

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

The securities have not been and will not be registered under the United States Securities Act of 1933, as amended, or any state securities laws. Accordingly, the securities offered hereby may not be offered or sold in the United States or to, or for the account or benefit of, a person in the United States or a U.S. person (as defined in Regulation S under the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws or unless an exemption from such registration is available. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States. See “Plan of Distribution”.

PROSPECTUS

Initial Public Offering

April 27, 2011



Maximum \$200,000,000
(20,000,000 Units)

Tech Leaders Income Fund (the “**Fund**”) is a closed-end investment fund established under the laws of the Province of Ontario. The Fund proposes to issue redeemable units of the Fund (“**Units**”) at a price of \$10.00 per Unit (the “**Offering**”).

The investment objectives of the Fund are to provide Unitholders with (i) monthly distributions, which will generally be based upon the actual and expected dividends to be received on the Portfolio Securities, actual and expected premiums to be received from the Fund writing covered call options on up to, but not more than, 25% of the equity securities of each Technology Company held in the Portfolio and the Fund’s estimated expenses, and (ii) the opportunity for capital appreciation through investment in a portfolio comprising equity securities of companies whose primary business is in the information technology sector (“**Technology Companies**”). The Fund will invest in an equally weighted portfolio (the “**Portfolio**”) comprised of the 15 highest ranked Technology Companies which have a market capitalization of at least U.S.\$15 billion at the time of their inclusion in the Portfolio and which are included in the S&P 500 Index and/or the S&P/TSX 60 Index (the “**Indices**”), based on a metric which gives equal weight to:

- (i) growth, as represented by a high Earnings per Share growth;
- (ii) value, as represented by a low Price-to-Earnings ratio; and
- (iii) quality, as represented by a high Return-on-Equity.

See “Investment Objectives”.

The initial Portfolio will include:

Apple Inc.	Research In Motion Limited	Intel Corporation
Google Inc.	International Business Machines Corporation	Microsoft Corporation
Dell Inc.	Hewlett-Packard Company	Cisco Systems Inc.
Oracle Corporation	Corning Inc.	eBay Inc.
Texas Instruments Inc.	Qualcomm Incorporated	MasterCard Inc.

Brompton Funds Management Limited will act as the manager of the Fund. The Manager is a member of the Brompton Group, a leading provider of structured investment products with assets under management of approximately \$2.0 billion as at December 31, 2010. See “Organization and Management Details of the Fund — Manager”.

Highstreet Asset Management Inc. has been retained as the Option Advisor to execute and maintain the option writing program of the Fund and as portfolio advisor to rebalance the Portfolio pursuant to the Option Advisor Agreement. The Option Advisor is an investment management firm with total assets under management of approximately \$6.4 billion as at December 31, 2010. See “Organization and Management Details of the Fund — Option Advisor”.

Price: \$10.00 per Unit

	Price to the Public ⁽¹⁾	Agents' Fee	Net Proceeds to the Fund ⁽²⁾
Per Unit	\$10.00	\$0.525	\$9.475
Minimum Total Offering ⁽³⁾⁽⁴⁾	\$35,000,000	\$1,837,500	\$33,162,500
Maximum Total Offering ⁽⁴⁾	\$200,000,000	\$10,500,000	\$189,500,000

Notes:

- (1) The terms of the Offering were established through negotiation between the Agents and the Manager on behalf of the Fund.
- (2) Before deducting the expenses of the Offering, estimated to be \$750,000 (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.
- (3) There will be no Closing unless a minimum of 3,500,000 Units are sold. If subscriptions for a minimum of 3,500,000 Units have not been received within 90 days after a final receipt for this prospectus is issued, the Offering may not continue and subscription proceeds will be returned to subscribers, without interest or deduction, unless an amendment to this prospectus is filed.
- (4) The Fund has granted to the Agents an Over-Allotment 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 at a price of \$10.00 per Unit 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 will be \$230,000,000, \$12,075,000 and \$217,925,000, respectively. This 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 regardless of whether the Agents' over-allocation position is filled through the exercise of the Over-Allotment Option or secondary market purchases. See "Plan of Distribution".

Units may be redeemed annually on the second last Business Day of November every year, commencing in November 2012, subject to the Manager's right to suspend redemptions in certain circumstances. Unitholders whose Units are redeemed on an Annual Redemption Date will receive a redemption price in an amount equal to 100% of the Net Asset Value per Unit on the Annual Redemption Date (less any costs and expenses associated with the redemption). Units may also be redeemed on a Monthly Redemption Date. See "Redemption of Units" and "Risk Factors".

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 Net Asset Value 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. There are certain risk factors associated with an investment in Units including that the Fund may not be able to meet its Investment Objectives. There is currently no market through which the Units may be sold and purchasers may not be able to resell securities purchased under this prospectus. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities, and the extent of issuer regulation. See "Risk Factors" for a discussion of certain factors that should be considered by prospective purchasers of Units. The TSX has conditionally approved the listing of the Units subject to the Fund fulfilling all of the requirements of the TSX on or before July 20, 2011.

RBC Dominion Securities Inc., CIBC World Markets Inc., TD Securities Inc., BMO Nesbitt Burns Inc., National Bank Financial Inc., Scotia Capital Inc., HSBC Securities (Canada) Inc., Mackie Research Capital Corporation, Raymond James Ltd., Canaccord Genuity Corp., Dundee Securities Ltd., Macquarie Private Wealth Inc., Wellington West Capital Markets Inc., Desjardins Securities Inc. and Manulife Securities Incorporated, as agents, (the "**Agents**") conditionally offer the Units for sale, on a best efforts basis, if, as and when issued by the Fund in accordance with the conditions contained in the Agency Agreement referred to under "Plan of Distribution" 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 Davies Ward Phillips & Vineberg LLP.

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. All prospective purchasers will be entitled to withdraw their purchase on or before midnight on the second Business Day after receipt or deemed receipt of the final prospectus and any amendment in accordance with applicable securities laws. See "Purchasers' Statutory Rights of Withdrawal and Rescission". Closing is expected to occur on or about May 20, 2011 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 prospectus has been issued. The Agents may over-allot or effect transactions as described under "Plan of Distribution". Registrations of interests in and transfers of Units will be made only through the book-based system administered by CDS. 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.

TABLE OF CONTENTS

GLOSSARY OF TERMS	2
PROSPECTUS SUMMARY	7
FORWARD LOOKING STATEMENTS	11
OVERVIEW OF THE LEGAL STRUCTURE OF THE FUND	12
INVESTMENT OBJECTIVES	12
INVESTMENT STRATEGY	12
OVERVIEW OF THE SECTOR THAT THE FUND INVESTS IN	16
INVESTMENT RESTRICTIONS.....	31
FEES AND EXPENSES	32
RISK FACTORS	33
DISTRIBUTION POLICY	37
PURCHASE OF UNITS	39
REDEMPTION OF UNITS.....	39
INCOME TAX CONSIDERATIONS.....	40
ORGANIZATION AND MANAGEMENT DETAILS OF THE FUND	43
CALCULATION OF NET ASSET VALUE	52
DESCRIPTION OF THE UNITS.....	54
UNITHOLDER MATTERS.....	55
TERMINATION OF THE FUND.....	56
USE OF PROCEEDS	57
PLAN OF DISTRIBUTION.....	57
INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS	58
PROXY VOTING DISCLOSURE FOR PORTFOLIO SECURITIES HELD	58
MATERIAL CONTRACTS.....	59
EXPERTS.....	59
PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION	59
AUDITOR'S CONSENT	F-1
INDEPENDENT AUDITOR'S REPORT	F-2
STATEMENT OF NET ASSETS	F-3
NOTES TO STATEMENT OF NET ASSETS	F-4
CERTIFICATE OF THE FUND, THE MANAGER AND THE PROMOTER	C-1
CERTIFICATE OF THE AGENTS	C-2

GLOSSARY OF TERMS

In this prospectus, the following terms have the meanings set forth below, unless otherwise indicated.

“Additional Distribution” means a distribution that, if necessary, will be made in each year to Unitholders of record on the last day of the Fund’s taxation year in order that the Fund will generally not be liable to pay income tax, as described under “Distributions”.

“Agency Agreement” means the agency agreement dated as of April 27, 2011, among the Fund, the Manager, the Option Advisor and the Agents.

“Agents” means, collectively, RBC Dominion Securities Inc., CIBC World Markets Inc., TD Securities Inc., BMO Nesbitt Burns Inc., National Bank Financial Inc., Scotia Capital Inc., HSBC Securities (Canada) Inc., Mackie Research Capital Corporation, Raymond James Ltd., Canaccord Genuity Corp., Dundee Securities Ltd., Macquarie Private Wealth Inc., Wellington West Capital Markets Inc., Desjardins Securities Inc. and Manulife Securities Incorporated.

“Annual Redemption Date” means the second last Business Day of November of each year commencing in 2012.

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

“Brompton Funds” means, collectively, the Manager and its parent company, Brompton Corp.

“Brompton Group” means the Brompton group of companies.

“Business Day” means any day except Saturday, Sunday, a statutory holiday in Toronto, Ontario or any other day on which the TSX is not open for trading.

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

“cash equivalents” means:

- (a) cash on deposit with the Custodian or a broker, or
- (b) an evidence of indebtedness that has a remaining term to maturity of 365 days or less and that is issued, or fully and unconditionally guaranteed as to principal and interest, by:
 - (i) any of the Federal or Provincial Governments of Canada; or
 - (ii) the Government of the United States; or
 - (iii) a Canadian financial institution;

provided that, in the case of (ii) or (iii), such evidence of indebtedness has a rating of at least R-1 (mid) by Dominion Bond Rating Service or the equivalent rating from another approved rating organization; or

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

“cash-to-asset ratio” means the ratio of total cash to total assets, calculated by dividing cash and cash equivalents by total assets, as reported by Bloomberg or by another widely available source.

“CDS” means CDS Clearing and Depository Services Inc. and includes any successor corporation or any other depository subsequently appointed by the Fund as the depository in respect of the Units.

“CDS Participant” means a broker, dealer, bank or other financial institution or other person for whom, from time to time, CDS effects book entries for securities issued by the Fund deposited with CDS.

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

“Closing Date” means the date of closing of the Offering, which is expected to be on or about May 20, 2011 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 prospectus is issued.

“Closing Market Price” in respect of a Unit on a Monthly Redemption Date means the closing price of the Unit on the TSX on such Monthly Redemption Date (or such other stock exchange on which such Unit is listed) or, if there was no trade on the relevant Monthly Redemption Date, the average of the last bid and the last ask prices of the Unit on the TSX on such Monthly Redemption Date (or such other stock exchange on which the Unit is listed).

“covered call option” means a call option entered into in circumstances where the seller of the call option owns the underlying security for the term of the option.

“CRA” means the Canada Revenue Agency.

“Custodian” means RBC Dexia Investor Services Trust, in its capacity as custodian under the Custodian Agreement.

