion, it would be in the best interests of the Unitholders.”

B. REDEMPTION RELATED MATTERS

BE IT RESOLVED that:

The Declaration of Trust is hereby amended as follows and the Trustee is hereby authorized to execute and deliver such amendments or amendments and restatements of the Declaration of Trust to give effect to the following:

1. Section 1.1, "Definitions" is amended by deleting the definition of "Redemption Date" and replacing it with the following:

" **"Redemption Date"** means the second last Business Day of December of each year."

2. Paragraph (a) of Section 9.2, "Redemption of Trust Units" is deleted in its entirety and replaced with the following:

"(a) Subject to the Trust's right to suspend redemptions (as described in Section 9.2(d) below), Trust Units may be surrendered for redemption in December of each year (but must be surrendered at least 20 Business Days prior to the Redemption Date). The entitlement of a redeeming Unitholder will be determined on the relevant Redemption Date."

3. Paragraph (b) of Section 9.2, "Redemption of Trust Units" is amended by deleting the words "at least seven Business Days prior to the Redemption Date" from the second line, and substituting therefor the words "at least 20 Business Days prior to the Redemption Date".

4. Paragraph (b) of Section 9.2 is amended by adding, after the words "equal to the Net Asset Value per Trust Unit determined as of the Redemption Date" in the third and fourth lines, the words ", less any costs associated with the redemption, including brokerage costs".

C. INVESTMENT GUIDELINES AND RESTRICTIONS RELATED MATTERS

BE IT RESOLVED that:

The Declaration of Trust is hereby amended as follows and the Trustee is hereby authorized to execute and deliver such amendments or amendments and restatements of the Declaration of Trust to give effect to the following:

1. Section 5.2, "Investment Guidelines" is hereby amended by adding after paragraph (b) the following:

"(c) In exceptional circumstances, the Manager may exercise its discretion to exclude or remove from the Portfolio any Income Fund where the Manager considers that facts unrelated to the business of such Fund may have a material adverse effect on the market price or value of such Income Fund's securities."

2. Paragraph (a) of Section 5.3, "Rebalancing Criteria" is hereby amended by deleting the word "August" and substituting therefor the word "January", by deleting the phrase "July 31" and substituting therefor the phrase "December 31" and by deleting at the end of paragraph (a) the words ", but in any event not later than August 15th of each year".

3. Section 5.2, "Investment Guidelines" is hereby amended by deleting paragraph (a) and substituting therefor the following:

"(a) The Trust Property will be invested in all Income Funds which:

(i) have a minimum Market Capitalization of at least \$200 million at the time of investment;

(ii) currently pay a regular distribution;

(iii) have underlying operations supporting its cash flows (funds of Income Funds are not eligible for investment); and

(iv) are listed for trading on the TSX,

to a maximum of 100 Income Funds, provided that the 100 Income Funds with the largest Market Capitalization are included in the Trust Property."

4. Paragraph (vi) of Section 5.4(a), "Investment Restrictions" restricting the Fund's ability to invest in foreign property is deleted in its entirety.

5. The following new paragraph (vi) of Section 5.4(a), "Investment Restrictions" shall be added:

"(vi) purchase the securities of an issuer if, as a result of such purchase, the Trust would be required to make a take-over bid that is a "formal bid" for the purposes of the *Securities Act* (Ontario) or the equivalent provisions of applicable securities laws of any other jurisdiction."

APPENDIX "E"

RESOLUTIONS RELATING TO BUSINESS TRUST EQUAL WEIGHT INCOME FUND

A. ADMINISTRATIVE MATTERS

BE IT RESOLVED that:

The Declaration of Trust is hereby amended as follows and the Trustee is hereby authorized to execute and deliver such amendments or amendments and restatements of the Declaration of Trust to give effect to the following:

1. Paragraph (e) of Section 11.2, "Duties of Manager" is deleted in its entirety and replaced with the following:

"the preparation of accounting, management and other reports, including such interim and annual reports to Unitholders, financial statements, tax reporting to Unitholders and income tax returns as may be required by applicable law;"

2. Section 14.6, "Annual Financial Statements" is deleted in its entirety and replaced with the following:

"Section 14.6. Financial Statements

The Trust shall prepare and file such financial statements and other continuous disclosure documents as are required by applicable law."

and Section 14.7, "Quarterly Financial Statements" is deleted in its entirety.

