

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This short form prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons authorized to sell such securities.

Information has been incorporated by reference in this short form prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of Blue Ribbon Fund Management Ltd. at Bay Wellington Tower, 181 Bay Street, Suite 2930, P.O. Box 793, Toronto, Ontario M5J 2T3, or by calling 1-866-642-6001 and are also available electronically at www.sedar.com.

SHORT FORM PROSPECTUS

New Issue

December 5, 2014



BLUE RIBBON INCOME FUND

**Maximum \$40,150,000
3,650,000 Units**

Blue Ribbon Income Fund is hereby qualifying for distribution a maximum of 3,650,000 Units at a price of \$11.00 per Unit. The Fund is a closed-end investment fund established under the laws of Ontario. The investment objectives of the Fund are to provide Unitholders with a variable level of monthly cash distributions and the opportunity to participate in gains in the value of the Fund's investment portfolio.

The outstanding Units are listed and posted for trading on the TSX under the trading symbol "RBN.UN". The closing price for the outstanding Units on December 4, 2014 was \$10.75 per Unit and the most recently calculated NAV per Unit was \$10.42. The TSX has conditionally approved the listing of the Units distributed under this short form prospectus. Listing of such Units will be subject to the Fund fulfilling all of the listing requirements of the TSX on or before February 26, 2015.

Price: \$11.00 per Unit

| | Price to the Public⁽¹⁾ | Agents' Fee | Net Proceeds to the Fund⁽²⁾ |
|------------------------|--|--------------------|---|
| Per Unit | \$11.00 | \$0.4400 | \$10.5600 |
| Maximum Offering | \$40,150,000 | \$1,606,000 | \$38,544,000 |

Notes:

- (1) The terms of the Offering were established through negotiation between the Agents and the Administrator on behalf of the Fund. The price per Unit offered under this short form prospectus is equal to or exceeds the most recently calculated NAV per Unit as at December 4, 2014 plus the Agents' fees and the expected expenses of the Offering payable by the Fund.
- (2) Before deducting expenses of this Offering, estimated to be \$250,000 (but not to exceed 1.5% of the gross proceeds of the Offering), which, together with the Agents' fee, will be paid by the Fund from the proceeds of the Offering, provided that if the fees and expenses of the Offering would result in dilution to existing Unitholders based on the most recently calculated NAV per Unit as at December 4, 2014, the Administrator will reimburse the Fund in an amount representing such dilution.
- (3) The Fund has granted to the Agents an option, exercisable for a period of 30 days from the Closing Date, to purchase up to 15% of the aggregate number of Units issued on the Closing Date on the same terms as set forth above solely to cover over-allotments, if any. If the Over-Allotment Option is exercised in full under the maximum Offering, the price to the public, Agents' fee and net proceeds to the Fund are estimated to be \$46,172,500, \$1,846,900 and \$44,325,600, respectively. This short form prospectus also qualifies the grant of the Over-Allotment Option and the distribution of the Units issuable on the exercise of the Over-Allotment Option. A purchaser who acquires Units forming part of the Agents' over-allocation position acquires such Units under this short form prospectus, regardless of whether the Agents' over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. See "Plan of Distribution".

The following table sets forth certain terms of the Over-Allotment Option, including the maximum size, the exercise period and the exercise price:

| Agents' Position | Maximum Size | Exercise Period | Exercise Price |
|-------------------------|---------------------|---------------------------|-----------------------|
| Over-Allotment Option | 547,500 Units | Within 30 days of Closing | \$11.00 per Unit |

(continued on next page)

(continued from cover)

The price per Unit offered under this short form prospectus is equal to or exceeds the most recently calculated NAV per Unit as at December 4, 2014, plus the Agents' fees and the expected expenses of the Offering payable by the Fund.

There is no guarantee that an investment in the Fund will earn any positive return in the short or long term nor is there any guarantee that the NAV per Unit will appreciate or be preserved. An investment in the Fund is appropriate only for investors who have the capacity to absorb investment losses. Prospective investors should read carefully the risk factors described in this short form prospectus. See "Risk Factors".

CIBC World Markets Inc., BMO Nesbitt Burns Inc., RBC Dominion Securities Inc., Scotia Capital Inc., National Bank Financial Inc., TD Securities Inc., Desjardins Securities Inc., GMP Securities L.P., Raymond James Ltd., Canaccord Genuity Corp., Dundee Securities Ltd., Haywood Securities Inc., Industrial Alliance Securities Inc. and Mackie Research Capital Corporation, as agents, conditionally offer the Units for sale, subject to prior sale, on a best efforts basis, if, as and when issued by the Fund in accordance with the conditions contained in the Agency Agreement and subject to the approval of certain legal matters on behalf of the Fund by Stikeman Elliott LLP and on behalf of the Agents by Blake, Cassels & Graydon LLP. The Agents may over-allot or effect transactions as described under "Plan of Distribution".

Subscriptions for Units will be received subject to rejection or allotment in whole or in part and the Fund reserves the right to close the subscription books at any time without notice. Registrations of interests in and transfers of Units will be made only through the book-based system administered by CDS Clearing and Depository Services Inc. A purchaser of Units will receive a customer confirmation from the registered dealer from or through which the Units are purchased and will not have the right to receive physical certificates evidencing their ownership in the Units. Closing is expected to occur on or about December 16, 2014 or such later date as the Fund and the Agents may agree, but in any event not later than 90 days after a final receipt for this short form prospectus has been issued.

The principal place of business and the registered and head office of the Fund is located at Bay Wellington Tower, Brookfield Place, 181 Bay Street, Suite 2930, PO Box 793, Toronto, Ontario M5J 2T3. See "Plan of Distribution".

In this short form prospectus, except where indicated, all dollar amounts are in Canadian dollars. Certain capitalized terms used, but not defined, in the foregoing are defined in the "Glossary of Terms".

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GLOSSARY OF TERMS

In this short form prospectus, the following terms have the meanings set forth below, unless otherwise indicated. Unless otherwise indicated, all references to dollar amounts in this short form prospectus are to Canadian dollars.

“**Administrator**” means Blue Ribbon Fund Management Ltd., in its capacity as administrator and investment fund manager of the Fund, or, if applicable, its successor.

“**AIF**” means the annual information form of the Fund dated March 28, 2014 for the year ended December 31, 2013.

“**Agency Agreement**” means the agency agreement dated as of December 5, 2014 among the Fund, the Administrator, the Sub-Administrator, the Investment Manager and the Agents.

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

“**Annual Redemption Amount**” means a redemption price per Unit surrendered for redemption on the Annual Redemption Date that is equal to 100% of the NAV per Unit minus costs associated with the redemption.

“**Annual Redemption Date**” means the second last business day of November in any year.

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

“**CDS**” means CDS Clearing and Depository Services Inc.

“**CDS Participants**” means participants in CDS.

“**Closing**” means the issuance of Units pursuant to this short form prospectus on the Closing Date.

“**Closing Date**” means the date of Closing, which is expected to be on or about December 16, 2014 or such later date as the Fund and the Agents may agree, but in any event not later than 90 days after a final receipt for this short form prospectus has been issued.

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

“**Declaration of Trust**” means the amended and restated declaration of trust of the Fund dated November 20, 2009, and amended as of July 16, 2013, as it may be further amended and/or restated from time to time.

“**Distributable Cash**” means, in respect of a Record Date, the amount calculated as of that Record Date equal to:

- (a) all cash received by the Fund in respect of the Portfolio Securities (excluding any amounts received by the Fund upon the disposition of any of the Portfolio Securities) since the immediately preceding Record Date;

less the sum of:

- (b) all Fund Expenses incurred since the immediately preceding Record Date; and
- (c) any other amounts (including taxes) required by law or under the Declaration of Trust to be deducted, withheld or paid by or in respect of the Fund since the immediately preceding Record Date.

“**Distribution Date**” means a date on which the Trustee makes a distribution of Distributable Cash, which date shall be within 20 business days following each Record Date.

“**Fund**” means Blue Ribbon Income Fund, an investment fund established under the laws of the Province of Ontario and governed by the Declaration of Trust.

“**Fund Expenses**” means all expenses incurred by the Trustee, the Administrator, the Investment Manager or any third party, in each case for the account of the Fund, in connection with the establishment and ongoing management and administration of the Fund and the ongoing administration of the Units together with all amounts paid by the Fund on account of the indebtedness of the Fund.

“**Investment Manager**” means Bloom Investment Counsel, Inc., in its capacity as investment manager of the Fund, or, if applicable, its successor.

“**Minister**” means the Minister of Finance (Canada).

“**NAV per Unit**” means the Net Asset Value of the Fund divided by the number of Units that are outstanding on the applicable calculation date.

“**Net Asset Value**” means the net asset value of the Fund, determined by subtracting the aggregate amount of the liabilities of the Fund from the total assets, as described in the current annual information form of the Fund.

“**Offering**” means the offering of up to 3,650,000 Units at a price of \$11.00 per Unit pursuant to this short form prospectus.

“**Over-Allotment Option**” means the option granted by the Fund to the Agents, exercisable for a period of 30 days from the Closing Date, to purchase additional Units at \$11.00 per Unit in an amount up to 15% of the Units issued on Closing, solely to cover over-allocations, if any.

“**Portfolio**” means the portfolio of Portfolio Securities held by the Fund from time to time.