“Custodian Agreement” means the custodian agreement to be entered into on or about to the Closing Date between the Fund and the Custodian, as it may be amended from time to time.

“debt-to-equity ratio” means the ratio of total debt to total equity, calculated by dividing the sum of the short-term and long-term borrowings by total shareholder’s equity, as reported by Bloomberg or by another widely available source.

“Declaration of Trust” means the amended and restated declaration of trust governing the Fund, as it may be amended or amended and restated from time to time.

“Distribution Date” means the date on which distributions are paid by the Fund.

“Earnings per Share” means the sum of the most recently reported four fiscal quarter earnings from continuing operations, divided by the average number of shares outstanding during the quarter, as reported by Bloomberg or by another widely available source.

“earnings per share growth” means the one-year growth rate in Earnings per Share, as reported by Bloomberg or by another widely available source.

“Extraordinary Resolution” means a resolution passed by the affirmative vote of at least two-thirds of the votes cast, either in person or by proxy, at a meeting of Unitholders called for the purpose of considering such resolution.

“Fund” means Tech Leaders Income Fund, a closed-end investment fund established under the laws of the Province of Ontario.

“Indices” means the S&P 500 Index and the S&P/TSX 60 Index.

“Information Technology” means, in relation to types of business activity:

- (a) the development of software in various fields such as the internet, applications, systems, database management and/or home entertainment;
- (b) the provision of information technology consulting and services, as well as data processing and outsourced services; and
- (c) the manufacturing and distribution of communications equipment, computers & peripherals, electronic equipment and related instruments, and semiconductors and semiconductor equipment.

“in-the-money” means, in relation to a call option, a call option with a strike price less than the current market price of the underlying security.

“Investment Objectives” means the investment objectives of the Fund as described under “Investment Objectives”.

“Investment Restrictions” means the investment restrictions of the Fund as described under “Investment Restrictions”.

“Investment Strategy” means the investment strategy of the Fund as described under “Investment Strategy”.

“**IRC**” means the independent review committee established by the Manager in accordance with NI 81-107.

“**Management Agreement**” means the management agreement dated as of April 27, 2011 between the Manager and the Fund, as it may be amended from time to time.

“**Management Fee**” means the management fee payable to the Manager by the Fund as more fully described under “Fees and Expenses — Management Fee”.

“**Manager**” means the manager of the Fund, namely Brompton Funds Management Limited, or, if applicable, its successor.

“**Market Price**” in respect of a Unit on a Monthly Redemption Date means the weighted average trading price on the TSX (or such other stock exchange on which such Unit is listed), for the 10 Business Days immediately preceding such Monthly Redemption Date.

“**Monthly Redemption Date**” means the second last Business Day of each month other than an Annual Redemption Date.

“**Net Asset Value**” means the net asset value of the Fund, as determined by subtracting the aggregate liabilities of the Fund from the Total Assets on the date on which the calculation is being made, as more fully described under “Calculation of Net Asset Value”.

“**Net Asset Value per Unit**” means the Net Asset Value divided by the total number of Units outstanding on the date on which the calculation is being made, as more fully described under “Calculation of Net Asset Value”.

“**NI 81-102**” means National Instrument 81-102 - *Mutual Funds* of the Canadian Securities Administrators, as amended from time to time.

“**NI 81-107**” means National Instrument 81-107 - *Independent Review Committee for Investment Funds* of the Canadian Securities Administrators, as amended from time to time.

“**Non-Resident Unitholder**” means a Unitholder who, for the purposes of the Tax Act, and at all relevant times, is not resident in Canada and is not deemed to be resident in Canada, does not use or hold, and is not deemed to use or hold Units in, or in the course of carrying on business in, Canada, and is not an insurer who carries on an insurance business in Canada and elsewhere.

“**Offering**” means the offering of Units at a price of \$10.00 per Unit pursuant to this prospectus.

“**Option Advisor**” means Highstreet Asset Management Inc. in its capacity as option advisor and portfolio advisor of the Fund or, if applicable, its successor.

“**Option Advisor Agreement**” means the option advisor agreement between the Manager, on behalf of the Fund, and the Option Advisor, dated as of the Closing Date.

“**option premium**” means the purchase price of an option.

“**out-of-the-money**” means, in relation to a call option, a call option with a strike price greater than the current market price of the underlying security.

“**Ordinary Resolution**” means a resolution passed by the affirmative vote of at least a majority of the votes cast, either in person or by proxy, at a meeting of Unitholders called for the purpose of considering such resolution.

“**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 offer additional Units at \$10.00 per Unit in an amount up to 15% of the Units sold on Closing, solely to cover over-allotments, if any.

“**Plan Agent**” means Equity Financial Trust Company, in its capacity as agent under the Reinvestment Plan.

“**Plan Participants**” means Unitholders who are participants in the Reinvestment Plan.

“**Portfolio**” means the portfolio, consisting primarily of equity securities of Technology Companies, call options and cash and cash equivalents, acquired and held by the Fund from time to time.

“Portfolio Securities” means the equity securities of Technology Companies held in the Portfolio from time to time.

“Price-to-Earnings ratio” means the ratio of a stock’s price to the company’s Earnings per Share, calculated by dividing the stock price, at the time of the calculation of the ratio, by the Earnings per Share, as reported by Bloomberg or by another widely available source.

“Record Date” means, unless the Manager determines otherwise, the last Business Day of each calendar month commencing with the last Business Day of the second month following the month in which the Closing Date occurs.

“Redemption Payment Date” means the tenth Business Day of the month immediately following an Annual Redemption Date or a Monthly Redemption Date, as applicable, or if such day is not a Business Day, the next Business Day.

“Registered Plan” means a registered retirement savings plan, a registered retirement income fund, a deferred profit sharing plan, a registered education savings plan, a registered disability savings plan and a tax-free savings account.

“Reinvestment Plan” means the Fund’s distribution reinvestment plan, as it may be amended from time to time.

“Reinvestment Plan Agency Agreement” means the reinvestment plan agency agreement to be entered into on or prior to the Closing Date among the Manager and the Plan Agent, establishing the Reinvestment Plan, as it may be amended from time to time.

“Return-on-Equity” means the simple annual return on common equity calculated by dividing the trailing net income (losses) minus the trailing cash preferred dividends (each amount calculated by adding the most recently reported four fiscal quarters) by the average total common equity (based on the most recently reported four fiscal quarters), as reported by Bloomberg or by another widely available source.

“Service Fee” means the service fee in respect of the Units payable to registered dealers, as more fully described under “Fees and Expenses — Service Fee”.

“SIFT partnership” means a specified investment flow-through partnership for purposes of the Tax Act;

“SIFT Rules” means the rules in the Tax Act which apply to “specified investment flow-through trusts”, “specified investment flow-through partnerships” and their unitholders.

“SIFT trust” means a specified investment flow-through trust for the purposes of the Tax Act.

“strike price” means, in relation to a call option, the price specified in the option that must be paid by the option holder to acquire the underlying security.

“S&P” means Standard & Poor’s Financial Services LLC, a subsidiary of The McGraw-Hill Companies, Inc.

“Tax Act” means the *Income Tax Act* (Canada), as now or hereafter amended, or successor statutes, and includes regulations promulgated thereunder.

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

“Technology Company” means a company whose primary business is in the Information Technology sector, and which has been classified as being involved in such a business sector by Standard & Poor’s under its Global Industry Classification Standard (“GICS”). The GICS Sector Code for the Information Technology sector is 45.

“Technology Index” means the S&P 500 Information Technology Index.

“Total Assets” means the aggregate value of the assets of the Fund.

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

“TSX” means the Toronto Stock Exchange.

“United States” or **“U.S.”** means the United States of America, its territories and possessions, any state thereof, and the District of Columbia.

“Unitholders” means the owners of the beneficial interest in the Units.

“Units” means the transferable, redeemable units of the Fund.

“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 amended.

“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 month and includes any other date on which the Manager elects, in its discretion, to calculate the Net Asset Value per Unit.

“\$” means Canadian dollars unless otherwise indicated.

PROSPECTUS SUMMARY

The following is a summary of the principal features of the Offering and should be read together with the more detailed information and financial data and statements contained elsewhere in this prospectus. Certain capitalized terms used, but not defined, in this summary are defined in the “Glossary of Terms”.

THE OFFERING

Issuer	Tech Leaders Income Fund is a closed-end investment fund established under the laws of the Province of Ontario and governed by the Declaration of Trust. Brompton Funds Management Limited is the manager of the Fund. Highstreet Asset Management Inc. acts as the option advisor to the Fund. See “Overview of the Legal Structure of the Fund”.
Offering	A minimum of 3,500,000 Units and a maximum of 20,000,000 Units. See “Plan of Distribution”.
Price	\$10.00 per Unit.
Investment Objectives	<p>The Fund’s investment objectives are to provide Unitholders with (i) monthly distributions, which will generally be based upon the actual and expected dividends to be received on the Portfolio Securities, actual and expected premiums to be received from the Fund writing covered call options on up to, but not more than, 25% of the equity securities of each Technology Company held in the Portfolio and the Fund’s estimated expenses, and (ii) the opportunity for capital appreciation, through investment in a portfolio comprising equity securities of Technology Companies. The Fund will invest in an equally weighted portfolio comprised of the 15 highest ranked Technology Companies which have a market capitalization of at least U.S.\$15 billion at the time of their inclusion in the Portfolio and which are included in at least one of the Indices, based on a metric which gives equal weight to:</p> <ul style="list-style-type: none">(i) growth, as represented by a high Earnings per Share growth;(ii) value, as represented by a low Price-to-Earnings ratio; and(iii) quality, as represented by a high Return-on-Equity. <p>See “Investment Objectives”.</p>
Investment Strategy	<p>In order to achieve the Investment Objectives, the Fund will invest in an equally weighted portfolio comprised of Technology Companies which are included in at least one of the Indices and which have a market capitalization of at least U.S.\$15 billion at the time of inclusion. Each such qualifying Technology Company will be ranked based on three metrics: (i) growth, as represented by a high three-year simple annual average Earnings per Share growth; (ii) value, as represented by a low Price-to-Earnings ratio; and (iii) quality, as represented by a high three-year simple annual average Return-on-Equity. The growth, value and quality rankings will be combined, giving equal weight to each, and the equity securities of the top 15 Technology Companies based on this combined ranking will be included in the Portfolio. Substantially all of the Portfolio will be hedged to Canadian dollars. The initial Portfolio, in ranked order as at March 15, 2011, will include: Dell Inc., Corning Inc., Intel Corporation, Research In Motion Limited, Texas Instruments Inc., Microsoft Corporation, Apple Inc., International Business Machines Corporation, Hewlett-Packard Company, Google Inc., MasterCard Inc., eBay Inc., Oracle Corporation, Cisco Systems Inc. and Qualcomm Incorporated.</p> <p>The Portfolio will be rebalanced and reconstituted at least annually in conjunction with the annual redemption, but may be rebalanced and reconstituted more frequently if a Technology Company included in the Portfolio is the subject of a merger or other fundamental corporate action. In the event of a merger or other fundamental corporate action involving a Technology Company held in the Portfolio, the Option Advisor may reinvest the proceeds thereof in the then current Portfolio constituents or may invest the proceeds in the next highest ranking Technology Company as determined at the time of the most recently completed rebalancing or a combination thereof.</p> <p>Each month, the Option Advisor will employ a covered call option writing program on up to, but</p>

not more than, 25% of the equity securities of each Technology Company held in the Portfolio, in order to seek to earn attractive tax effective income from call option premiums and lower the overall volatility of returns associated with owning a portfolio of equity securities of Technology Companies. The Option Advisor, in consultation with the Manager, may decide, in its discretion, not to sell call options in any month if it determines that conditions render it impracticable or unfavourable to do so. The Fund does not intend to borrow money or employ other forms of leverage.