3. Section 14.2, "Notice of Meetings and Quorum" is amended by deleting from paragraph (a) the following:

"Notice of all meetings of Unitholders shall be given by mail to each Unitholder at his address of record, mailed at least 21 days and not more than 50 days before the meeting and shall be published at least 21 days prior to such meeting in a national newspaper. Such notice shall set the time when, and the place where, the meeting is to be held and shall specify, in general terms, the nature of the business to be transacted thereat, together with the text of any Extraordinary Resolution to be approved but it shall not be necessary to specify in the notice the text of any Ordinary Resolution to be approved, confirmed or passed", and substituting therefor the following:

"Notice of all meetings of Unitholders shall be given in accordance with applicable laws."

4. Section 14.3, "Voting Rights of Unitholders" is amended by deleting paragraph (e) in its entirety and substituting therefor the following:

"(e) The Trustee is entitled to amend the Declaration of Trust without the consent of, or notice to, the Unitholders, to:

(i) remove any conflicts or other inconsistencies which may exist between any terms of the Declaration of Trust and any provisions of any law, regulation or requirements of any governmental authority applicable to or affecting the Trust;

(ii) make any change or correction which is of a typographical nature or is required to cure or correct any ambiguity or defective or inconsistent provision, clerical omission, mistake or manifest error contained therein;

(iii) bring the Declaration of Trust into conformity with applicable laws, rules and policies of Canadian securities regulators or with current practice within the securities or investment fund industries, provided such amendments do not, in the opinion of the Manager, adversely affect the pecuniary value of the interest of the Unitholders or restrict any protection for the Trustee or the Manager or increase their respective responsibilities;

(iv) maintain the status of the Trust as a “mutual fund trust” and a “registered investment” for the purposes of the Income Tax Act or to respond to amendments to such Act or to the interpretation or administration thereof; or

(v) provide added protection or benefit to Unitholders.”

5. Section 14.4, “Record Dates” is amended by deleting the phrase “not more than 50 days prior to the date of any meeting of Unitholders or other action”.

6. Section 7.4, “Form of Certificates” and Section 7.5, “Content of Certificates” are deleted in their entirety and replaced with the following:

“Section 7.4. Unit Certificates

The Unit Certificate shall be in such form and shall contain such information as is from time to time approved by the Manager, subject to applicable law.”

7. Paragraph (a) of Section 9.1, “Repurchase of Units” is deleted in its entirety and replaced with the following:

“Section 9.1. Repurchase of Units

(a) the Trust may, in its sole discretion, from time to time purchase (in the open market or by invitation for tenders) Units for cancellation, subject to applicable law and stock exchange requirements.”

8. Section 6.2, “Number of Units” is amended by adding as a last sentence the following:

“Once issued, the number of outstanding Units may be consolidated or subdivided as the Trustee, at the direction of the Manager, shall determine provided that notice of any such consolidation or subdivision is first disseminated to the public by press release.”

9. Paragraph (b) of Section 10.1, “Distributions” is hereby deleted in its entirety and replaced with the following:

“(b) With respect to any distribution by the Trust in or in respect of a taxation year, the Trust shall make available to each Unitholder annually on or before March 31 of the following year information necessary to enable such Unitholder to complete an income tax return with respect to amounts paid or payable by the Trust to the Unitholders in the preceding taxation year of the Trust.”