“**Portfolio Securities**” means the publicly listed or traded securities (including installment receipts) issued by income trusts, real estate investment trusts and limited partnerships, common equities, convertible debt, preferred securities, and debt instruments.

“**Record Date**” means the last business day of each month, or such other date as the Administrator may set from time to time.

“**Registered Plans**” means trusts governed by RRSPs, RRIFs, deferred profit sharing plans, registered education savings plans, registered disability savings plans and TFSAs.

“**RRIF**” means a registered retirement income fund.

“**RRSP**” means a registered retirement savings plan.

“**SIFT Rules**” means the provisions of the Tax Act that apply to a SIFT trust, as that term is defined in section 122.1 of the Tax Act, and to a SIFT partnership, as that term is defined in section 197 of the Tax Act, and the unitholders of a SIFT trust or partners of a SIFT partnership.

“**Sub-Administrator**” means Brompton Funds Limited, in its capacity as sub-administrator of the Fund, or, if applicable, its successor.

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

“**Tax Proposals**” means all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister prior to the date hereof.

“**TFSA**” means a tax-free savings account.

“**Trustee**” means CST Trust Company, in its capacity as trustee under the Declaration of Trust.

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

“**Unit**” means an issued and outstanding trust unit of the Fund.

“**United States**” means the United States of America, its territories and possessions.

“**Unitholder**” means a beneficial holder of a Unit.

“**U.S. person**” has the meaning given to such term in Regulation S under the U.S. Securities Act.

“**U.S. Securities Act**” means the United States *Securities Act of 1933*, as it may be amended from time to time.

“**Valuation Date**” means at a minimum, Thursday of each week, or if any Thursday is not a Business Day, the immediately preceding Business Day, and the last Business Day of each fiscal quarter and December 31, and includes any other date on which the Administrator elects, in its discretion, to calculate the Net Asset Value and the NAV per Unit.

FORWARD LOOKING STATEMENTS

Certain of the statements contained in this short form prospectus may be forward-looking statements. The use of words such as “may,” “will,” “should,” “could,” “anticipate,” “believe,” “expect,” “intend,” “plan,” “potential,” “continue” and similar expressions have been used to identify these forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in the forward-looking statements including, but not limited to, changes in general economic and market conditions and other risk factors. Although the Administrator believes the expectations reflected in the forward-looking statements are reasonable, no assurance can be given that actual results will be consistent with these expectations and forward-looking statements. Potential purchasers should not place undue reliance on forward-looking statements. These forward-looking statements are made as of the date hereof and the Fund and the Administrator assume no obligation to update or revise them to reflect new events or circumstances except as may be required by applicable law.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents filed with the securities commissions or similar authorities in each of the provinces of Canada are specifically incorporated by reference and form an integral part of this short form prospectus:

- (a) the annual information form of the Fund dated March 28, 2014 for the year ended December 31, 2013;
- (b) the annual financial statements of the Fund prepared in accordance with Canadian generally accepted accounting principles dated March 12, 2014, together with the accompanying report of the auditor, for the fiscal year ended December 31, 2013;
- (c) the management report of fund performance of the Fund dated March 12, 2014 for the fiscal year ended December 31, 2013;
- (d) the unaudited interim financial statements of the Fund prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board dated August 13, 2014 for the period ended June 30, 2014; and
- (e) the management report of fund performance of the Fund dated August 13, 2014 for the period ended June 30, 2014.

Any documents of the type referred to in the preceding paragraph with respect to the Fund (other than confidential material change reports) and any other documents required to be incorporated by reference herein pursuant to National Instrument 44-101 – *Short Form Prospectus Distributions*, filed by the Fund with a securities commission or similar authority in Canada after the date of this short form prospectus and prior to the termination of the Offering, will be deemed to be incorporated by reference in this short form prospectus.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein will be deemed to be modified or superseded for purposes of this short form prospectus to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document it modifies or supersedes. The making of a modifying or superseding statement will not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded will not constitute a part of this short form prospectus, except as so modified or superseded. Information on any of the websites maintained by the Fund or the Administrator does not constitute a part of this short form prospectus.

THE FUND

The Fund is an investment fund with a registered office located at Suite 2930, Bay Wellington Tower, Brookfield Place, 181 Bay Street, Toronto, Ontario M5J 2T3. The Fund was established under the laws of the Province of Ontario pursuant to a declaration of trust originally dated as of July 11, 1997, as amended and restated November 20, 2009. The declaration of trust was further amended on July 16, 2013 in order to provide the Administrator with discretion to fix the record date for the payment of distributions to be a date that is other than the last the last business day of each month.

The Fund is not considered to be a mutual fund under the securities legislation of the provinces of Canada. Consequently, the Fund is not subject to the various policies and regulations that apply to mutual funds under such legislation.

MANAGEMENT AND INVESTMENT MANAGEMENT OF THE FUND

The administrator and investment fund manager of the Fund is Blue Ribbon Fund Management Ltd. The Administrator was organized for the purpose of managing and administering closed-end investment funds, including the Fund. The principal office of the Administrator is located at Suite 2930, Bay Wellington Tower, Brookfield Place, 181 Bay Street, Toronto, Ontario M5J 2T3.

The sub-administrator of the Fund is Brompton Funds Limited. The Sub-Administrator is a member of the Brompton Group, an experienced provider of TSX-listed investment funds since 2002. The principal offices of the Sub-Administrator are located at Suite 2930, Bay-Wellington Tower, Brookfield Place, 181 Bay Street, Toronto, Ontario M5J 2T3.

Bloom Investment Counsel, Inc. provides investment advisory and portfolio management services to the Fund. The Investment Manager was established in 1985 and specializes in the management of segregated investment portfolios for wealthy individuals, corporations, institutions and trusts. The Investment Manager has been managing the Fund's portfolio for over 17 years, since its inception in 1997. The Investment Manager has successfully employed its investment strategy for the Fund to generate significant long-term outperformance to the S&P/TSX Composite Total Return Index by investing in Canadian high income equities comprised of dividend paying common equity securities, income trusts and REITs. The principal office of the Investment Manager is located at Suite 1710, 150 York Street, Toronto, Ontario, M5H 3S5.

DESCRIPTION OF THE BUSINESS

Investment Objectives

The investment objectives of the Fund are to provide Unitholders with a variable level of monthly cash distributions and the opportunity to participate in gains in the value of the investment portfolio. The investment portfolio, under normal market conditions, may include publicly listed or traded securities (including installment receipts) issued by income trusts, real estate investment trusts and limited partnerships and common equities, and to a lesser extent, convertible debt, preferred securities, and debt instruments.

Investment Policy

The investment policy of the Fund is to actively manage a portfolio of Portfolio Securities to seek to meet the Fund's investment objectives. The weighting among the various classes of securities comprising the Portfolio Securities is determined from time to time in the sole discretion of the Investment Manager. The Fund may also employ leverage of up to 25% of its total assets determined at the time of borrowing to purchase additional securities in accordance with the investment policies and investment restrictions of the Fund, to enhance the total return of the Fund. The Fund is not currently employing leverage.

The assets of the Fund and any monies available for reinvestment at any time are invested by the Investment Manager in accordance with the Fund's investment objectives, investment policy and investment restrictions as expeditiously as prudent investment practice permits. During periods in which the Investment Manager and/or any sub-advisor believe changes in economic, financial or political conditions make it advisable, the

Fund may for temporary defensive purposes reduce its holdings of Portfolio Securities and invest in certain short term investments. Pending the purchase of Portfolio Securities, the Fund invests the proceeds of any offering in short term investments.

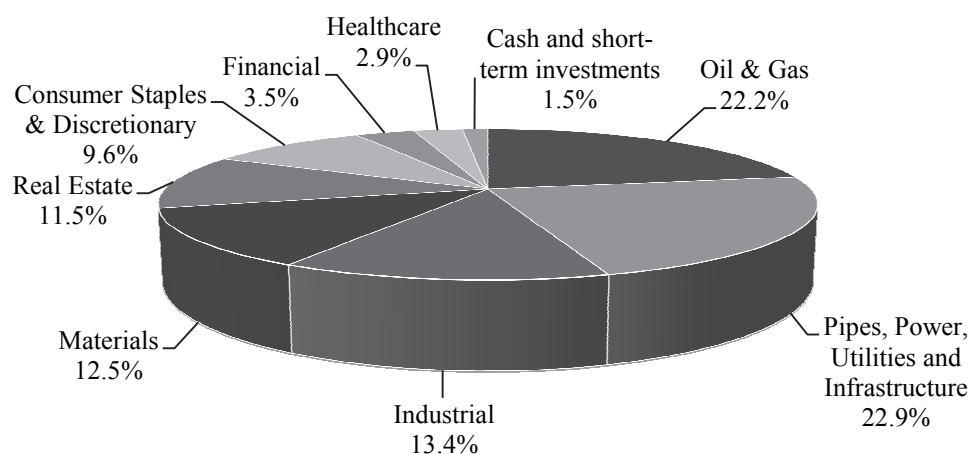
Investment Restrictions

The Declaration of Trust places a number of restrictions on the securities that may be included in the Portfolio, including that the Fund will not:

- (a) except in respect of obligations issued by the Government of Canada or any Province of Canada, invest 10% or more of the total assets of the Fund in the securities of any single issuer or in securities that are not Portfolio Securities;
- (b) borrow money, except that (i) short-term credits necessary for settlement of securities transactions are not considered borrowings, and (ii) the Fund may borrow or issue senior debt securities in an aggregate amount of up to 25% of its total assets determined at the time of borrowing or issuance (including securities purchased with the amounts borrowed);
- (c) purchase or sell derivatives or commodity contracts, including futures contracts and options thereon;
- (d) make loans, except that the Fund may engage in securities lending and may purchase and hold debt obligations (including bonds, debentures or other obligations and certificates of deposit, bankers' acceptances and fixed term deposits) in accordance with its investment policies;
- (e) purchase real estate or real estate mortgage loans (other than securities issued by issuers that invest in real estate or interests therein, including real estate investment trusts and limited partnerships that invest in real estate);
- (f) invest in mutual funds as defined under the *Securities Act* (Ontario);
- (g) make short sales of securities or maintain short positions;
- (h) own more than 10% of any class of securities of any one issuer or purchase the securities of an issuer for the purpose of exercising control over management of any issuer;
- (i) guarantee the securities or obligations of any person other than the Administrator, and then only in respect of the business of the Fund;
- (j) act as underwriter, except to the extent that the Fund may be deemed to be an underwriter in connection with the sale of Portfolio Securities; or
- (k) make or hold any investment that would result in the Fund failing to qualify as a "mutual fund trust" within the meaning of the Tax Act.