See “Investment Strategy” and see “Risk Factors” for a discussion of risks relating to the Fund’s investment strategy.

Distribution Policy

The Fund will not have a fixed distribution, but intends to set periodic distribution targets based on, among other things, the actual and expected dividends to be received on the Portfolio Securities, actual and expected premiums to be received from call options and the Fund’s estimated expenses. Based on the Manager’s current estimates, the initial distribution target for the Fund is expected to be \$0.054 per Unit per month (\$0.65 per Unit per annum) representing a yield of 6.5% per annum based on the \$10.00 per Unit issue price. The amount of distributions may fluctuate from month to month and there can be no assurance that the Fund will make any distribution in any particular month.

The Portfolio would be required to generate a return of approximately 8.53% per annum through premiums from covered call options, dividends, capital appreciation or a combination of the foregoing in order for the Fund to maintain the original Net Asset Value per Unit (after accounting for the fees and expenses of the Offering) while making monthly cash distributions at the initial distribution target (assuming an offering size of \$100 million and fees and expenses are as disclosed herein). Assuming the current level of dividends, market volatility of the equity securities of the Technology Companies included in the initial Portfolio and certain of the factors set out under the heading “Income from Covered Call Option Writing”, it is estimated that options covering 21% of the Portfolio will have to be sold in order to meet the initial distribution target without relying on net realized capital gains from the sale of equity securities of Technology Companies. It is expected that distributions to Unitholders will primarily be characterized as capital gains dividends, but may also include ordinary dividends, foreign-source income and returns of capital. See “Distribution Policy” and “Risk Factors”.

Subject to obtaining any necessary regulatory approvals, the Fund will make available to Unitholders the opportunity to elect to reinvest distributions from the Fund in additional Units and to purchase additional Units for cash by participating in the Reinvestment Plan. See “Distribution Policy — Distribution Reinvestment Plan”.

Redemption

Units may be redeemed on the second last Business Day of November of every year commencing in 2012, subject to certain conditions. In order to effect such a redemption, the Units must be surrendered by the last Business Day in the month prior to the applicable Annual Redemption Date. Unitholders whose Units are redeemed will receive a redemption price in an amount equal to 100% of the Net Asset Value per Unit on the Annual Redemption Date (less any costs and expenses associated with the redemption). The Net Asset Value per Unit will vary depending on a number of factors. Units may also be redeemed on a Monthly Redemption Date. See “Calculation of Net Asset Value”, “Redemption of Units” and “Risk Factors”.

Termination of the Fund

The Fund does not have a fixed termination date. The Manager may, in its discretion, terminate the Fund without the approval of Unitholders if, in its opinion, it would be in the best interests of the Unitholders to terminate the Fund. Upon termination, the Fund will distribute to Unitholders their *pro rata* portions of the remaining assets of the Fund after all liabilities of the Fund have been satisfied or appropriately provided for. See “Termination of the Fund”.

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 \$750,000 (\$525,000 if the minimum number of Units is issued). The net proceeds of the Offering, including any net proceeds from the exercise of the Over-Allotment Option, will be used to invest in the Portfolio as soon as practicable following Closing in accordance with the Investment Objectives and Investment

Strategy and subject to the Investment Restrictions. See “Use of Proceeds”.

Repurchase of Units The Declaration of Trust provides that the Fund may, in its sole discretion, from time to time, purchase (in the open market or by invitation for tenders) Units for cancellation subject to applicable law and stock exchange requirements, based on the Manager’s assessment that such purchases are accretive to Unitholders. See “Description of the Units — Purchase for Cancellation”.

Risk Factors An investment in Units is subject to certain risk factors, including risks related to: (i) there being no assurance that the Fund will achieve its investment objectives or make distributions; (ii) the possible loss of investment; (iii) there being no guaranteed return on investment; (iv) investing in equity securities; (v) passive management; (vi) volatility of the Portfolio Securities; (vii) fluctuations in value of Technology Companies; (viii) sensitivity to interest rate fluctuations; (ix) risks associated with the use of options and other derivative instruments; (x) Portfolio concentration; (xi) reliance on the Option Advisor and the Manager; (xii) securities lending, in particular exposure to the risk of loss should the borrower default on its obligation to return the borrowed securities and the collateral may be insufficient to reconstitute the portfolio of loaned securities; (xiii) the possibility that the Units will trade at a discount to the Net Asset Value per Unit and risks relating to redemptions; (xiv) the fact that, unlike debt instruments, there is no principal amount owing to Unitholders, and the fact that Unitholders will not have the statutory rights normally associated with ownership of shares of a corporation; (xv) taxation of the Fund, including that the Fund would be adversely affected in the event it ceased to be a mutual fund trust for purposes of the Tax Act; (xvi) the fact that the Fund is not a mutual fund for securities law purposes and will not be subject to the Canadian policies and regulations that apply to open-end mutual funds; (xvii) the fact that the Manager and the Option Advisor, and their respective officers, directors, affiliates and associates may engage in the promotion, management or investment management of any other fund or trust with similar investment objectives and/or a similar investment strategy to the Fund; (xviii) global financial developments; (xiv) the Fund’s lack of operating history; (xv) the fact that the Fund is not a trust company; (xvi) changes in legislation; and (xvii) foreign currency exposure. See “Risk Factors”.

Eligibility For Investment Provided that (i) the Units are listed on a designated stock exchange for the purposes of the Tax Act (which includes the TSX) or (ii) the Fund qualifies as a mutual fund trust within the meaning of the Tax Act, the Units will be qualified investments under the Tax Act for trusts governed by Registered Plans. See “Income Tax Considerations”.

Income Tax Considerations The Fund intends to distribute the amount of its income for each taxation year so that it will generally not be liable for income tax under Part I of the Tax Act. 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 that is paid or payable to the Unitholder in the taxation year. Distributions by the Fund to a Unitholder in excess of the Unitholder’s share of the Fund’s net income will reduce the adjusted cost base of the Unitholder’s Units. Upon the disposition of Units held as capital property, Unitholders will realize capital gains or capital losses.

Prospective investors should consult their own tax advisors with respect to the income tax consequences of investing in Units based upon their own particular circumstances. See “Income Tax Considerations”.

Organization and Management of the Fund *The Manager and Promoter:* Brompton Funds Management Limited is the manager of the Fund. The Manager is a member of the Brompton Group, a leading provider of structured investment products with assets under management of approximately \$2.0 billion as at December 31, 2010. The Manager’s head office is located at Bay Wellington Tower, Brookfield Place, 181 Bay Street, Suite 2930, P.O. Box 793, Toronto, Ontario M5J 2T3. See “Organization and Management Details of the Fund — Manager”.

Option Advisor: Highstreet Asset Management Inc. has been retained as the Option Advisor to execute and maintain the option writing program of the Fund, and as portfolio advisor to rebalance the Portfolio and hedge the Portfolio to Canadian dollars pursuant to the Option Advisor Agreement. The Option Advisor is an investment management firm with total assets under management of approximately \$6.4 billion as at December 31, 2010. The Option Advisor’s office is

located in London, Ontario. The Option Advisor is unrelated to the Manager. See “Organization and Management Details of the Fund — Option Advisor”.

Trustee: Equity Financial Trust Company will act as trustee of the Fund in accordance with the Declaration of Trust, and shall perform the duties and services and exercise the rights accorded to it therein. The Trustee has delegated to the Manager the exclusive authority to manage the business and affairs of the Fund, and to make all decisions regarding the business of the Fund. The Trustee’s office is located in Toronto, Ontario. The Trustee is unrelated to the Manager.

Auditor: PricewaterhouseCoopers LLP, at its offices in Toronto, Ontario, is the auditor of the Fund. The auditor is unrelated to the Manager.

Custodian: RBC Dexia Investor Services Trust will act as custodian of the assets of the Fund, in accordance with the Custodian Agreement. The Custodian will be responsible for safekeeping of all the investments and other assets of the Fund delivered to it (but not those assets of the Fund not directly controlled or held by the Custodian, as the case may be). The Custodian is located in Toronto, Ontario. The Custodian is unrelated to the Manager.

Registrar and Transfer Agent: Equity Financial Trust Company, at its office in Toronto, Ontario, will maintain the securities registers of the Units and register transfers of Units. Equity Financial Trust Company is unrelated to the Manager.

Agents

RBC Dominion Securities Inc., CIBC World Markets Inc., TD Securities Inc., BMO Nesbitt Burns Inc., National Bank Financial Inc., Scotia Capital Inc., HSBC Securities (Canada) Inc., Mackie Research Capital Corporation, Raymond James Ltd., Canaccord Genuity Corp., Dundee Securities Ltd., Macquarie Private Wealth Inc., Wellington West Capital Markets Inc., Desjardins Securities Inc. and Manulife Securities Incorporated, as agents, conditionally offer the Units for 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 Fund has granted to the Agents an Over-Allotment Option, exercisable for a period of 30 days from the Closing Date, to purchase an aggregate of up to 15% of the aggregate number of Units issued on the Closing Date at a price of \$10.00 per Unit 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 will be \$230,000,000, \$12,075,000 and \$217,925,000, respectively. A purchaser who acquires Units forming part of the Agents’ over-allocation position acquires such Units under this prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. See “Plan of Distribution”.

Agents’ Position	Maximum Size	Exercise Period	Exercise Price
Over-Allotment Option	3,000,000 Units	Within 30 days following the Closing Date	\$10.00 per Unit

SUMMARY OF FEES AND EXPENSES

The following table contains a summary of the fees and expenses payable by the Fund, which will therefore reduce the value of a Unitholder's investment in the Fund. For further particulars, see "Fees and Expenses".