10. Paragraph (a) of Section 17.1, “Termination of the Trust” is amended by deleting the last sentence of paragraph (a) and replacing it with the following:

“The Trust shall issue a press release regarding the passing of such Ordinary Resolution and such termination and shall do all such other acts as may be required by applicable law.”

11. Section 17.1, “Termination of the Trust” is amended by adding as paragraph (h) the following:

“(h) Notwithstanding Section 17.1(a) or any other provision hereof, the Manager may, in its discretion, terminate the Trust without the approval of Unitholders if, in its opinion, it would be in the best interests of the Unitholders.”

B. REDEMPTION RELATED MATTERS

BE IT RESOLVED that:

The Declaration of Trust is hereby amended as follows and the Trustee is hereby authorized to execute and deliver such amendments or amendments and restatements of the Declaration of Trust to give effect to the following:

1. Section 1.1, "Definitions" is amended by deleting the definition of "Redemption Date" and replacing it with the following:

" **"Redemption Date"** means the second last Business Day of November of each year."

2. Paragraph (a) of Section 9.2, "Redemption of Units" is deleted in its entirety and replaced with the following:

"(a) Subject to the Trust's right to suspend redemptions (as described in Section 9.2(d) below), Units may be surrendered for redemption in November of each year (but must be surrendered at least 20 Business Days prior to the Redemption Date). The entitlement of a redeeming Unitholder will be determined on the relevant Redemption Date."

3. Paragraph (b) of Section 9.2, "Redemption of Units" is amended by deleting the words "at least 15 Business Days prior to the Redemption Date" from the second line, and substituting therefor the words "at least 20 Business Days prior to the Redemption Date except for the Redemption Date occurring in 2005 in which case Units must be surrendered at least 10 Business Days prior to the Redemption Date".

4. Paragraph (b) of Section 9.2 is amended by adding, after the words "equal to the Net Asset Value per Unit determined as of the Redemption Date" in the third and fourth lines, the words ", less any costs associated with the redemption, including brokerage costs".

C. **INVESTMENT GUIDELINES AND RESTRICTIONS RELATED MATTERS**

BE IT RESOLVED that:

The Declaration of Trust is hereby amended as follows and the Trustee is hereby authorized to execute and deliver such amendments or amendments and restatements of the Declaration of Trust to give effect to the following:

1. Section 5.2, "Investment Guidelines" is hereby amended by deleting paragraph (a) and substituting therefor the following:

"(a) The Trust Property will be invested in each Business Income Fund which will:

(i) have a minimum Market Capitalization of at least \$150 million at the time of investment;

(ii) currently pay a regular distribution;

(iii) have underlying operations supporting its cash flows (funds of Income Funds are not eligible for investment); and

(iv) are listed for trading on the TSX,

to a maximum of 75 Business Income Funds, provided that the 75 Business Income Funds with the largest Market Capitalization are included in the Trust Property ."

2. Paragraph (vi) of Section 5.4(a), "Investment Restrictions" restricting the Fund's ability to invest in foreign property is deleted in its entirety.

3. The following new paragraph (vi) of Section 5.4(a), "Investment Restrictions" shall be added:

"(vi) purchase the securities of an issuer if, as a result of such purchase, the Trust would be required to make a take-over bid that is a "formal bid" for the purposes of the *Securities Act* (Ontario) or the equivalent provisions of applicable securities laws of any other jurisdiction."

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APPENDIX "F"

RESOLUTIONS RELATING TO BROMPTON EQUAL WEIGHT OIL & GAS INCOME FUND

A. ADMINISTRATIVE MATTERS

BE IT RESOLVED that:

The Declaration of Trust is hereby amended as follows and the Trustee is hereby authorized to execute and deliver such amendments or amendments and restatements of the Declaration of Trust to give effect to the following:

1. Paragraph (e) of Section 11.2, "Duties of Manager" is deleted in its entirety and replaced with the following:

"the preparation of accounting, management and other reports, including such interim and annual reports to Unitholders, financial statements, tax reporting to Unitholders and income tax returns as may be required by applicable law;"

2. Section 14.6, "Annual Financial Statements" is deleted in its entirety and replaced with the following:

"Section 14.6. Financial Statements

The Trust shall prepare and file such financial statements and other continuous disclosure documents as are required by applicable law."

and Section 14.7, "Quarterly Financial Statements" is deleted in its entirety.