Current Portfolio

The following chart illustrates the break-down of the Portfolio as at October 31, 2014, in terms of industry distribution:



The following table lists the top ten Portfolio holdings as at October 31, 2014:

| Company | Portfolio Weight |
|---------------------------------|-------------------------|
| TransForce Inc. | 6.3% |
| Chemtrade Logistics Income Fund | 5.6% |
| Keyera Corp. | 5.4% |
| Vermilion Energy Inc. | 5.4% |
| Veresen Inc. | 5.1% |
| AltaGas Ltd. | 5.0% |
| ARC Resources Ltd. | 4.5% |
| EnerCare Inc. | 4.4% |
| Noranda Income Fund | 4.2% |
| Loblaw Companies Ltd. | 3.9% |

INVESTMENT OVERVIEW

The strategy of the Fund is focused on undervalued investment opportunities in the Canadian high income equity market. The Investment Manager expects that these high distribution securities will continue their outperformance and that investors will place a premium on these investments due to:

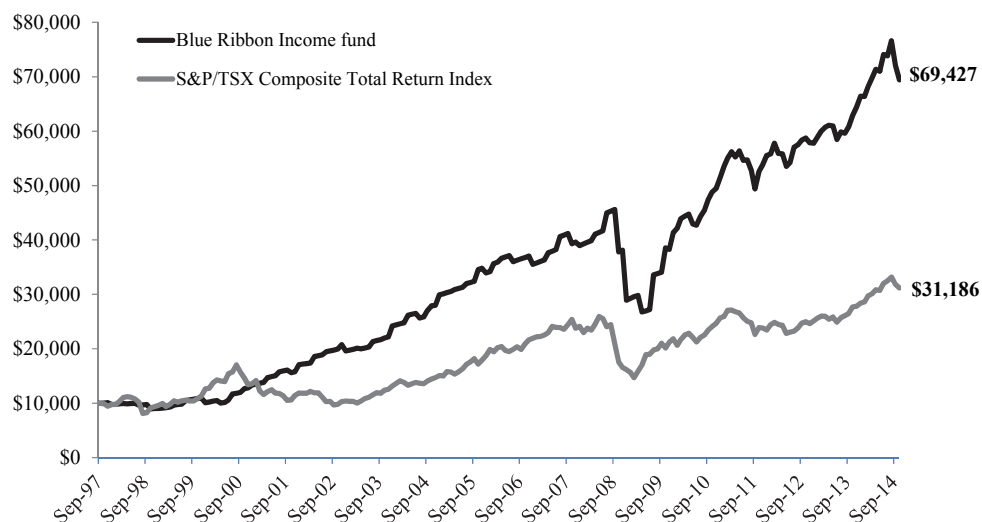
- (i) their strong cash flows,
- (ii) the discipline that a high dividend rate places on management to limit investments in non-core or low cash flow businesses. With a significant amount of cash flow being dedicated to dividends and distributions, managements must seek new financing from equity markets to undertake expansion and acquisitions, placing more control on these activities by investors,
- (iii) continued investor demand for high levels of income in the current interest rate environment, and
- (iv) an improving North American economy which the Investment Manager expects will lead to higher corporate earnings producing either lower payout ratios or higher common share dividends.

The Investment Manager believes that it is currently advantageous to capture the opportunities offered by a depressed Canadian oil and gas sector and certain other high income equities that will continue to benefit from the recent decline in the Canadian dollar relative to the U.S. dollar.

Additionally, the Investment Manager expects that the high income equity market will continue to expand as many non-dividend or low-dividend paying equities initiate or increase dividend rates to compete for investor's capital and seek to achieve a lower cost of capital.

The following graph shows the growth of a \$10,000 investment in the Fund and in the S&P/TSX Composite Total Return Index made on September 17, 1997 (the date the Fund's initial public offering closed).

**Value of \$10,000 invested in the Fund and the S&P/TSX Composite Total Return Index
(September 17, 1997 – October 31, 2014)**



Notes:

- (1) Returns for the Fund prior to 2009 were calculated based on publicly available information prepared by the prior administrator to the Fund. Returns are net of fees and were calculated on a total return basis by reinvesting each cash distribution and deemed distribution on the exercise of rights and warrants into additional Units at the month end Net Asset Value per Unit.
- (2) S&P/TSX Composite Total Return Index performance sourced from Thomson Reuters as at October 31, 2014.

The following table sets out the compound annual returns provided by the Fund based on net asset value, net of fees, over a one, three, five and ten year period and since inception on September 17, 1997 and as at October 31, 2014.

Annualized Performance

| | 1-Year | 3-Year | 5-Year | 10-Year | Since Inception |
|---|---------------|---------------|---------------|----------------|------------------------|
| Blue Ribbon Income Fund ⁽¹⁾ | 10.4% | 9.7% | 12.5% | 9.5% | 12.0% |
| S&P/TSX Composite Total Return Index ⁽²⁾ | 12.6% | 9.3% | 9.1% | 8.0% | 6.9% |
| Blue Ribbon Relative Performance | -2.2% | +0.4% | +3.4% | +1.5% | +5.1% |

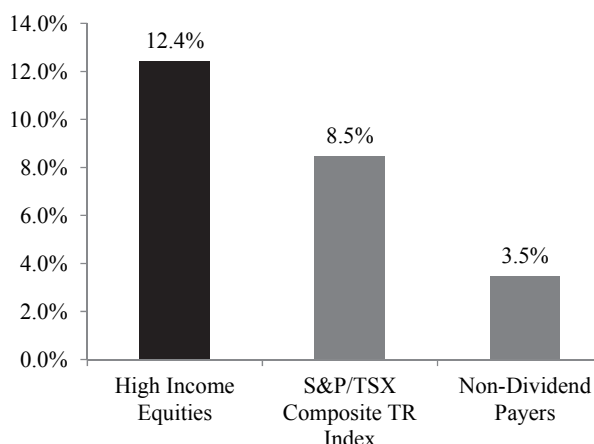
Notes:

- (1) Returns for the Fund prior to 2009 were calculated based on publicly available information prepared by the prior administrator to the Fund. Returns are net of fees and were calculated on a total return basis by reinvesting each cash distribution and deemed distribution on the exercise of rights and warrants into additional Units at the month end Net Asset Value per Unit.
- (2) S&P/TSX Composite Total Return Index performance sourced from Thomson Reuters as at October 31, 2014.

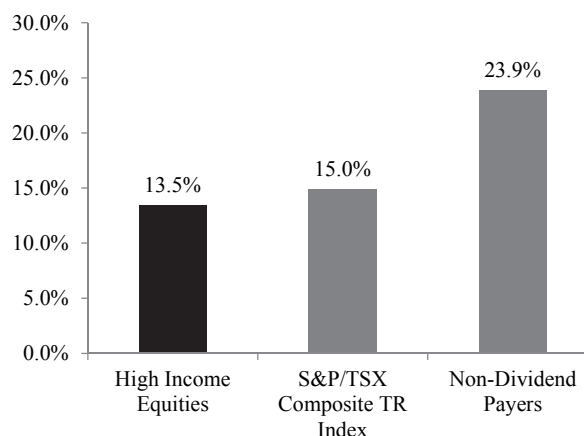
The information in the above graph and table is historical and is not intended to be, and should not be construed as, an indication of the future performance of the Fund.

Canadian high income equities have historically outperformed the broader market and non-dividend paying equities and have done so with lower volatility in returns. The following two charts show the compound annual returns and annualized volatility of Canadian high income equities compared to the S&P/TSX Composite Total Return Index and the non-dividend payers of the S&P/TSX Composite Index.

Compound Annual Returns
(October 31, 1986 – October 31, 2014)



Annualized Volatility
(October 31, 1986 – October 31, 2014)



Source: RBC Capital Markets Quantitative Research as at October 31, 2014.

Note: High income equities are represented by the S&P/TSX Equity Income Index, since its inception on December 20, 2010 and before that date by retroactively applying the index qualifications to 1986. Non-dividend payers comprise all of the companies in the S&P/TSX Composite Index that do not pay a dividend.