<u>Type of Fee</u>	<u>Amount and Description</u>
Agents' Fee	\$0.525 per Unit (5.25%).
Expenses of the Offering	The expenses of the Offering are estimated to be \$750,000 (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.
Management Fee	The Management Fee payable to the Manager by the Fund will be equal to 0.75% per annum of the Net Asset Value of the Fund calculated and payable monthly in arrears, plus an amount equal to the Service Fee, plus applicable taxes. The Management Fee payable to the Manager in respect of the month in which Closing occurs will be pro rated based on the fraction that the number of days from and including the Closing Date to and including the last day of the month is of the number of days in such month. The Manager is responsible for paying the fees payable to the Option Advisor out of the Management Fee. See "Fees and Expenses — Management Fee".
Service Fee	The Manager will pay to the registered dealers a Service Fee (calculated quarterly and paid as soon as practicable after the end of each quarter) with respect to the Units equal to 0.50% per annum of the Net Asset Value, plus applicable taxes. The Manager will pay the Service Fee to such registered dealers based on the number of Units held by clients of such registered dealers at the end of the relevant quarter. The Service Fee payable in respect of the quarter in which Closing occurs will be pro rated based on the fraction that the number of days from and including the Closing Date to and including the last day of the quarter is of the number of days in such quarter. See "Fees and Expenses — Service Fee".
Ongoing Expenses	The Fund will pay for all of the expenses incurred in connection with its operation and administration, estimated to be \$250,000 per annum (assuming an aggregate size of the Offering of approximately \$100 million). Such expenses shall include, without limitation, fees payable to the Trustee, custodial fees, legal, audit and valuation fees and expenses, any additional fees payable to third party service providers, expenses of the directors of the Manager, fees and expenses of the members of the IRC appointed under NI 81-107 and expenses related to compliance with NI 81-107, premiums for directors' and officers' insurance coverage for the directors and officers of the Manager and members of the IRC, costs of reporting to Unitholders, registrar, transfer and distribution agency costs, printing and mailing costs, listing fees and expenses and other administrative expenses and costs incurred in connection with the continuous public filing requirements of the Fund and investor relations, taxes, costs and expenses relating to the issue of Units, costs and expenses of preparing financial and other reports, and costs and expenses arising as a result of complying with all applicable laws, regulations and policies. The Fund will also be responsible for its costs of Portfolio transactions and any extraordinary expenses which may be incurred from time to time. See "Fees and Expenses — Ongoing Expenses".

FORWARD LOOKING STATEMENTS

Certain statements included in this prospectus constitute forward looking statements, including those identified by the expressions "anticipate", "believe", "plan", "estimate", "expect", "intend" and similar expressions to the extent they relate to the Fund, the Option Advisor, or the Manager. The forward looking statements are not historical facts but reflect the current expectations of the Fund, the Option Advisor, or the Manager regarding future results or events. These forward looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations including the matters discussed under "Risk Factors" and in other sections of this prospectus.

OVERVIEW OF THE LEGAL STRUCTURE OF THE FUND

Tech Leaders Income Fund is a closed-end investment fund established under the laws of the Province of Ontario and governed by the Declaration of Trust. Brompton Funds Management Limited is the manager of the Fund. The Fund is authorized to issue an unlimited number of Units, each of which represents an equal undivided interest in the net assets of the Fund. The Fund's principal office is Bay Wellington Tower, Brookfield Place, 181 Bay Street, Suite 2930, P.O. Box 793, Toronto, Ontario M5J 2T3. The fiscal year-end of the Fund is December 31. Highstreet Asset Management Inc. acts as the option advisor to the Fund.

The Fund is not considered to be a mutual fund under the securities legislation of the provinces and territories of Canada. Consequently, the Fund is not subject to the various policies and regulations that apply to mutual funds under such legislation, including NI 81-102. The Units are not "deposits" within the meaning of the *Canada Deposit Insurance Corporation Act* and are not insured under the provisions of that Act or any other legislation.

INVESTMENT OBJECTIVES

The Fund's investment objectives are to provide Unitholders with (i) monthly distributions, which will generally be based upon the actual and expected dividends to be received on the Portfolio Securities, actual and expected premiums to be received from the Fund writing covered call options on up to, but not more than, 25% of the equity securities of each Technology Company held in the Portfolio and the Fund's estimated expenses, and (ii) the opportunity for capital appreciation, through investment in a portfolio comprising equity securities of Technology Companies. The Fund will invest in an equally weighted portfolio comprised of the 15 highest ranked Technology Companies which have a market capitalization of at least U.S.\$15 billion at the time of their inclusion in the Portfolio and which are included in at least one of the Indices, based on a metric which gives equal weight to:

- (i) growth, as represented by a high Earnings per Share growth;
- (ii) value, as represented by a low Price-to-Earnings ratio; and
- (iii) quality, as represented by a high Return-on-Equity.

INVESTMENT STRATEGY

In order to achieve the Investment Objectives, the Fund will invest in an equally weighted portfolio comprised of Technology Companies which are included in at least one of the Indices and which have a market capitalization of at least U.S.\$15 billion at the time of inclusion. Each such qualifying Technology Company will be ranked based on three metrics: (i) growth, as represented by a high three-year simple annual average Earnings per Share growth; (ii) value, as represented by a low Price-to-Earnings ratio; and (iii) quality, as represented by a high three-year simple annual average Return-on-Equity. The growth, value and quality rankings will be combined, giving equal weight to each, and the equity securities of the top 15 Technology Companies based on this combined ranking will be included in the Portfolio. Substantially all of the Portfolio will be hedged to Canadian dollars.

The Portfolio will be rebalanced and reconstituted at least annually in conjunction with the annual redemption, but may be rebalanced and reconstituted more frequently if a Technology Company included in the Portfolio is the subject of a merger or other fundamental corporate action. In the event of a merger or other fundamental corporate action involving a Technology Company held in the Portfolio, the Option Advisor may reinvest the proceeds thereof in the then current Portfolio constituents or may invest the proceeds in the next highest ranking Technology Company as determined at the time of the most recently completed rebalancing or a combination thereof. For these purposes, non-cash consideration will be treated in the same manner as cash consideration. If more than one Technology Company shares the same ranking, the number of Technology Companies included in the Portfolio may be greater than 15.

In order to facilitate distributions and/or pay expenses of the Fund, the Fund may sell Portfolio Securities at its discretion in which case the weighting of the Portfolio will be affected. To the extent that the Fund has excess cash at any time, at the Option Advisor's discretion, in consultation with the Manager, such excess cash may be invested by the Fund in equity securities of Technology Companies, generally targeting investment in equity securities of Technology Companies which are less than average weight in the Portfolio at the time. The Fund does not intend to borrow money or employ other forms of leverage.

Each month, the Option Advisor will employ a covered call option writing program on up to, but not more than, 25% of the equity securities of each Technology Company held in the Portfolio, in order to seek to earn attractive tax effective income from call option premiums and lower the overall volatility of returns associated with owning a portfolio of equity securities of Technology Companies. The Option Advisor will determine from time to time the terms of such call options including the extent

to which such options are written out-of-the-money. Call options sold by the Fund may be either options traded on a North American option exchange or “over-the-counter” options sold pursuant to an agreement with a chartered bank or an affiliate thereof or a large global financial institution. The Option Advisor intends to close out any outstanding options that are in-the-money prior to their expiry date to avoid having Portfolio Securities called away pursuant to the terms of the option, but may allow Portfolio Securities to be called, at its discretion. The Option Advisor, in consultation with the Manager, may decide, in its discretion, not to sell call options in any month if it determines that conditions render it impracticable or unfavourable to do so.

The Fund may close out options in advance of year-end to reduce the likelihood that gains distributed by way of an Additional Distribution in any year are reversed in a subsequent year. The Fund may also sell Portfolio Securities that are in a loss position to reduce the capital gain that would otherwise be payable by the Fund by way of an Additional Distribution in a particular year where the Option Advisor, in consultation with the Manager, determines that it is in the best interests of the Fund to do so.

Covered Option Writing

A call option is a right, but not an obligation, of the holder of the call option to purchase a security from the seller of the call option at a specified purchase or “strike” price at any time during a specified time period. The writing of call options by the Fund will involve the selling of call options in respect of up to, but not more than, 25% of the equity securities of each Technology Company held in the Portfolio. Such call options may be either exchange-traded options or over-the-counter options. Because call options will be written only in respect of securities that are in the Portfolio and because the investment criteria of the Fund prohibit the sale of securities subject to an outstanding option, the call options will be covered at all times.

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

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

When a call option is written on a security in the Portfolio, the amounts that the Fund will be able to realize on the security if it is called on termination of the call option will be limited to the dividends received prior to the exercise of the call option during such period plus an amount equal to the sum of the strike price and the premium received from writing the option. In essence, the Fund will forego potential returns resulting from any price appreciation of the security underlying the option above the strike price in favour of the certainty of receiving the option premium. See “Risk Factors — Use of Options and Other Derivative Instruments”.

Income from Covered Call Option Writing

The following two tables set forth income, expressed as a percentage of the Net Asset Value, both gross of and net of Fund expenses (excluding any gains or losses on portfolio investments, distribution increases or decreases and any amounts paid to close out in-the-money options), generated by writing at-the-money covered call options on the indicated proportions of the equity securities of each Technology Company held in the Portfolio at various volatility levels.

Cash Flow from Option Premiums

Percentage of Portfolio	Volatility										
	<u>10%</u>	<u>20%</u>	<u>28.1%</u> ⁽¹⁾	<u>30%</u>	<u>40%</u>	<u>50%</u>	<u>60%</u>	<u>70%</u>	<u>80%</u>	<u>90%</u>	<u>100%</u>
	Annualized Yield										
5%	0.7%	1.4%	1.9%	2.0%	2.7%	3.4%	4.1%	4.8%	5.5%	6.1%	6.8%
10%	1.3%	2.7%	3.8%	4.1%	5.5%	6.8%	8.2%	9.6%	10.9%	12.3%	13.6%
15%	2.0%	4.1%	5.7%	6.1%	8.2%	10.2%	12.3%	14.3%	16.4%	18.4%	20.5%
20%	2.7%	5.4%	7.6%	8.2%	10.9%	13.6%	16.4%	19.1%	21.8%	24.6%	27.3%
21%	2.8%	5.7%	8.0%(2)	8.6%	11.5%	14.3%	17.2%	20.1%	22.9%	25.8%	28.6%
25%	3.4%	6.8%	9.6%	10.2%	13.6%	17.1%	20.5%	23.9%	27.3%	30.7%	34.1%

(1) Average implied volatility of the Portfolio as at February 28, 2011.

(2) Cash flow required to fund initial distribution and estimated expenses of the Fund.

Cash Flow Available for Distribution from Option Premiums and Dividends (net of Withholding Tax and Fund Expenses⁽³⁾)

Percentage of Portfolio	Volatility										
	<u>10%</u>	<u>20%</u>	<u>28.1%</u> ⁽¹⁾	<u>30%</u>	<u>40%</u>	<u>50%</u>	<u>60%</u>	<u>70%</u>	<u>80%</u>	<u>90%</u>	<u>100%</u>
	Annualized Yield										
5%	-0.2%	0.5%	1.0%	1.1%	1.8%	2.5%	3.2%	3.9%	4.6%	5.2%	5.9%
10%	0.4%	1.8%	2.9%	3.2%	4.6%	5.9%	7.3%	8.7%	10.0%	11.4%	12.7%
15%	1.1%	3.2%	4.8%	5.2%	7.3%	9.3%	11.4%	13.4%	15.5%	17.5%	19.6%
20%	1.8%	4.5%	6.8%	7.3%	10.0%	12.8%	15.5%	18.2%	20.9%	23.7%	26.4%
21%	1.9%	4.8%	7.1%(2)	7.7%	10.6%	13.4%	16.3%	19.2%	22.0%	24.9%	27.8%
25%	2.5%	5.9%	8.7%	9.3%	12.7%	16.2%	19.6%	23.0%	26.4%	29.8%	33.2%

(1) Average implied volatility of the Portfolio as at February 28, 2011.