3. Section 14.2, "Notice of Meetings and Quorum" is amended by deleting from paragraph (a) the following:

"Notice of all meetings of Unitholders shall be given by mail to each Unitholder at his address of record, mailed at least 21 days and not more than 50 days before the meeting and shall be published at least 21 days prior to such meeting in a national newspaper. Such notice shall set the time when, and the place where, the meeting is to be held and shall specify, in general terms, the nature of the business to be transacted thereat, together with the text of any Extraordinary Resolution to be approved but it shall not be necessary to specify in the notice the text of any Ordinary Resolution to be approved, confirmed or passed", and substituting therefor the following:

"Notice of all meetings of Unitholders shall be given in accordance with applicable laws."

4. Section 14.3, "Voting Rights of Unitholders" is amended by deleting paragraph (e) in its entirety and substituting therefor the following:

"(e) The Trustee is entitled to amend the Declaration of Trust without the consent of, or notice to, the Unitholders, to:

(i) remove any conflicts or other inconsistencies which may exist between any terms of the Declaration of Trust and any provisions of any law, regulation or requirements of any governmental authority applicable to or affecting the Trust;

(ii) make any change or correction which is of a typographical nature or is required to cure or correct any ambiguity or defective or inconsistent provision, clerical omission, mistake or manifest error contained therein;

(iii) bring the Declaration of Trust into conformity with applicable laws, rules and policies of Canadian securities regulators or with current practice within the securities or investment fund industries, provided such amendments do not, in the opinion of the Manager, adversely affect the pecuniary value of the interest of the Unitholders or restrict any protection for the Trustee or the Manager or increase their respective responsibilities;

(iv) maintain the status of the Trust as a “mutual fund trust” and a “registered investment” for the purposes of the Income Tax Act or to respond to amendments to such Act or to the interpretation or administration thereof; or

(v) provide added protection or benefit to Unitholders.”

5. Section 14.4, “Record Dates” is amended by deleting the phrase “not more than 50 days prior to the date of any meeting of Unitholders or other action”.

6. Section 7.4, “Form of Certificates” and Section 7.5, “Content of Certificates” are deleted in their entirety and replaced with the following:

“Section 7.4. Unit Certificates

The Unit Certificate shall be in such form and shall contain such information as is from time to time approved by the Manager, subject to applicable law.”

7. Paragraph (a) of Section 9.1, “Repurchase of Units” is deleted in its entirety and replaced with the following:

“Section 9.1. Repurchase of Units

(a) the Trust may, in its sole discretion, from time to time purchase (in the open market or by invitation for tenders) Units for cancellation, subject to applicable law and stock exchange requirements.”

8. Section 6.2, “Number of Units” is amended by adding as a last sentence the following:

“Once issued, the number of outstanding Units may be consolidated or subdivided as the Trustee, at the direction of the Manager, shall determine provided that notice of any such consolidation or subdivision is first disseminated to the public by press release.”

9. Paragraph (a) of Section 17.1, “Termination of the Trust” is amended by deleting the last sentence of paragraph (a) and replacing it with the following:

“The Trust shall issue a press release regarding the passing of such Ordinary Resolution and such termination and shall do all such other acts as may be required by applicable law.”

10. Section 17.1, “Termination of the Trust” is amended by adding as paragraph (h) the following:

“(h) Notwithstanding Section 17.1(a) or any other provision hereof, the Manager may, in its discretion, terminate the Trust without the approval of Unitholders if, in its opinion, it would be in the best interests of the Unitholders.”