DESCRIPTION OF THE SECURITIES BEING DISTRIBUTED

The following description sets forth certain general terms and provisions of the Units. Further details describing the Units may be found in the AIF under the headings “Description of Securities” and “Redemption of Securities”. The summary of the Units described below is qualified by the terms of the Units as set out in the Declaration of Trust.

The Fund is authorized to issue an unlimited number of a single class of transferable, redeemable units of beneficial interest, each of which represents an equal, fractional undivided interest in the net assets of the Fund. Each Unit entitles the holder to the same rights and obligations as a Unitholder and no Unitholder is entitled to any privilege, priority or preference in relation to any other Unitholder. Each Unit entitles the Unitholder to one vote at all meetings of Unitholders. Each Unitholder is entitled to participate equally with respect to any and all distributions made by the Fund, including distributions of net realized capital gains, if any. On the redemption of Units, however, the Fund may, in its sole discretion, designate payable to redeeming Unitholders, as part of the redemption price any capital gains realized by the Fund in the taxation year in which the redemption occurred. On termination or liquidation of the Fund, the Unitholders of record are entitled to receive on a *pro rata* basis all of the assets of the Fund remaining after payment of all debts, liabilities and liquidation expenses of the Fund. Unitholders will have no voting rights in respect of securities held by the Fund.

Units may be redeemed annually on the Annual Redemption Date, subject to certain conditions. In order to effect such a redemption, a Unitholder’s Units must be surrendered by no later than 5:00 p.m. (Toronto time) on the last Business Day of October. Units surrendered for redemption on an Annual Redemption Date will be redeemed at the Annual Redemption Amount and payment of the Annual Redemption Amount will be made on or before the 10th Business Day of the month subsequent to such Annual Redemption Date.

Registrations of interests in and transfers of Units will be made only through the book-based system administered by CDS. Units must be purchased, transferred and surrendered for redemption through a CDS Participant. All rights of Unitholders must be exercised through, and all payments or other property to which such Unitholders are entitled will be made or delivered by, CDS or the CDS Participant through which the Unitholder holds such Units. A purchaser of Units will receive a customer confirmation from the registered dealer from or through which the Units are purchased and will not have the right to receive physical certificates evidencing their ownership in the Units. The ability of a beneficial owner of Units to pledge such Units or otherwise take action with respect to such Unitholder's interest in such Units (other than through a CDS Participant) may be limited due to the lack of a physical certificate.

FEES AND EXPENSES

Expenses of the Offering

The expenses of the Offering (including the costs of preparing, printing and mailing the short form prospectus, legal expenses, marketing expenses and other reasonable out-of-pocket expenses incurred by the Agents, expenses of the auditor and translation fees), which are estimated to be \$250,000 (but not to exceed 1.5% of the gross proceeds of the Offering), will be paid out of the gross proceeds of the Offering. In addition, the Agents' fee will be paid to the Agents from the gross proceeds of the Offering as described under "Plan of Distribution". If the fees and expenses of the Offering would result in dilution to existing Unitholders based on the most recently calculated NAV per Unit as at December 4, 2014, the Administrator will reimburse the Fund in an amount representing such dilution.

Administration Fee

The Administrator receives an administration fee from the Fund equal to 0.50% per annum of the Net Asset Value, calculated and payable monthly in arrears, plus an amount equal to the Service Fee (described below), plus applicable taxes. The Administrator is responsible for paying the fees payable to the Sub-Administrator out of such administration fee.

Service Fee

The Fund pays to the Administrator the amount described under the subheading "Administration Fee" and from that amount the Administrator pays to CDS Participants a service fee (calculated quarterly and paid as soon as practicable after the end of each calendar quarter) equal to 0.40% per annum of the Net Asset Value represented by the Units held at the end of the relevant quarter by clients of CDS Participants, plus applicable taxes.

Investment Management Fee

The Investment Manager receives an investment management fee from the Fund equal to 0.50% per annum of the Net Asset Value, calculated and payable monthly in arrears, plus applicable taxes.

Total Fees

The sum of the fees paid by the Fund, each as described above, is 1.40% per annum of the Net Asset Value, plus applicable taxes.

Ongoing Expenses

The Fund also pays for all expenses incurred in connection with its operation and administration, as more fully described in the AIF, which is incorporated by reference in this short form prospectus.

Additional Services

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

CAPITALIZATION TABLE

The following table sets forth the unaudited capitalization of the Fund before and after giving effect to the Offering:

| Designation | Authorized | Outstanding as at June 30, 2014 | Outstanding as at June 30, 2014 after giving effect to the Offering |
|-------------|------------|-------------------------------------|--|
| Units | Unlimited | \$325,939,729 (25,887,164 Units) | \$364,233,729 (29,537,164 Units) |

PRICE RANGE, TRADING VOLUME AND DISTRIBUTIONS

The Units trade on the TSX under the symbol “RBN.UN”. On December 4, 2014, the closing price of the Units was \$10.75 per Unit. The following table sets forth the market price range and trading volume of the Units on the TSX and the distributions per Unit for the 12-month period prior to the date of this short form prospectus. All such information, other than distributions per Unit, was obtained from Thomson Reuters or the TSX and none of the Fund, the Administrator, the Sub-Advisor, the Trustee nor the Investment Manager has independently verified the accuracy of such information.

| Period | Distributions per Unit ⁽¹⁾ | Market Price ⁽²⁾ | | Volume ⁽²⁾ |
|--------------------|--|-----------------------------|---------|-----------------------|
| | | High | Low | |
| <u>2014</u> | | | | |
| December 1 - 4 | \$- | \$11.45 | \$10.70 | 68,985 |
| November | \$0.07 | \$12.29 | \$11.16 | 238,253 |
| October | \$0.07 | \$11.92 | \$10.71 | 692,975 |
| September | \$0.07 | \$12.70 | \$11.75 | 641,839 |
| August | \$0.07 | \$12.74 | \$12.21 | 383,772 |
| July | \$0.07 | \$12.62 | \$12.20 | 303,247 |
| June | \$0.07 | \$12.52 | \$11.93 | 394,322 |
| May | \$0.07 | \$12.08 | \$11.82 | 460,058 |
| April | \$0.07 | \$12.08 | \$11.70 | 383,531 |
| March | \$0.07 | \$11.90 | \$11.52 | 384,140 |
| February | \$0.07 | \$11.79 | \$11.30 | 376,393 |
| January | \$0.07 | \$11.55 | \$11.26 | 384,757 |
| <u>2013</u> | | | | |
| December | \$0.07 | \$11.47 | \$11.19 | 410,471 |

Notes

(1) Reflects distributions paid.

(2) Source: Thomson Reuters, TSX.

Distributions are payable to Unitholders of record on the last business day of each month and, unless a Unitholder is a participant in the distribution reinvestment plan established by the Fund, all cash distributions payable, less any amount required to be withheld therefrom under applicable law, are to be paid in Canadian dollars no later than the Distribution Date. The Fund will make monthly distributions to Unitholders at the discretion of the Trustee, upon the advice of the Administrator. Distributions will be paid out of revenue generated by the Portfolio and, if required, out of capital. Future distribution rates will be determined from time to time by the Administrator. There can be no assurance that the Fund will make any distribution in any particular month.

Based on the current yield of securities currently comprising the Portfolio, the Portfolio generates annualized income from dividends and other distributions of approximately 5.7%, assuming no leverage. Without

giving effect to the Offering, the Portfolio would be required to generate an additional return of approximately 4.1% per annum, including from capital appreciation, to allow the Fund to fund its distributions at the current level and to maintain a stable Net Asset Value. If the return on the Portfolio (including net realized capital gains from the sale of Portfolio Securities) is less than the amount necessary to fund the monthly distributions at the current level and all expenses of the Fund, this will result in a portion of the capital of the Fund being returned to Unitholders and, accordingly, the Net Asset Value per Unit would be reduced.

PRIOR SALES

Since December 1, 2013, the Fund has issued the following Units from treasury pursuant to the Fund's distribution reinvestment plan.

| Date | Number of Units | Price per Unit |
|-------------------|------------------------|-----------------------|
| December 13, 2013 | 4,922 | \$11.38 |
| October 22, 2014 | 6,251 | \$11.49 |
| November 14, 2014 | 6,502 | \$11.25 |

USE OF PROCEEDS

The net proceeds from the issue of the maximum number of Units offered hereby (after payment of the Agents' fee and the expenses of the Offering) are estimated to be approximately \$38,294,000, assuming that the Over-Allotment Option is not exercised. If the Over-Allotment Option is exercised in full under the maximum Offering, the net proceeds to the Fund are estimated to be approximately \$44,075,600.

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

PLAN OF DISTRIBUTION

Pursuant to the Agency Agreement, the Agents have agreed to act as, and have been appointed as, the sole and exclusive agents of the Fund to offer the Units for sale, subject to prior sale, on a best efforts basis, if, as and when issued by the Fund in accordance with the conditions contained in the Agency Agreement. The Units will be issued at a price of \$11.00 per Unit. The offering price per Unit was determined by negotiation between the Agents and the Administrator on behalf of the Fund. The price per Unit offered under this short form prospectus is equal to or exceeds the most recently calculated NAV per Unit as at December 4, 2014, plus the Agents' fees and the expected expenses of the Offering payable by the Fund. In consideration for their services in connection with the Offering, the Agents will be paid a fee of \$0.4400 per Unit (4.00%) sold under the Offering and will be reimbursed for reasonable out of pocket expenses incurred by them. The Agents' fees and expenses will be paid by the Fund out of the proceeds of the Offering, provided that if the fees and expenses of the Offering would result in dilution to existing Unitholders based on the most recently calculated NAV per Unit as at December 4, 2014, the Administrator will reimburse the Fund in an amount representing such dilution. The Agents may form a sub-agency group including other qualified investment dealers and determine the fee payable to the members of such group, which fee will be paid by the Agents out of their fees. While the Agents have agreed to use their best efforts to sell the Units offered hereby, the Agents will not be obligated to purchase any Units which are not sold.