(2) Cash flow required to fund initial distribution and estimated expenses of the Fund.

(3) Includes Management Fee, Service Fee and general and administrative expenses.

The information above is provided for illustrative purposes only and should not be construed as a forecast or projection. No assurance can be given that the returns from call option writing upon which the estimated gross income of the Fund has been based will be realized.

The above tables were generated using a modified Black-Scholes Model and are based on the following assumptions:

- (a) the gross proceeds of the Offering are \$100 million and the net proceeds are fully invested in equity securities of the Technology Companies comprising the initial Portfolio on an equally weighted basis;
- (b) all call options are exercisable only at maturity and are written at-the-money;
- (c) all call options are written for a term of 30 days;

- (d) the U.S. risk-free or benchmark interest rate equals 0.25% per annum;
- (e) the average net return from dividends paid on the Portfolio Securities is 0.84% per annum, assuming an equal weighting among the Technology Companies included in the Portfolio;
- (f) there are no realized capital gains or losses on the Portfolio Securities for the period during which the call options are outstanding; and
- (g) annual expenses of the Fund are \$250,000 and fees payable to the Manager are 0.75% per annum of the Net Asset Value, plus an amount equal to the annual service fee of 0.50% of the value of the Units payable to registered dealers whose clients hold Units.

The figures shown above do not take into account the potential price impact on portfolio value resulting from writing covered call options. Securities on which the Fund has written covered call options have the full downside risk associated with a regular security holding but are limited in upside return to the amount out-of-the-money at which the call is written. In the case of covered call options written at-the-money, the investor forgoes any upside return but the investor receives the premium payment. In an upward trending market, a portfolio that is subject to covered call option writing will generally provide lower total returns and a commensurately lower volatility. In a flat or downward trending market, such a portfolio will generally provide higher relative returns as well as lower volatility.

Volatility History

The historical average, low, high and current values of the trailing 30-day volatility (expressed in percentages on an annualized basis) for the securities of each of the Technology Companies to be included in the Portfolio for the 10 year period ending February 28, 2011 is set out below.

Volatilities – 10 years to February 28, 2011

	Average (%)	Low (%)	High (%)	Current Implied 30 Day (%)
Dell Inc.	35.4	12.4	91.0	41.3
Corning Inc.	51.7	21.1	178.1	36.4
Intel Corporation	36.3	13.0	110.4	19.3
Research In Motion Limited	58.4	26.2	177.5	34.7
Texas Instruments Inc.	39.5	16.4	107.9	19.6
Microsoft Corporation	28.7	7.1	90.2	18.2
Apple Inc.	40.5	13.8	107.4	24.4
International Business Machines Corporation	23.4	9.5	69.8	16.8
Hewlett-Packard Company	33.8	10.4	90.4	36.9
Google Inc.⁽¹⁾	33.4	11.8	84.7	19.3
MasterCard Inc.⁽²⁾	42.7	17.8	95.3	18.4
eBay Inc.	40.6	20.7	113.0	37.2
Oracle Corporation	36.9	10.6	125.0	23.5
Cisco Systems Inc.	37.5	12.7	104.7	49.1
Qualcomm Incorporated	39.9	13.7	114.8	26.4
Portfolio	38.9	19.9	98.6	28.1

(1) For the period from September 30, 2004 to February 28, 2011

(2) For the period from July 31, 2006 to February 28, 2011

Source: Bloomberg

The information set forth above is historical and is not intended to be, nor should it be construed as, an indication as to future volatility levels of the Portfolio Securities.

Call Option Pricing

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

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

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

Securities Lending

In order to generate additional returns, the Fund may lend securities included in the Portfolio to securities borrowers acceptable to the Fund pursuant to the terms of a securities lending agreement between the Fund and such borrower. Under a securities lending agreement: (i) the borrower will pay to the Fund a negotiated securities lending fee and will make compensatory payments to the Fund equal to any dividends received by the borrower on the securities borrowed; (ii) the securities loans must qualify as “securities lending arrangements” for the purposes of the Tax Act; and (iii) the Fund will receive collateral security. Except as set out in any securities lending agreements and as described herein, there are no limits on the Fund’s ability to engage in securities lending.

OVERVIEW OF THE SECTOR THAT THE FUND INVESTS IN

The Technology Sector

The Information Technology sector, as classified by the Global Industry Classification Standard (GICS) is comprised of companies engaged in the following industry groups: Software and Services, Technology Hardware and Equipment, and Semiconductors and Semiconductor Equipment.

- The Software & Services Industry Group is composed of companies engaged in developing and marketing internet software and/or providing internet services, providers of information technology consulting, information management services, data processing and outsourced services. The group also includes companies engaged in developing and producing application software, systems software and home entertainment software.
- The Technology Hardware & Equipment Group includes manufacturers of communication, networking, and telecommunication equipment in addition to manufacturers of computer hardware and electronic computer components and peripherals. Also included in the group are manufacturers of electronic components, electronic equipment and instruments, as well as distributors of technology hardware and equipment.

- The Semiconductors and Semiconductor Equipment Group includes manufacturers of semiconductor equipment, including manufacturers of the raw material and equipment used in the solar power industry, as well as manufacturers of semiconductors and related products, including manufacturers of solar modules and cells.

The proxy for the North American Information Technology sector is the Technology Index. The Technology Index is a sub-index of the S&P 500 Index. As at March 15, 2011, the Technology Index was composed of 75 companies with a combined market capitalization of U.S.\$2.2 trillion, representing 18.6% of the market capitalization of the broader S&P 500 Index. The Manager believes that the S&P 500 Index is the appropriate index to compare to the Technology Index as 14 of the 15 Technology Companies to be included in the initial Portfolio are included in the S&P 500 Index. The following provides a breakdown of the Technology Index by industry group:

Technology Index Industry Group	Market Capitalization (U.S.\$ billions)	% of Index
Software & Services	1,115.8	50.0%
Technology Hardware & Equipment	817.3	36.7%
Semiconductors & Semiconductor Equipment	295.8	13.3%
Total	2,228.9	100.0%

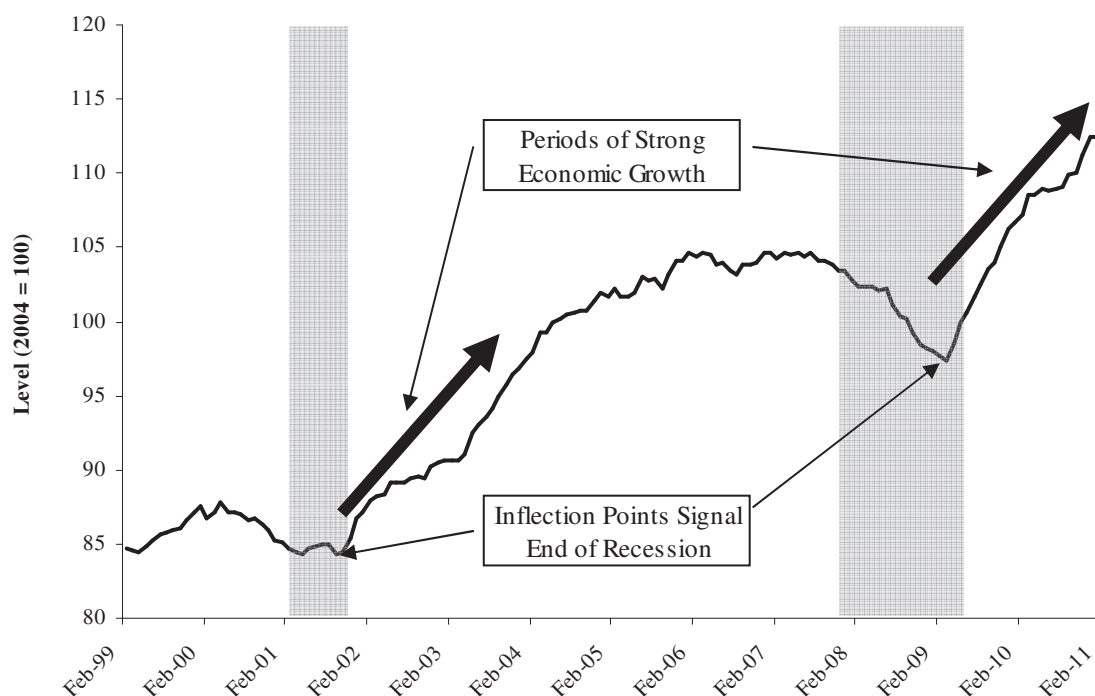
Source: Bloomberg, Thomson

Investment Case for Technology Companies

Technology Companies - Leveraged to a Recovering Economy

The Manager believes that the global economic recovery is continuing and strengthening, including economic recovery in the U.S. According to the National Bureau of Economic Research, the latest economic recession in the U.S. ended in June 2009, and the U.S. economy has been in expansion since that time. Most recently, a widely-followed composite measure of U.S. economic data, The Conference Board Inc.'s Leading Economic Indicator ("LEI") continues to post strong upwardly-trending results, which according to economists at The Conference Board points to continuing strengthening in the U.S. economy in coming months. The LEI is a composite index of ten economic data points that have historically given advance indication of whether the U.S. economy is strengthening or weakening. The 10 data points that the LEI encompasses are average manufacturing hours, weekly initial unemployment claims, manufacturer's new orders for consumer goods, manufacturer's new orders for capital goods, supplier deliveries/vendor performance, new building permits, stock prices, money supply, interest rate spreads, and consumer expectations. The following graph shows the history of the LEI level from 1999 through February, 2011.