B. INVESTMENT GUIDELINES AND RESTRICTION RELATED MATTERS

1. Paragraph (ii) of Section 5.2(a), “Investment Guidelines” is hereby amended by deleting the words “Float Capitalization” and substituting therefor the words “Market Capitalization”.

2. Paragraph (vi) of Section 5.4(a), “Investment Restrictions” restricting the Fund’s ability to invest in foreign property is deleted in its entirety.

3. The following new paragraph (vi) of Section 5.4(a), “Investment Restrictions” shall be added:

“(vi) purchase the securities of an issuer if, as a result of such purchase, the Trust would be required to make a take-over bid that is a “formal bid” for the purposes of the *Securities Act* (Ontario) or the equivalent provisions of applicable securities laws of any other jurisdiction.”

APPENDIX "G"

RESOLUTIONS RELATING TO FLAHERTY & CRUMRINE INVESTMENT GRADE PREFERRED FUND

A. ADMINISTRATIVE MATTERS

BE IT RESOLVED that:

The Declaration of Trust is hereby amended as follows and the Trustee is hereby authorized to execute and deliver such amendments or amendments and restatements of the Declaration of Trust to give effect to the following:

1. Paragraph (e) of Section 11.2, "Duties of Manager" is deleted in its entirety and replaced with the following:

"the preparation of accounting, management and other reports, including such interim and annual reports to Unitholders, financial statements, tax reporting to Unitholders and income tax returns as may be required by applicable law;"

2. Section 14.6, "Annual Financial Statements" is deleted in its entirety and replaced with the following:

"Section 14.6. Financial Statements

The Trust shall prepare and file such financial statements and other continuous disclosure documents as are required by applicable law."

and Section 14.7, "Periodic Financial Statements" is deleted in its entirety.

3. Section 14.2, "Notice of Meetings and Quorum" is amended by deleting from paragraph (a) the following:

"Notice of all meetings of Unitholders shall be given by mail to each Unitholder at his address of record, mailed at least 21 days and not more than 50 days before the meeting and shall be published at least 21 days prior to such meeting in a national newspaper. Such notice shall set the time when, and the place where, the meeting is to be held and shall specify, in general terms, the nature of the business to be transacted thereat, together with the text of any Extraordinary Resolution to be approved (except for notices published in a national newspaper) but it shall not be necessary to specify in the notice the text of any Ordinary Resolution to be approved, confirmed or passed", and substituting therefor the following:

"Notice of all meetings of Unitholders shall be given in accordance will applicable laws."

4. Section 14.3, "Voting Rights of Unitholders" is amended by deleting paragraph (e) in its entirety and substituting therefor the following:

"(e) The Trustee is entitled to amend the Declaration of Trust without the consent of, or notice to, the Unitholders, to:

(i) remove any conflicts or other inconsistencies which may exist between any terms of the Declaration of Trust and any provisions of any law, regulation or requirements of any governmental authority applicable to or affecting the Trust;

(ii) make any change or correction which is of a typographical nature or is required to cure or correct any ambiguity or defective or inconsistent provision, clerical omission, mistake or manifest error contained therein;

(iii) bring the Declaration of Trust into conformity with applicable laws, rules and policies of Canadian securities regulators or with current practice within the securities or investment fund industries, provided such amendments do not, in the opinion of the Manager, adversely affect the pecuniary value of the interest of the Unitholders or restrict any protection for the Trustee or the Manager or increase their respective responsibilities;

(iv) maintain the status of the Trust as a “mutual fund trust” for the purposes of the Income Tax Act or to respond to amendments to such Act or to the interpretation or administration thereof; or

(v) provide added protection or benefit to Unitholders.”

5. Section 14.4, “Record Dates” is amended by deleting the phrase “not more than 50 days prior to the date of any meeting of Unitholders or other action”.