The Fund has granted to the Agents the Over-Allotment Option, which is exercisable for a period of 30 days from the Closing Date to purchase up to 15% of the aggregate number of Units issued on Closing on the same terms as set forth above. To the extent that the Over-Allotment Option is exercised, the additional Units will be sold at \$11.00 per Unit and the Agents will be paid a fee of \$0.4400 per Unit sold. If the Over-Allotment Option is exercised in full under the maximum Offering, the price to the public, Agents' fee and net proceeds to the Fund are estimated to be \$46,172,500, \$1,846,900 and \$44,325,600, respectively. This short form prospectus qualifies the grant of the Over-Allotment Option and the distribution of the Units issuable upon the exercise of the Over-Allotment Option. A purchaser who acquires Units forming part of the Agents' over-allocation position acquires

such Units under this short form prospectus, regardless of whether the Agents' over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases.

The maximum number of Units which will be sold is 3,650,000 Units or \$40,150,000. Under the terms of the Agency Agreement, the Agents, at their discretion on the basis of their assessment of the state of the financial markets and upon the occurrence of certain stated events, may terminate the Agency Agreement and withdraw all subscriptions for Units on behalf of subscribers. Subscriptions for Units will be received subject to rejection or allotment in whole or in part. The right is reserved to close the subscription books at any time without notice. The Closing will take place on or about December 16, 2014 or such later date as the Fund and the Agents may agree, but in any event not later than 90 days after a final receipt for this short form prospectus is issued.

The Units are currently listed on the TSX under the symbol RBN.UN and the TSX has conditionally approved the listing of the Units distributed under this short form prospectus. Listing of such Units will be subject to the Fund fulfilling all of the listing requirements of the TSX on or before February 26, 2015. The Units have not been, nor will they be, registered under the U.S. Securities Act or any state securities laws and may not be offered or sold in the United States or to, or for the account or benefit of, a U.S. person (as defined in Regulation S under the U.S. Securities Act) except in transactions exempt from the registration requirements of the U.S. Securities Act. The Agents have agreed that they will not offer or sell the Units within the United States or to, or for the account or benefit of, U.S. persons except in transactions that are exempt from the registration requirements of the U.S. Securities Act. In addition, until 40 days after the commencement of the Offering, an offer or sale of the Units within the United States or to, or for the account or benefit of, a U.S. person by a dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act if such an offer or sale is made otherwise than in accordance with an exemption from registration under the U.S. Securities Act.

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

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

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

The Administrator and the Investment Manager will receive the fees described under "Fees and Expenses" for their services to the Fund and will be reimbursed by the Fund for all expenses incurred in connection with their services to the Fund.

RISK FACTORS

Certain risk factors relating to the Fund and the Units are described below, and further risks are set forth in the AIF under the heading "Other Material Information - Risk Factors". Additional risks and uncertainties not currently known to the Administrator, or that are currently considered immaterial, may also impair the operations of the Fund. If any such risk actually occurs, the business, financial condition, liquidity or results of operations of the Fund and the ability of the Fund to meet its objectives, could be materially adversely affected.

Performance of the Portfolio Securities

The value of the Units will vary according to the value of the Portfolio Securities and the value of the Portfolio Securities will be affected by factors beyond the control of the Investment Manager, the Administrator or the Fund. There is no assurance that an adequate market exists for the Portfolio Securities acquired by the Fund. The

Portfolio Securities issued by issuers who are not reporting issuers in all provinces may be subject to an indefinite hold period under certain provincial securities legislation. In many circumstances, the issuers of the Portfolio Securities which the Fund may acquire have limited operating histories. The amounts which such issuers have been distributing may not be sustainable and the forecast distributions of such issuers may not be realized. The value of the Portfolio Securities will be influenced by factors which are not within the control of the Fund, which, in the case of resource oriented securities, include the financial performance of the respective issuers, commodity prices, exchange rates, interest rates, the hedging policies employed by such issuers, issues relating to the regulation of the natural resource industry and operational risks relating to the resource sector and other financial market conditions. In the case of real estate investment trusts, such factors include the quality of the real estate investment trust's property portfolio, the perception of and the abilities of the real estate investment trust's advisor, the prospects for the Canadian and US commercial real estate market and the economy in general, including the level and likely direction of interest rates.

Commodity Price Fluctuations

The operations and financial condition of the issuers of certain of the Portfolio Securities and, accordingly, the amount of distributions paid on such securities will be dependent on commodity prices applicable to such issuers. Prices for commodities may vary and are determined by supply and demand factors including weather and general economic and political conditions. A decline in commodity prices could have an adverse effect on the operations and financial condition of the issuers of such securities and the amount of distributions paid on such securities. In addition, certain commodity prices are based on a US dollar market price. Accordingly, an increase in the value of the Canadian dollar against the US dollar could reduce the amount of distributions paid on such securities.

Recent and Future Global Financial Developments

Global financial markets have experienced a sharp increase in volatility during recent years. This has been, in part, the result of the revaluation of assets on the balance sheets of international financial institutions and related securities. This has contributed to a reduction in liquidity among financial institutions and has reduced the availability of credit to those institutions and to the issuers who borrow from them. Notwithstanding that central banks as well as governments globally are attempting to restore liquidity to the global economies, no assurance can be given that these efforts will abate the combined impact of the significant revaluations and constraints on the availability of credit on the economies around the world in the near to medium term. Some of these economies are experiencing diminished growth or a recession. Continuing adverse market conditions and unexpected volatility or illiquidity in financial markets may also adversely affect the prospects of the Fund and the value of the Portfolio Securities.

Sensitivity to Interest Rates

It is anticipated that the market price for the Units at any given time will be affected by the level of interest rates prevailing at such time. A rise in interest rates may have a negative effect on the market price of the Units and increase the cost of borrowing of the Fund, if any. Unitholders who wish to redeem or sell their Units may, therefore, be exposed to the risk that the redemption price or sale price of the Units will be negatively affected by interest rate fluctuations.

Trading Price of the Units

The Units may trade in the market at a discount to the NAV per Unit and there can be no assurance that the Units will trade at a price equal to the NAV per Unit. Units will be redeemable at 100% of the NAV per Unit on an applicable annual redemption date less any costs associated with the redemption, including brokerage costs. While the redemption right provides Unitholders the option of annual liquidity at the NAV per Unit, there can be no assurance that it will reduce any trading discounts of the Units.

Illiquid Securities

There is no assurance that an adequate market will exist for the Portfolio Securities. The Fund cannot predict whether the Portfolio Securities will trade at a discount to, a premium to, or at their respective net asset values. In addition, if the Investment Manager determines that it is appropriate to acquire certain securities for the

Portfolio, the Investment Manager may be unable to acquire such securities in quantities or at prices which are acceptable to the Investment Manager, if the market for such securities is particularly illiquid.

If the Investment Manager is unable, or determines that it is inappropriate to dispose of some or all of the Portfolio Securities prior to the termination of the Fund, Unitholders may, subject to applicable laws, receive distributions of Portfolio Securities *in specie* upon the termination of the Fund, for which there may be an illiquid market or which may be subject to resale restrictions of indefinite duration. Assets so distributed may not be qualified investments for Registered Plans which would have adverse tax consequences to such Registered Plans and/or their annuitants, subscribers, holders or beneficiaries.

Taxation of the Fund

If the Fund ceases to qualify as a “mutual fund trust” under the Tax Act, the income tax considerations would be materially and adversely different in certain respects. There can be no assurance that Canadian federal and provincial income tax laws respecting the treatment of mutual fund trusts will not be changed in a manner that adversely affects the Unitholders.

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

Certain income funds in which the Fund holds units may be SIFT trusts, as defined in the Tax Act. Accordingly, in such event, the after-tax returns realized by Unitholders may be reduced to the extent that the Fund receives distributions of income or capital gains from such SIFT trusts. Finally, as a result of the SIFT Rules, it is possible that the SIFT trusts may seek to restructure their affairs and organizational structures in a manner that could have an impact upon the returns to the Fund and could limit the number of potential issuers in which the Fund may invest.

Under the SIFT Rules a Canadian resident trust (other than a “real estate investment trust” as defined in the SIFT Rules) or partnership the units of which are listed or traded on a stock exchange or other public market and that holds one or more “non-portfolio properties” (as defined in the SIFT Rules) is a SIFT trust or SIFT partnership, as the case may be. If the SIFT Rules become applicable to the Fund, it will be subject to a tax on certain income (other than taxable dividends) and capital gains respecting non-portfolio properties, commencing in the taxation year in which it becomes a SIFT trust, notwithstanding that the income is distributed to Unitholders. Unitholders would be deemed to be taxed on distributions of such income and capital gains in a manner similar to dividends from a taxable Canadian corporation. The deemed dividend is eligible for the enhanced dividend tax credit if paid or allocated to a resident of Canada. Counsel has been advised that the Fund has not held and will not hold investments that would result in the Fund becoming subject to the SIFT Rules in any taxation year. If the Fund were to become a SIFT trust within the meaning of the SIFT Rules, the income tax considerations could be materially and adversely different in certain respects.