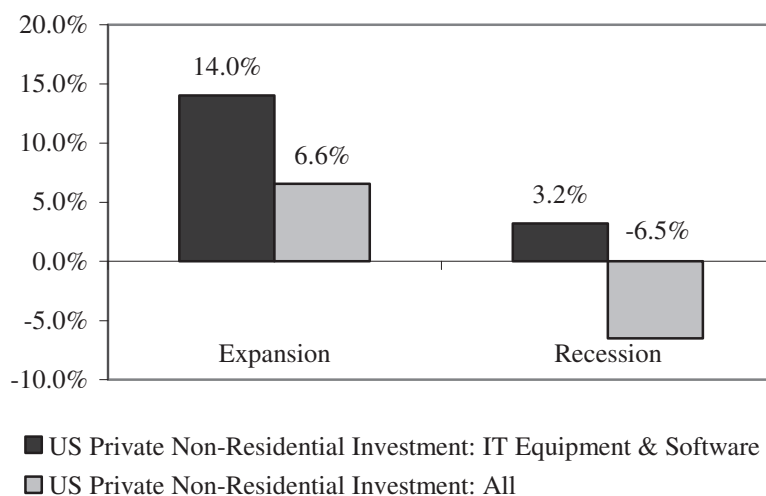
Leading Economic Indicator for the U.S. – February 1999 – February 2011



Shaded areas represent recessions as determined by the National Bureau of Economic Research.
Source: The Conference Board

U.S. corporate investment in Information Technology tends to be more resilient than overall fixed investment throughout economic cycles. In times of economic recession, growth in investment in Information Technology equipment and software slows less than overall fixed investment. In times of economic expansion, growth in investment in Information Technology equipment and software has been stronger than the overall average growth in corporate fixed investment. The Manager believes that the U.S. economy, along with the global economy, will continue to recover and expand for the foreseeable future, and that Technology Companies should lead other sectors in sales and earnings during periods of economic expansion, due to anticipated high demand for Information Technology products. The following shows the average quarterly growth (annualized) in U.S. non-residential (i.e. corporate) investment in Information Technology equipment and software, compared to overall non-residential fixed investment, during periods of economic recession and expansion from the beginning of 1980 through to the end of 2010.

Average Quarterly Growth in U.S. Non-Residential Investment (Annualized) in Periods of Recession and Expansion, 1980-2010

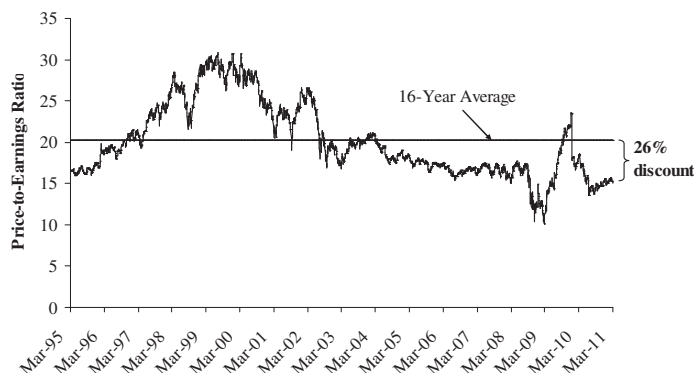


Recessionary periods include Q1-Q3 1980; Q3 1981 - Q4 1982; Q3 1990 - Q1 1991; Q1 2001 - Q4 2001; and Q4 2007 - Q2 2009.
Sources: National Bureau of Economic Research; U.S. Department of Congress Bureau of Economic Analysis

U.S. Equity Opportunity

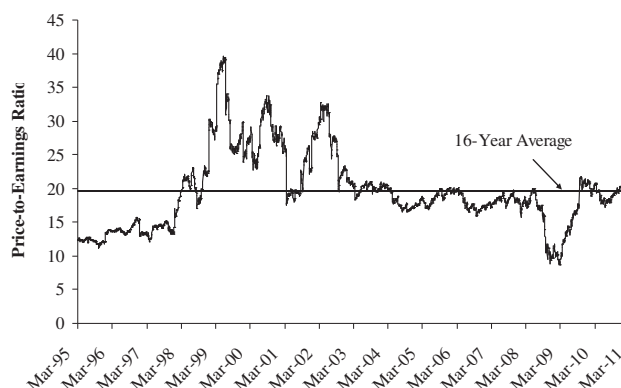
The Manager believes that the U.S. equity market presents an attractively valued investment opportunity for Canadians. As at March 15, 2011, the U.S. equity market, as represented by the S&P 500 Index, is trading at a Price-to-Earnings ratio of 15.0 times, a 26% discount to its 16-year average Price-to-Earnings ratio of 20.2 times. In comparison, the Canadian equity market, as represented by the S&P/TSX Composite Index, is trading at a Price-to-Earnings ratio of 19.9 times as at March 15, 2011, a 2% premium to its 16-year average Price-to-Earnings ratio of 19.6 times as at March 15, 2011. The following two tables present the historical trailing Price-to-Earnings ratios for the S&P 500 Index and the S&P/TSX Composite Index for the 16 years ended March 15, 2011.

S&P 500 Index
Historical Price-to-Earnings Ratio



Source: Bloomberg

S&P/TSX Composite Index
Historical Price-to-Earnings Ratio



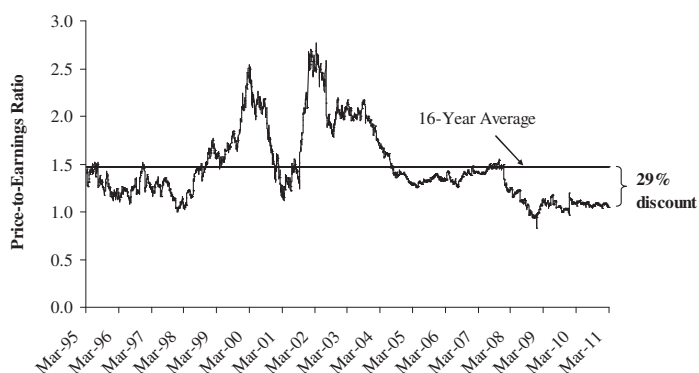
Source: Bloomberg

Note: Full year Price-to-Earnings ratio data for the S&P/TSX Composite Index is only available from 1995.

Technology Sector Opportunity

The Manager also believes that the Information Technology sector is attractively valued relative to the broader U.S. equity market. The Information Technology sector is trading well below its historical average premium to the S&P 500 Index on a Price-to-Earnings ratio basis. The Price-to-Earnings ratio of the Technology Index is currently the same as the Price-to-Earnings ratio of the S&P 500 Index, which is near a 16-year low, 29% below the average for the period. In addition, the Technology Index is trading at a Price-to-Earnings ratio of 15.7 times; whereas the average Price-to-Earnings ratio over the 16-year period ended March 15, 2011 is 30.6 times. Therefore, it currently trades at a Price-to-Earnings ratio which represents a 49% discount to the historical average. The average Price-to-Earnings ratio of the Portfolio is 15.0 times, as at March 15, 2011, and consequently the Manager believes that the Information Technology sector is attractively valued. The following two charts present the historical Price-to-Earnings ratios of the Technology Index relative to the S&P 500 Index and the historical Price-to-Earnings ratios of the Technology Index.

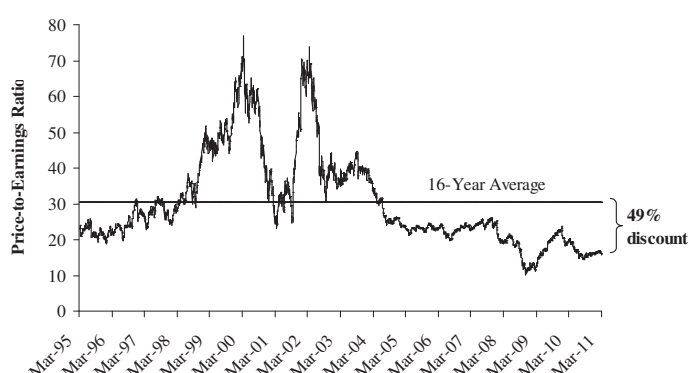
Technology Index Price-to-Earnings Ratio
relative to the S&P 500 Index Price-to-Earnings Ratio



Source: Bloomberg

Note: Full year Price-to-Earnings ratio data for the index available from 1995.

Technology Index
Historical Price-to-Earnings Ratio



Source: Bloomberg

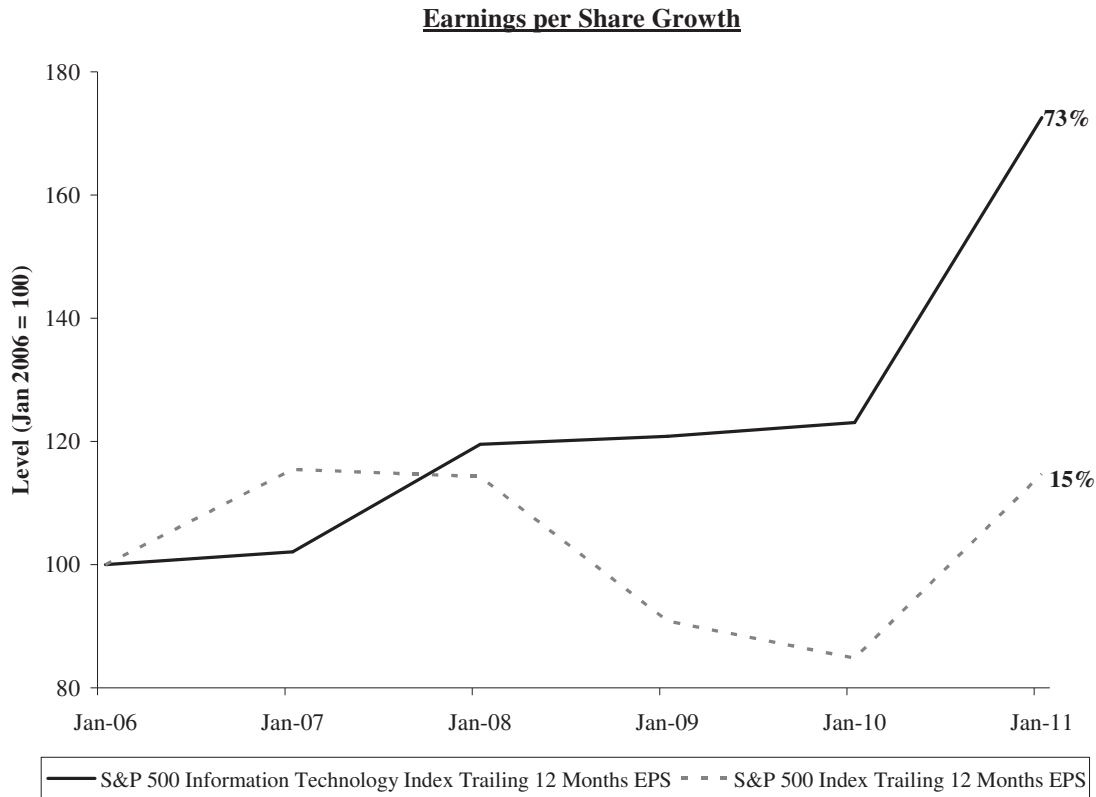
Note: Full year Price-to-Earnings ratio data for the index available from 1995.

Technology Sector Fundamentals

Relative to the companies that comprise the balance of the S&P 500 Index, Technology Companies on average have growing earnings, strong balance sheets, and are actively returning cash to shareholders. Technology Companies in aggregate are inexpensive, relative to their long-term average Price-to-Earnings ratio, and the Manager believes are well-positioned to benefit from economic recovery, not just in North America but also in potentially higher-growth emerging economies, due to their high degree of global revenue diversification.