6. Section 7.4, “Form of Certificates” and Section 7.5, “Content of Certificates” are deleted in their entirety and replaced with the following:

“Section 7.4. Unit Certificates

The Unit Certificate shall be in such form and shall contain such information as is from time to time approved by the Manager, subject to applicable law.”

7. Paragraph (a) of Section 9.1, “Repurchase of Units” is deleted in its entirety and replaced with the following:

“Section 9.1. Repurchase of Units

(a) the Trust may, in its sole discretion, from time to time purchase (in the open market or by invitation for tenders) Units for cancellation, subject to applicable law and stock exchange requirements.”

8. Section 6.2, “Number of Units” is amended by adding as a last sentence the following:

“Once issued, the number of outstanding Trust Units may be consolidated or subdivided as the Trustee, at the direction of the Manager, shall determine provided that notice of any such consolidation or subdivision is first disseminated to the public by press release.”

9. Paragraph (d) of Section 10.1, “Distributions” is hereby deleted in its entirety and replaced with the following:

“(d) With respect to any distribution by the Trust in or in respect of a taxation year, the Trust shall make available to each Unitholder annually on or before March 31 of the following year information necessary to enable such Unitholder to complete an income tax return with respect to amounts paid or payable by the Trust to the Unitholders in the preceding taxation year of the Trust.”

10. Paragraph (a) of Section 17.1, “Termination of the Trust” is amended by deleting the last sentence of paragraph (a) and replacing it with the following:

“The Trust shall issue a press release regarding the passing of such Extraordinary Resolution and such termination and shall do all such other acts as may be required by applicable law.”

11. Section 6.4, “Allotment and Issue”, is hereby amended by adding to the first sentence, after the words “or payment of the Management Fee in Units pursuant to the Management Agreement” the following: “or payment of the fee to the Portfolio Manager pursuant to the Portfolio Management Agreement”.

B. REDEMPTION RELATED MATTERS

BE IT RESOLVED that:

The Declaration of Trust is hereby amended as follows and the Trustee is hereby authorized to execute and deliver such amendments or amendments and restatements of the Declaration of Trust to give effect to the following:

1. Paragraph (a) of Section 9.2 is amended by deleting the word “May” and substituting therefor the word “November” in the definition of Annual Redemption Date, by deleting the word “May” and substituting therefor the word “November” in the definition of Monthly Redemption Date and by deleting the word “June” and substituting therefor the word “December” in the definition of Annual Redemption Payment Date.

2. Paragraph (a)(ii) of Section 9.2, "Redemption of Units" is amended by deleting the words "at least 15 Business Days and not more than 45 days prior to the Annual Redemption Date" from the second line, and substituting therefor the words "at least 20 Business Days prior to the Annual Redemption Date except for the Annual Redemption Date occurring in 2005 in which case Units must be surrendered at least 10 Business Days prior to the Annual Redemption Date".

C. INVESTMENT GUIDELINES AND RESTRICTIONS RELATED MATTERS

BE IT RESOLVED that:

The Declaration of Trust is hereby amended as follows and the Trustee is hereby authorized to execute and deliver such amendments or amendments and restatements of the Declaration of Trust to give effect to the following:

1. Paragraph (v) of Section 5.3 (b), "Investment Restrictions" is hereby deleted and the following substituted therefor:

"(v) borrow or employ other forms of leverage for investment purposes in an aggregate amount that would exceed 35% of the Total Assets of the Trust at the time of borrowing or other transaction is entered into;"
2. The following paragraph (xiii) of Section 5.3(b), "Investment Restrictions" shall be added:

"(xiii) purchase the securities of an issuer for the purpose of exercising control over management of that issuer or if, as a result of such purchase, the Trust would be required to make a take-over bid that is a "formal bid" for the purposes of the *Securities Act* (Ontario) or the equivalent provisions of applicable securities laws of any other jurisdiction."