Changes in Legislation

There can be no assurance that certain laws applicable to the Fund, including income tax laws, government incentive programs and the treatment of mutual fund trusts under the Tax Act will not be changed in a manner which adversely affects the distributions received by the Fund and/or by the Unitholders.

Use of Leverage

The Fund may utilize leverage in order to enhance returns for Unitholders. The use of leverage may result in capital losses or a decrease in distributions to Unitholders. The interest expense and banking fees incurred in respect of a loan facility may exceed the incremental capital gains, if any, and income generated by the incremental

investment with the borrowed funds in Portfolio Securities to be included in the Portfolio. There can be no assurance that the borrowing strategy employed by the Fund will enhance returns. In addition, the Fund may not be able to renew a loan facility on acceptable terms. The level of leverage actually employed may impose additional restrictions on the Fund and the Fund will be affected by credit markets and the availability of credit at the relevant time.

Loss of Investment

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

No Guaranteed Return

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

Securities Lending

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

Conflicts of Interest

The Administrator, the Sub-Administrator and the Investment Manager, their respective directors and officers and their respective affiliates and associates may engage in the promotion, management or investment management of one or more funds or trusts with similar investment objectives to those of the Fund.

Although none of the directors or officers of the Administrator, the Sub-Administrator or the Investment Manager devotes his or her full time to the business and affairs of the Fund, the Administrator, the Sub-Administrator and the Investment Manager, as applicable, each director and officer of the Administrator, the Sub-Administrator and the Investment Manager devotes as much time as is necessary to supervise the management of (in the case of the directors), or to manage the business and affairs of (in the case of officers), the Fund, the Administrator, the Sub-Administrator and the Investment Manager, as applicable.

Status of the Fund

As the Fund is not a mutual fund as defined under Canadian securities laws, the Fund is not subject to the Canadian policies and regulations that apply to open-end mutual funds. The Fund is a mutual fund trust for purposes of the Tax Act.

Significant Redemptions

If a significant number of Units are redeemed, the trading liquidity of the Units could be significantly reduced. In addition, the expenses of the Fund would be spread among fewer Units resulting in a potentially lower distribution per Unit. The Administrator has the ability to terminate the Fund if, in its opinion, it would be in the best interests of Unitholders to do so.

No Assurance of Achieving Investment Objectives or Monthly Distributions

There is no assurance that the Fund will be able to achieve its investment objectives. Furthermore, there is no assurance that the Fund will be able to pay distributions in the short or long term, nor is there any assurance that the Net Asset Value will be preserved. Changes in the relative weightings between the various types of investment vehicles making up the Portfolio Securities can affect the overall yield to Unitholders. The distributions received by the Fund from the Portfolio Securities may vary from month to month and certain issuers may pay distributions less frequently than monthly, with the result that revenue generated by the Portfolio Securities and available for distribution to Unitholders may vary substantially.

Not a Trust Company

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

Nature of the Units

The Units represent a fractional interest in the net assets of the Fund. Units are dissimilar to debt instruments in that there is no principal amount owing to Unitholders. Unitholders will not have the statutory rights normally associated with ownership of shares of a corporation including, for example, the right to bring “oppression” or “derivative” actions.

An investment in Units does not constitute an investment by Unitholders in the securities included in the Portfolio. Unitholders will not own the securities held by the Fund.

General Risks of Investing in Equity Securities

The Fund will be subject to the risks inherent in investments in equity securities, including the risk that the financial condition of the issuers in which the Fund invests may become impaired or that the general condition of the stock markets may deteriorate. Equity securities are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in, and perceptions of, the issuers change. In addition, issuers of equity securities may reduce or eliminate dividends or distributions.

General Risks of Investing in Debt Instruments

Generally, debt instruments will decrease in value when interest rates rise and increase in value when interest rates decline. The Net Asset Value of the Fund will fluctuate with interest rate changes and the corresponding changes in the value of the Fund’s investments. The value of debt instruments is also affected by the risk of default in the payment of interest and principal and price changes due to such factors as general economic conditions and the issuer’s creditworthiness. Debt instruments may not pay interest or their issuers may default on their obligations to pay interest and/or principal amounts. Certain of the debt instruments that may be included in the Portfolio Securities from time to time may be unsecured, which will increase the risk of loss in case of default or insolvency of the issuer. Global financial markets experienced a significant re-pricing over recent years, which has contributed to a reduction in liquidity and the availability of credit, enhancing the likelihood of default by some issuers due to diminishing profitability or an inability to refinance existing debt.

Installment Receipts

Certain of the Portfolio Securities may be installment receipts representing ownership interests in securities, the original issue price of which is payable on an installment basis. The Fund may be required to pay subsequent installments despite a decline in the value of the securities of an issuer in which the Fund invests.

Composition of Portfolio

The composition of the Portfolio may vary widely from time to time and may be concentrated by type of security, commodity, industry or geography, resulting in the Portfolio being less diversified than anticipated. Overweighting investments in certain sectors or industries involves risk that the Fund will suffer a loss because of declines in the prices of securities in those sectors or industries.

Reliance on the Investment Manager, the Administrator and the Sub-Administrator

The Fund is dependent on the Investment Manager for investment advisory and portfolio management services and upon the Administrator and the Sub-Administrator for the provision of all other required services. The officers of the Investment Manager who will be primarily responsible for the management of the portfolio have extensive experience in managing investment portfolios, however, there is no certainty that such individuals will continue as employees of the Investment Manager and there is no certainty that the officers of the Administrator and

the Sub-Administrator will continue as employees of the Administrator and/or the Sub-Administrator until the termination of the Fund.

CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Stikeman Elliott LLP, counsel to the Fund, and Blake, Cassels & Graydon LLP, counsel to the Agents, the following is, as at the date hereof, a summary of the principal Canadian federal income tax considerations generally applicable to the acquisition, holding and disposition of Units by a Unitholder who acquires Units pursuant to this short form prospectus. This summary is applicable to a Unitholder who is an individual (other than a trust) and who, for the purposes of the Tax Act, is resident in Canada, deals at arm's length, and is not affiliated, with the Fund, and holds Units as capital property. Generally, Units will be considered to be capital property to a Unitholder provided the Unitholder does not hold the Units in the course of carrying on a business of trading or dealing in securities and has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade. Certain Unitholders who might not otherwise be considered to hold their Units as capital property may, in certain circumstances, be entitled to have them and all other "Canadian securities" owned or subsequently owned by them treated as capital property by making an irrevocable election in accordance with the Tax Act. Such Unitholders should consult their own tax advisors as to whether an election under subsection 39(4) of the Tax Act is available and/or advisable in their particular circumstances. This summary does not apply to a Unitholder who has entered or will enter into a "derivative forward agreement", as that term is defined in the Tax Act with respect to the Units.

This summary is based on the current provisions of the Tax Act, a certificate from the Administrator regarding certain factual matters, counsel's understanding of the current administrative policies and assessing practices of the CRA published in writing prior to the date hereof, and the Tax Proposals. This summary does not otherwise take into account or anticipate any changes in law, whether by legislative, governmental or judicial action, nor does it take into account other federal or any provincial, territorial or foreign income tax legislation or considerations. There can be no assurance that any Tax Proposals will be enacted in the form publicly announced or at all.

This summary is based on the assumption that none of the issuers of the securities in the Portfolio are or will be foreign affiliates of the Fund or of any Unitholder and that none of the securities in the Portfolio are or will be a "tax shelter investment" within the meaning of the Tax Act. This summary is also based on the assumption that the Fund does not and will not invest in a share of, an interest in, or a debt of a non-resident entity or an interest in or a right or option to acquire such a share, interest or debt that would cause the Fund to include amounts in income under section 94.1 of the Tax Act, or securities of a non-resident trust other than an "exempt foreign trust" under subsection 94(1) of the Tax Act or an interest in a trust that would require the Fund to report income in connection with such securities pursuant to the rules in section 94.2 of the Tax Act (or such provisions as amended or successor provisions thereto).

This summary is not exhaustive of all possible Canadian federal tax considerations applicable to an investment in Units. Moreover, the income and other tax consequences of acquiring, holding or disposing of Units will vary depending on an investor's particular circumstances, including the province or territory in which the investor resides or carries on business. Counsel expresses no views herein in respect of the deductibility of interest on any funds borrowed by a Unitholder to purchase Units. This summary is of a general nature only and is not intended to be legal or tax advice to any investor. Investors should consult their own tax advisors for advice with respect to the income tax consequences of an investment in Units, based on their particular circumstances.

Status of the Fund

This summary is based on the assumptions that (i) the Fund qualifies and will qualify, at all times, as a "unit trust" and a "mutual fund trust" within the meaning of the Tax Act, and (ii) the Fund has not been established and will not be at any time maintained primarily for the benefit of non-resident persons, unless, at that time, all or substantially all of its property consisted of property other than "taxable Canadian property" (if the definition of such term in the Tax Act were read without reference to paragraph (b) thereof). To qualify as a mutual fund trust, the Fund must, among other things, comply on a continuous basis with certain requirements respecting the ownership

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

This summary is also based on the assumption that the Fund will at no time be a SIFT trust within the meaning of the SIFT Rules. Counsel has been advised that the Fund has not held and will not hold investments that would result in the Fund becoming subject to the SIFT Rules in any taxation year. If the Fund were to become a SIFT trust, within the meaning of the SIFT Rules, the income tax considerations described herein could be materially and adversely different in certain respects.