Strong Earnings Growth

Technology Companies, on average, have shown strong growth in earnings over the past five years. The following chart presents the Earnings per Share growth of the Technology Index and the S&P 500 Index for the five-year period ending January 31, 2011. Over the period, Earnings per Share of the Information Technology sector have grown 73%, far outpacing the 15% growth in Earnings per Share for the S&P 500 Index.

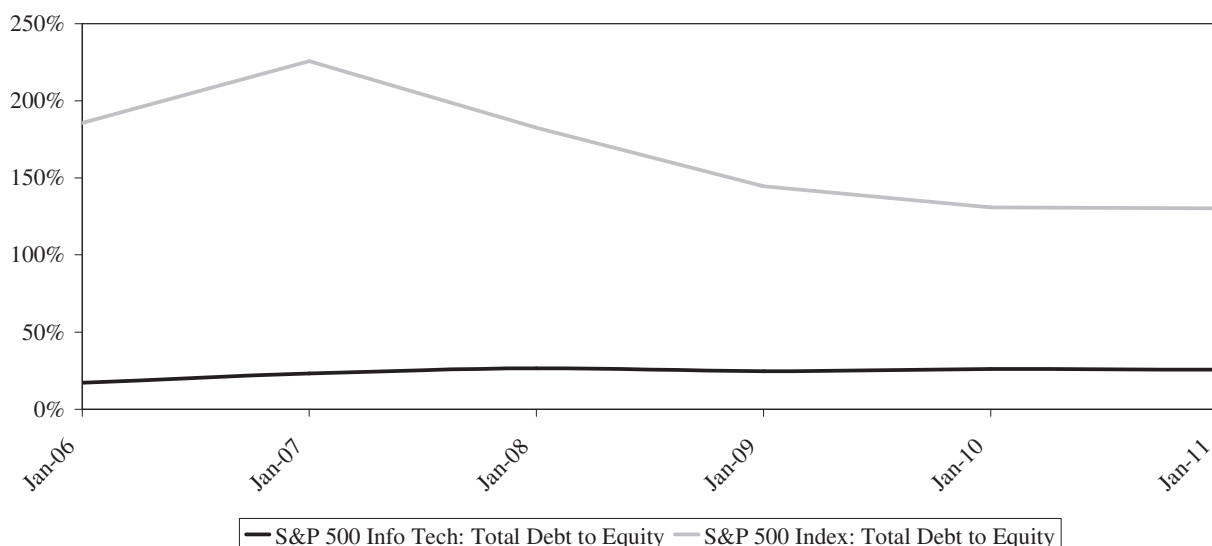


Source: Bloomberg

Strong Balance Sheets and Cash Positions

The Information Technology sector benefits from a strong balance sheet position, with debt-to-equity ratios historically being well below average for the S&P 500 Index. The Manager believes this demonstrates the relative financial stability of Information Technology companies. The following chart presents the debt-to-equity ratio of the Technology Index and the S&P 500 Index for the five years ended January 1, 2011.

Total Debt-to-Equity: Technology Index vs. S&P 500 Index



Source: RBC Capital Markets

In addition, the high levels of cash held by Technology Companies, on average, further enhances their balance sheet strength and flexibility. As at January 31, 2011, the Information Technology sector had a cash-to-asset ratio of approximately 14%, which is the highest ratio among the S&P 500 Index sectors. The following table sets forth the aggregate cash and total assets by sector of the S&P 500 Index as at January 31, 2011.

S&P 500 Aggregate Cash and Total Assets by Sector as at January 31, 2011

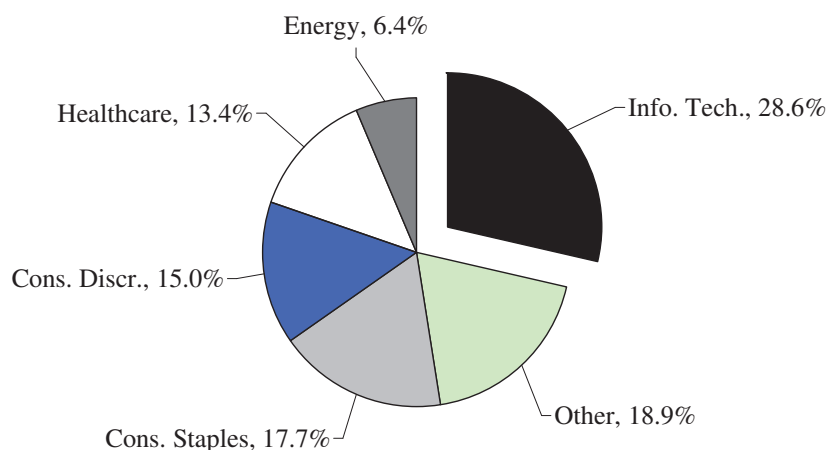
	<u>Aggregate Cash</u> <u>(U.S.\$ millions)</u>	<u>Aggregate Assets</u> <u>(U.S.\$ millions)</u>	<u>Cash as</u> <u>% of Assets</u>
Information Technology	170,175	1,224,902	13.9%
Other Sectors			
Industrials	195,046	1,714,168	11.4%
Health Care	117,367	1,165,654	10.1%
Consumer Discretionary	111,519	1,306,976	8.5%
Materials	30,095	399,020	7.5%
Consumer Staples	53,389	960,040	5.6%
Energy	55,299	1,216,913	4.5%
Financials	423,050	13,194,197	3.2%
Telecom	17,090	619,548	2.8%
Utilities	22,156	931,357	2.4%
S&P 500 TOTAL	1,195,186	22,732,775	5.3%

Source: RBC Capital Markets Quantitative Research, Bloomberg

Technology Companies Actively Returning Cash to Shareholders

Technology Companies are on average actively returning cash to shareholders in the form of share buybacks and dividends. A high dividend and share buyback yield serves to enhance shareholder value as dividends are highly sought-after by investors and share buybacks may increase the Earnings per Share of the company. Of the almost U.S.\$80 billion of share repurchases reported by companies included in the S&P 500 Index in the third quarter of 2010, the Information Technology sector accounted for the largest portion of share repurchases, at 28.6% , as shown in the chart below.

S&P 500 Index Sector Share Repurchases, Q3 2010



Source: RBC Capital Markets, Standard & Poor's

Technology Companies were responsible for five of the 10 largest share buyback programs reported by companies included in the S&P 500 Index between the fourth quarter of 2004 and the third quarter of 2010, accounting for 48.9% of the dollar value of the top 10, as shown in the table below.

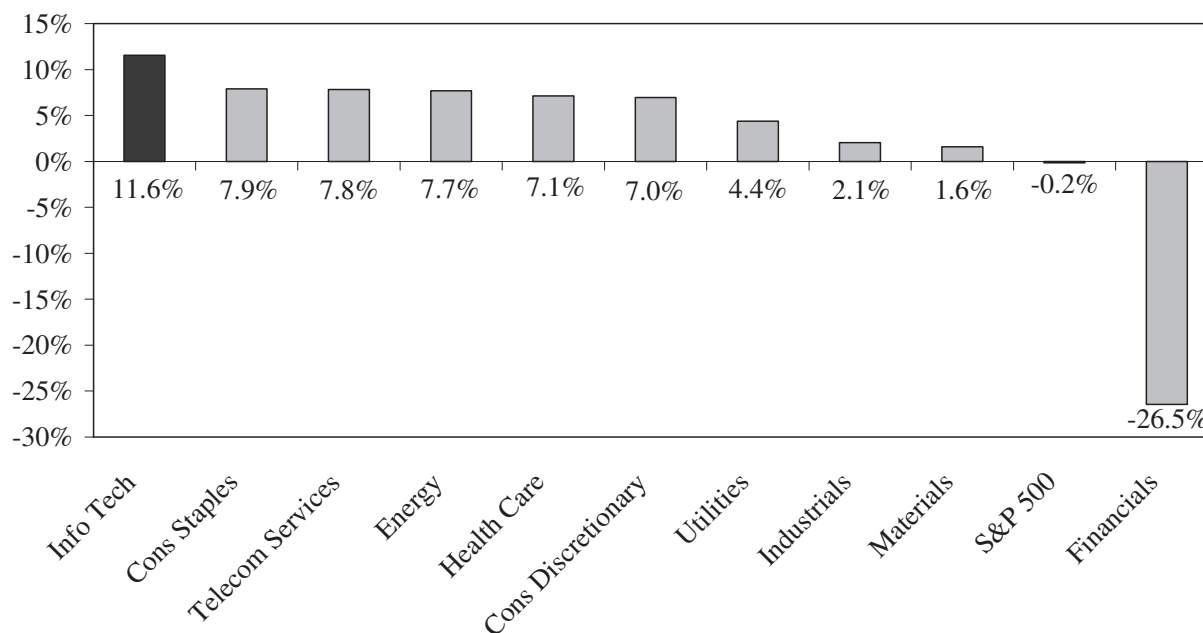
S&P 500 Companies – 10 Largest Completed Share Buyback Programs Q4 2004 - Q3 2010

	Company	Sector	Buyback Amount (U.S.\$ millions)
1.	Exxon Mobil	Energy	\$146,089
2.	Microsoft Corporation	Information Technology	\$92,038
3.	International Business Machines Corporation	Information Technology	\$65,383
4.	Procter & Gamble	Consumer Staples	\$52,243
5.	Hewlett-Packard Company	Information Technology	\$47,982
6.	Cisco Systems Inc.	Information Technology	\$47,827
7.	General Electric Co	Industrials	\$35,975
8.	Wal-Mart Stores	Consumer Staples	\$31,203
9.	Goldman Sachs Group	Financials	\$29,545
10.	Intel Corporation	Information Technology	\$28,965
	Total		\$577,250
	Information Technology % of Top 10		48.9%

Source: Standard & Poor's

In addition to the Information Technology sector leading the S&P 500 Index in share buybacks, the sector has been a leader in dividend growth due to its strong cash positions. Over the past five years, the Information Technology sector has generated a dividend growth rate of 11.6%, which significantly exceeds its sector peers.

5-year Compound Annual Dividend Growth Rate of the Sectors in the S&P 500 Index to January 31, 2011



Source: RBC Capital Markets Quantitative Research, Bloomberg as at January 31, 2011

Through the combination of share buybacks and dividends, the Technology Companies to be included in the Portfolio are, on average, returning cash to shareholders at a higher rate than the S&P 500 Index. The following table lists the combined dividend and share buyback yield for the Technology Companies to be included in the Portfolio as compared to the Technology Index and the S&P 500 Index. As at December 31, 2010, the Technology Companies to be included in the Portfolio returned cash to shareholders at an average rate of 4.8% in 2010. A high dividend and share buyback yield serves to enhance shareholder value as dividends are highly sought-after by investors and share buybacks potentially increase the earnings per share of the company.