Taxation of the Fund

The Fund will be subject to tax in each taxation year under Part I of the Tax Act on the amount of its income for the year, including net realized taxable capital gains, less the portion thereof that it deducts in respect of the amount paid or payable to Unitholders in the year. Counsel has been advised that the Fund intends to make distributions to Unitholders as described under “Description of Securities - Distributions” in the AIF and to deduct, in computing its income in each taxation year, such amount as will be sufficient to ensure that the Fund will not be liable for income tax under Part I of the Tax Act for each year other than such tax on net realized capital gains that will be recoverable by the Fund in respect of such year by reason of the capital gains refund mechanism.

In computing its income for a taxation year, the Fund will be required to include all dividends received (or deemed to be received) by it in the year on securities in the Portfolio.

With respect to an issuer that is a trust resident in Canada whose units are included in the Portfolio and held as capital property for the purposes of the Tax Act, and that is not subject in a taxation year to tax under the SIFT Rules, the Fund is required to include in its income such portion of the net income and the taxable portion of net realized capital gains of such issuer as is paid or becomes payable to the Fund in the year, notwithstanding that certain of such amounts may be reinvested in additional units of the issuer. Provided that appropriate designations are made by the issuer, any net taxable capital gains realized by the issuer, any foreign source income of the issuer and taxable dividends received by the issuer from taxable Canadian corporations that are paid or become payable to the Fund will effectively retain their character as such in the hands of the Fund. The Fund is generally required to reduce the adjusted cost base of the units of such issuer structured as a trust resident in Canada to the extent that all amounts paid or payable in a year by such issuer to the Fund exceed the sum of the amounts included in the income of the Fund for the year plus the Fund’s share of the non-taxable portion of capital gains of such issuer for the year the taxable portion of which was designated in respect of the Fund in the year. To the extent that the adjusted cost base to the Fund of the unit of such issuer would otherwise be less than zero, the negative amount is deemed to be a capital gain realized by the Fund and the Fund’s adjusted cost base of such unit is increased by the amount of such deemed capital gain to zero.

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

Under the SIFT Rules, each issuer in the Portfolio that is a SIFT trust or SIFT partnership (which generally includes income trusts, other than certain real estate investment trusts, and certain partnerships, the units of which are listed or traded on a stock exchange or other public market) is subject to a special tax in respect of (i) income from business carried on in Canada, and (ii) certain income and capital gains respecting “non-portfolio properties” (collectively, the “Non-Portfolio Earnings”). Non-Portfolio Earnings that are earned by a SIFT partnership or are distributed by a SIFT trust to its unitholders are taxed at a rate that is equivalent to the federal general corporate tax

rate plus a prescribed amount on account of provincial tax. Any Non-Portfolio Earnings that become payable by a SIFT trust or are earned by a SIFT partnership are taxed as a taxable dividend from a taxable Canadian corporation and are deemed to be an “eligible dividend” eligible for the enhanced gross-up and tax credit rules under the Tax Act.

The Fund will also be required to include in its income for each taxation year all interest on a debt security it holds that accrues or is deemed to accrue to it to the end of the year, or becomes receivable or is received by it before the end of the year, except to the extent that such interest was included in computing its income for a preceding taxation year and excluding any interest that accrued prior to the time of the acquisition of such debt security. Upon the actual or deemed disposition of a debt security, the Fund will be required to include in computing its income for the year of disposition all interest that accrued on such debt security from the last interest payment date to the date of disposition except to the extent such interest was included in computing the Fund’s income for that or another taxation year and such interest will not be included in the proceeds of disposition for purposes of computing any capital gain or loss.

In computing its income for tax purposes, the Fund will be entitled to deduct an amount equal to the reasonable expenses that it incurs in the course of issuing the Units. Such issue expenses paid by the Fund and not reimbursed will be deductible by the Fund rateably over a five-year period subject to reduction in any taxation year which is less than 365 days. The Fund will generally be entitled to deduct reasonable administrative expenses and interest payable by it on money borrowed to purchase securities. Any losses incurred by the Fund cannot be allocated to Unitholders, but may generally be carried forward or back in accordance with the rules and limitations contained in the Tax Act and deducted in computing the taxable income of the Fund.

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

In determining the income of the Fund, gains or losses realized upon dispositions of securities in the Portfolio will constitute capital gains or capital losses of the Fund in the year realized unless the Fund is considered to be trading or dealing in securities or otherwise carrying on an investment business of buying and selling securities or the Fund has acquired the securities in a transaction or transactions considered to be an adventure or concern in the nature of trade. The Administrator has advised counsel that the Fund purchased and will purchase the Portfolio Securities with the objective of earning dividends and distribution from the Portfolio Securities over the life of the Fund and will take the position that gains and losses realized on the disposition thereof are capital gains and capital losses. In addition, the Administrator has advised counsel that the Fund has elected in accordance with the Tax Act to have each of its “Canadian securities” (as defined in the Tax Act) treated as capital property. Such election is intended to ensure that gains or losses realized by the Fund on the disposition of its “Canadian securities” are capital gains or capital losses, as the case may be.

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

The Portfolio may include securities that are not denominated in Canadian dollars. Proceeds of disposition of securities, distributions, interest and all other amounts will be determined for the purposes of the Tax Act in Canadian dollars at the exchange rate prevailing on the date the amount arose in accordance with the rules in the Tax

Act. The Fund may realize gains or losses by virtue of the fluctuation in the value of foreign currencies relative to Canadian dollars.

The Fund may derive income (including gains) from investments in countries other than Canada and, as a result, may be liable to pay income or profits tax to such countries. To the extent that such foreign tax paid does not exceed 15% of such income and has not been deducted in computing the Fund's income, the Fund may designate a portion of its foreign source income in respect of a Unitholder so that such income and a corresponding portion of the foreign tax paid by the Fund may be regarded as foreign source income of, and foreign tax paid by, the Unitholder for the purposes of the foreign tax credit provisions of the Tax Act. To the extent that such foreign tax paid by the Fund exceeds 15% of the amount included in the Fund's income from such investments, such excess may generally be deducted by the Fund in computing its income for the purposes of the Tax Act.

The Fund will be entitled, for each taxation year throughout which it is a mutual fund trust, to reduce (or receive a refund in respect of) its liability, if any, for tax on its net realized capital gains by an amount determined under the Tax Act based on the redemptions of Units during the year (a "capital gains refund"). The capital gains refund in a particular taxation year may not completely offset the tax liability of the Fund for such taxation year which may arise upon the sale of securities in connection with a redemption of Units.

Taxation of Unitholders

A Unitholder will generally be required to include, in computing income for a taxation year, the amount of the Fund's net income for the taxation year, including net realized taxable capital gains, paid or payable to the Unitholder in the taxation year, whether paid in cash or additional Units.

Under the Tax Act, the Fund is permitted to deduct in computing its income for a taxation year an amount that is less than the amount of its distributions for the year in order to enable the Fund to utilize, in the taxation year, losses from prior years without affecting the ability of the Fund to distribute its income annually. Such amount distributed to a Unitholder but not deducted by the Fund will not be included in the Unitholder's income. However, the adjusted cost base of the Unitholder's Units will be reduced by such amount (other than the non-taxable portion of the Fund's net realized capital gains as discussed in the following sentence). The non-taxable portion of the Fund's net realized capital gains, the taxable portion of which was designated in respect of a Unitholder in the year, that is paid or payable (whether in cash or in Units) to the Unitholder in the taxation year will not be included in the Unitholder's income for the year. Any other amount in excess of the Fund's net income for a taxation year paid or payable to the Unitholder in the year will not generally be included in the Unitholder's income. Such amount, however, will generally reduce the adjusted cost base of the Unitholder's Units. To the extent that the adjusted cost base of a Unit would otherwise be less than zero, the negative amount will be deemed to be a capital gain realized by the Unitholder from the disposition of the Unit and the Unitholder's adjusted cost base will be increased by the amount of such deemed gain.

Provided that appropriate designations are made by the Fund, such portion of (i) the net realized taxable capital gains of the Fund, (ii) the foreign source income of the Fund, and (iii) the taxable dividends received, or deemed to be received, by the Fund on shares of taxable Canadian corporations, as is paid or payable to a Unitholder will effectively retain its character and be treated as such in the hands of the Unitholder for purposes of the Tax Act. To the extent that amounts are designated as taxable dividends from taxable Canadian corporations, the gross-up and dividend tax credit rules in the Tax Act will apply, including the enhanced gross-up and tax credit applicable to designated eligible dividends. Any loss incurred by the Fund for purposes of the Tax Act cannot be allocated to, and cannot be treated as a loss of, a Unitholder. In addition, provided that appropriate designations are made by the Fund in respect of foreign income or gains of the Fund, for the purpose of computing any foreign tax credit available to a Unitholder, and subject to the rules in the Tax Act, the Unitholder will be deemed to have paid as tax to the government of a foreign country the Unitholder's share of the taxes paid or considered to be paid by the Fund to that country.

The cost of Units acquired as a distribution of income or capital gains from the Fund will generally be equal to the amount of the distribution.. Any additional Units acquired by a Unitholder on the reinvestment of distributions will generally have a cost equal to the amount reinvested. If a Unitholder participates in the distribution reinvestment plan and the Unitholder acquires a Unit from the Fund at a price that is less than the then fair market

value of the Unit, it is the administrative position of the CRA that the Unitholder must include the difference in income and that the cost of the Unit will be correspondingly increased.

On the disposition or deemed disposition of a Unit, including on a redemption of a Unit, a Unitholder will realize a capital gain (or capital loss) to the extent that the Unitholder's proceeds of disposition (other than any amount payable by the Fund which represents an amount that is otherwise required to be included in the Unitholder's income as described above) exceed (or are exceeded by) the aggregate of the adjusted cost base of the Unit and any reasonable costs of disposition. Where capital gains realized by the Fund as a result of the disposition of trust assets have been designated by the Fund to a redeeming Unitholder, the Unitholder will be required to include in income one-half of any capital gain so realized and such amount will not be included in the Unitholder's proceeds of disposition.

If, at any time, the Fund delivers Portfolio Securities to any Unitholder upon a redemption of a Unitholder's Units on the termination of the Fund, the Unitholder's proceeds of disposition of the Units will generally be equal to the aggregate of the fair market value of the distributed property and the amount of any cash received, less any capital gain realized by the Fund on the disposition of such distributed property. The cost of any property distributed by the Fund in specie will generally be equal to the fair market value of such property at the time of the distribution less any amount that is deductible as interest accrued on such property to the date of distribution and not yet due. Such distributed property may or may not be a qualified investment for Registered Plans. If such distributed property is not a qualified investment for Registered Plans, such Registered Plans (and, in the case of certain Registered Plans, the annuitants, beneficiaries or subscribers thereunder or holders thereof) may be subject to adverse tax consequences including, in the case of registered education savings plans, revocation of such Registered Plans.

For the purpose of determining the adjusted cost base to a Unitholder of a Unit, when a Unit is acquired, the cost of the newly-acquired Unit will be averaged with the adjusted cost base of all Units owned by the Unitholder as capital property.

One-half of any capital gain ("taxable capital gain") realized on the disposition of Units will be included in the Unitholder's income and one-half of any capital loss ("allowable capital loss") realized must be deducted from taxable capital gains in accordance with the provisions of the Tax Act. Allowable capital losses for a taxation year in excess of taxable capital gains may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains in accordance with the provisions of the Tax Act.

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

Taxation of Registered Plans

Amounts of income and capital gains distributed by the Fund to a Registered Plan and capital gains realized on the disposition of Units are generally not taxable under Part I of the Tax Act while retained in a Registered Plan, provided that the Units are qualified investments under such Registered Plan. See "Eligibility for Investment". Unitholders should consult with their own advisors regarding the tax implications of establishing, amending, terminating or withdrawing amounts from a Registered Plan.

Taxation Implications of the Fund's Distribution Policy

The NAV per Unit will reflect any income and gains of the Fund that have accrued or have been realized but have not been made payable at the time the Units are acquired. Accordingly, a Unitholder who acquires Units may become taxable on the Unitholder's share of such income and gains of the Fund, notwithstanding that such amounts will have been reflected in the price paid by the Unitholder for the Units. The consequences of acquiring Units late in a calendar year will generally depend on whether an additional distribution (as described under "Description of Securities-Distributions" in the AIF) is necessary late in the calendar year to ensure that the Fund will not be liable for non-refundable income tax on such amounts under the Tax Act.

ELIGIBILITY FOR INVESTMENT

In the opinion of Stikeman Elliott LLP, counsel for the Fund, and Blake, Cassels & Graydon LLP, counsel for the Agents, provided that the Fund qualifies as a mutual fund trust within the meaning of the Tax Act or the Units are listed on a designated stock exchange for purposes of the Tax Act (which currently includes the TSX), the Units, if issued on the date hereof, would be qualified investments under the Tax Act for trusts governed by Registered Plans.

Notwithstanding the foregoing, if Units are a “prohibited investment” for a RRSP, a RRIF or a TFSA that acquires Units, the annuitant or holder thereof will be subject to a penalty tax as set out in the Tax Act. A “prohibited investment” includes a unit of a trust (i) that does not deal at arm’s length with the annuitant or holder for the purposes of the Tax Act; or (ii) in which the annuitant or holder has a significant interest, which in general terms means the ownership of 10% or more of the value of the trust’s outstanding units by the annuitant or holder, either alone or together with persons and partnerships with which the annuitant or holder does not deal at arm’s length for the purposes of the Tax Act, but does not include units that are “excluded property” as defined in the Tax Act for a RRSP, RRIF or TFSA. Annuitants of RRSPs and RRIFs and holders of TFSAs should consult with their own tax advisors with respect to whether Units would be prohibited investments, including with respect to whether Units would be excluded property.

EXCHANGE OF TAX INFORMATION

The Fund is required to comply with due diligence and reporting obligations imposed under amendments to the Tax Act that implemented the Canada-United States Enhanced Tax Information Exchange Agreement. As long as Units continue to be registered in the name of CDS, the Fund should not have any U.S. reportable accounts and, as a result, it should not be required to provide information to the CRA in respect of Unitholders. However, dealers through which Unitholders hold their Units are subject to due diligence and reporting obligations with respect to financial accounts that they maintain for their clients. Unitholders may be requested to provide information to their dealer in order to allow the dealer to identify U.S. persons holding Units. If a Unitholder is a U.S. person (including a U.S. citizen or green card holder who is resident in Canada) or if the Unitholder does not provide the requested information, the Unitholder’s dealer will be required by the Tax Act to report certain information about the Unitholder’s investment in the Fund to the CRA, unless the Units are held by a Registered Plan. The CRA is expected to provide that information to the U.S. Internal Revenue Service.

AUDITOR

The auditor of the Fund is PricewaterhouseCoopers LLP, Chartered Professional Accountants, Licensed Public Accountants, PwC Tower, 18 York Street, Suite 2600, Toronto, Ontario M5J 0B2.

REGISTRAR AND TRANSFER AGENT

Computershare Trust Company of Canada is the registrar and transfer agent for the Units.

INTEREST OF EXPERTS

Certain legal matters in connection with the issuance and sale of the Units offered by this short form prospectus will be passed upon on behalf of the Fund by Stikeman Elliott LLP and on behalf of the Agents by Blake, Cassels & Graydon LLP. As at the date hereof, the partners and associates of Stikeman Elliott LLP, as a group, and the partners and associates of Blake, Cassels & Graydon LLP, as a group, each own less than one percent of the outstanding Units and any other outstanding securities of any associate or affiliate of the Fund.

The auditor of the Fund is PricewaterhouseCoopers LLP, Chartered Professional Accountants, Licensed Public Accountants, who has prepared an auditor’s report dated March 12, 2014 in respect of the financial statements of the Fund as at December 31, 2013 and for the years ended December 31, 2013 and 2012. PricewaterhouseCoopers LLP has advised that it is independent with respect to the Fund within the meaning of the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of Ontario.

PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RECISSION

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

CERTIFICATE OF THE FUND and THE ADMINISTRATOR

Dated: December 5, 2014

This short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of each of the provinces of Canada.

BLUE RIBBON INCOME FUND
by
BLUE RIBBON FUND MANAGEMENT LTD.
(as Administrator and on behalf of the Fund)

(Signed) MARK A. CARANCI
President, as Chief Executive Officer

(Signed) CRAIG T. KIKUCHI
Chief Financial Officer

On behalf of the board of directors of
BLUE RIBBON FUND MANAGEMENT LTD.

(Signed) M. PAUL BLOOM
Director

(Signed) ADINA BLOOM SOMER
Director

CERTIFICATE OF THE AGENTS

Dated: December 5, 2014

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

CIBC WORLD MARKETS INC.

By: *(Signed)* MICHAEL D. SHUH

BMO NESBITT BURNS INC.

By: *(Signed)* ROBIN G. TESSIER

RBC DOMINION SECURITIES INC.

By: *(Signed)* EDWARD V. JACKSON

SCOTIA CAPITAL INC.

By: *(Signed)* RAJIV BAHL

NATIONAL BANK FINANCIAL INC.

By: *(Signed)* TIMOTHY EVANS

TD SECURITIES INC.

By: *(Signed)* CAMERON
GOODNOUGH

DESJARDINS SECURITIES INC.

By: *(Signed)* BETH SHAW

GMP SECURITIES L.P.

By: *(Signed)* ANDREW KIGUEL

RAYMOND JAMES LTD.

By: *(Signed)* J. GRAHAM FELL

CANACCORD
GENUITY CORP.

By: *(Signed)* RON
SEDRAN

DUNDEE SECURITIES
LTD.

By: *(Signed)* AARON
UNGER

HAYWOOD
SECURITIES INC.

By: *(Signed)* FRANK
STRONACH

INDUSTRIAL ALLIANCE
SECURITIES INC.

By: *(Signed)* RICHARD
LEGAULT

MACKIE RESEARCH
CAPITAL
CORPORATION

By: *(Signed)* DAVID
KEATING



BLUE RIBBON
I N C O M E F U N D



BLOOM

INVESTMENT COUNSEL, INC.

BROMPTON
FUNDS