Dividend and Share Buyback Yield for the year ended December 31, 2010

	Buyback Yield	Dividend Yield	Dividend & Buyback Yield
Dell Inc.	3.1%	0.0%	3.1%
Corning Inc.	0.0%	1.0%	1.0%
Intel Corporation	1.5%	3.4%	4.9%
Research In Motion Limited	6.9%	0.0%	6.9%
Texas Instruments Inc.	6.4%	1.6%	8.0%
Microsoft Corporation	6.4%	2.3%	8.7%
Apple Inc.	0.0%	0.0%	0.0%
International Business Machines Corporation	8.4%	1.8%	10.2%
Hewlett-Packard Company	11.5%	0.8%	12.3%
Google Inc.	0.4%	0.0%	0.4%
MasterCard Inc.	0.0%	0.3%	0.3%
eBay Inc.	2.0%	0.0%	2.0%
Oracle Corporation	0.6%	0.6%	1.3%
Cisco Systems Inc.	8.2%	0.0%	8.2%
Qualcomm Incorporated	3.8%	1.5%	5.3%
Portfolio	3.9%	0.9%	4.8%
S&P 500 Index	2.6%	1.8%	4.4%

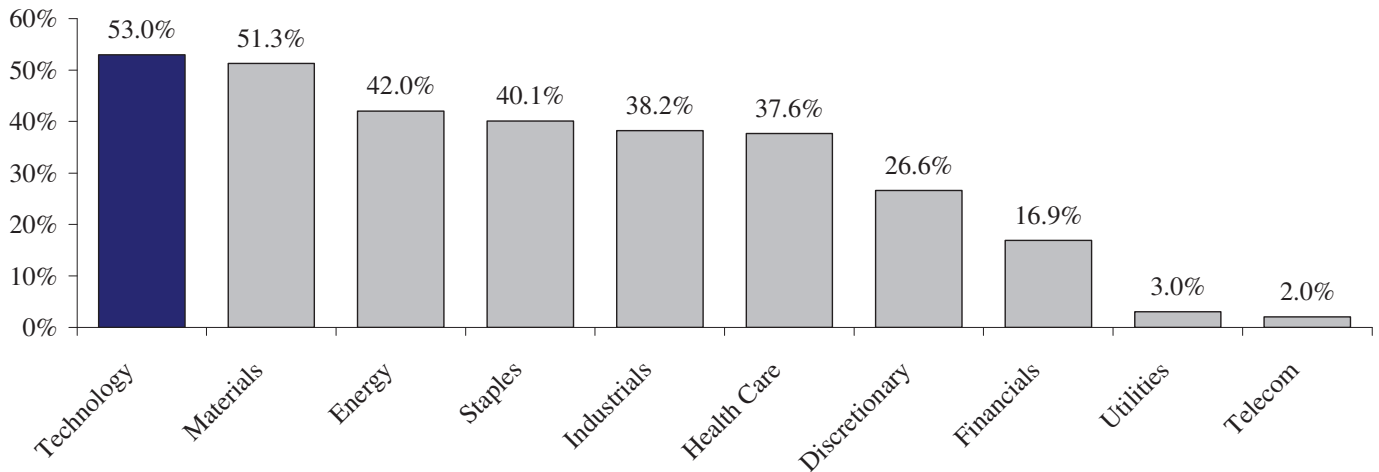
Note: Share buyback yield is calculated as the total value of share buybacks for the period divided by the market capitalization at the end of the period.

Source: Company Annual Reports, Bloomberg, Standard & Poor's as at December 31, 2010

Globally Diversified Revenue Sources

Technology Companies' sources of revenue, on average, are globally well-diversified. The Technology Index derives 53% of its revenues from non-U.S. sources, including 38% of its revenues from faster-growing non-European economies, positioning Technology Companies to benefit from economic recovery in higher-growth emerging and developing economies to a greater degree than companies in other sectors. The following chart shows the percentage of revenue derived from non-U.S. sources for each of the sectors in the S&P 500 Index as at January 31, 2011.

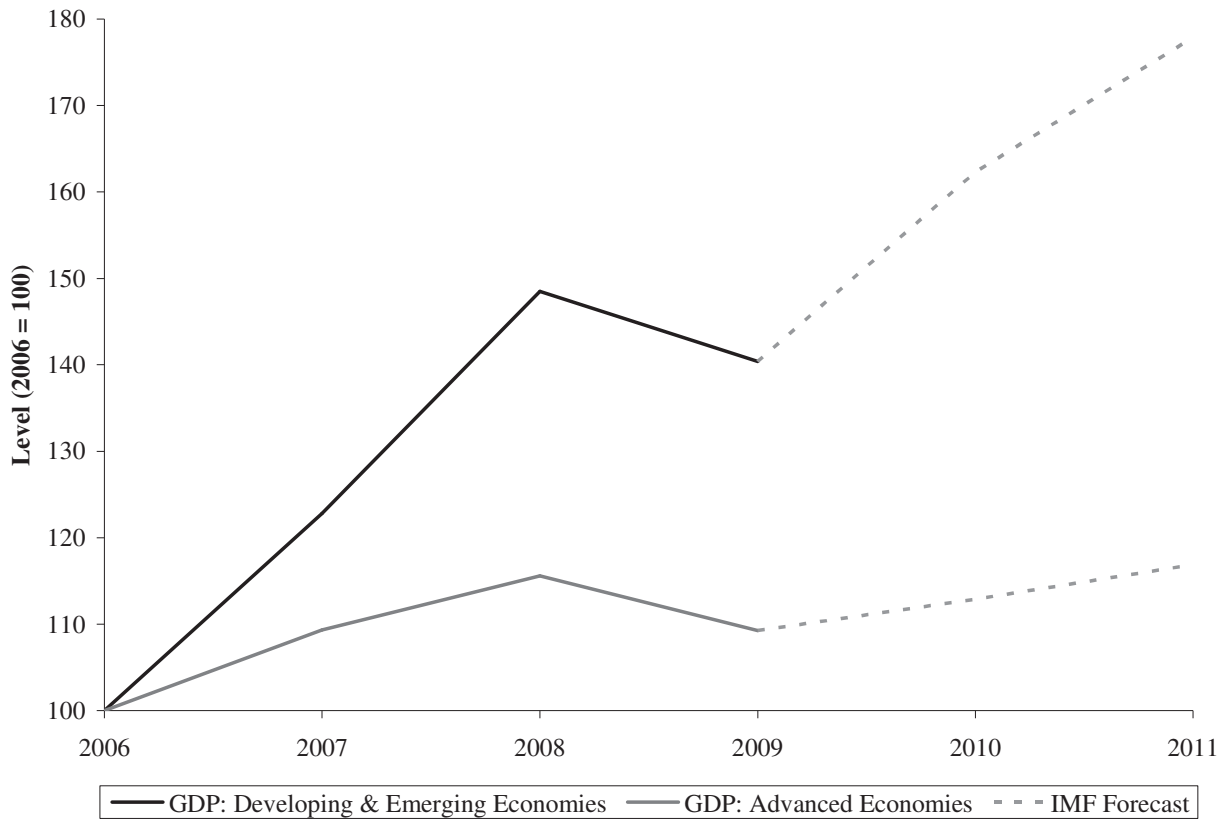
% of S&P 500 Sector Revenue from Non-U.S. Sources



Source: RBC Capital Markets, Bloomberg

Global GDP growth has improved since the downturn in 2009 and emerging and developing economies have been important contributors to this improvement. According to the International Monetary Fund (“**IMF**”), from 2006 to 2009, emerging and developing economies generated average annual growth in GDP of 12.0% as compared to 3.0% for advanced economies. For 2010 and 2011, the IMF forecasts an average annual growth in GDP of 12.6% for emerging and developing economies, which is almost four times faster than the average annual growth in GDP of 3.4% the IMF forecasts for advanced economies. The Manager believes that the Information Technology sector is well positioned to benefit should emerging and developing economies continue to lead the global recovery in the coming years as 38% of sector revenues currently come from such economies. Despite the fact that companies included in the Technology Index are domiciled in the U.S., investors in these companies can achieve meaningful exposure to emerging and developing economies’ growth, without the additional complexity and risks associated with a direct investment in emerging and developing nation stock markets. The chart below sets forth the average annual growth in GDP in advanced and emerging and developing economies (2010 and 2011 are based on IMF forecasts).

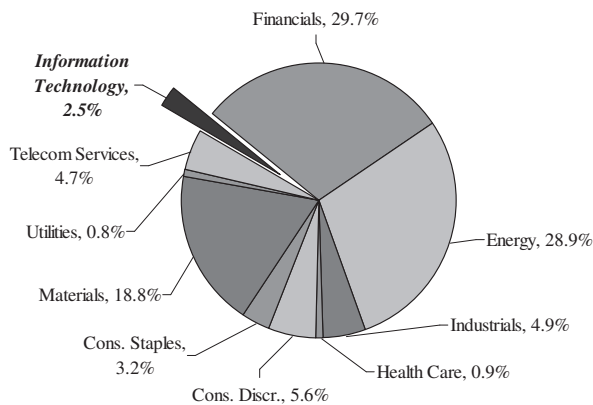
GDP in Advanced vs. Emerging & Developing Economies



Canadian Investors may be Underexposed to Information Technology Companies

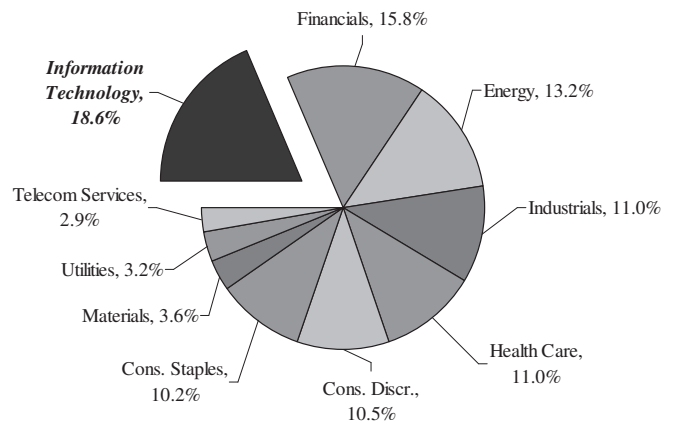
Canadian investors need to look beyond the Canadian equity markets in order to gain diversified exposure to large-capitalization Technology Companies, as illustrated by Research In Motion Limited being the only Technology Company included in the S&P/TSX 60 Index. Given the current strong Canadian dollar, the Manager believes a relatively favourable entry point exists for investing in U.S. securities. Information Technology is among the smallest sectors in the S&P/TSX 60 Index, but is the largest sector in the S&P 500 Index, as shown in the charts below:

S&P/TSX 60 Index Sector Breakdown



Source: Standard & Poor's, as at February 28, 2011

S&P 500 Index Sector Breakdown



Source: Standard & Poor's, as at March 1, 2011

Technology Companies to be Included in the Portfolio

The Technology Companies to be included in the Portfolio are all constituents of the S&P 500 Index or the S&P/TSX 60 Index (indices which represent large and liquid North American publicly listed companies) and will have a market capitalization of at least U.S.\$15 billion at the time of inclusion in the Portfolio. Each such qualifying Technology Company will be ranked based on three metrics: (i) growth, as represented by a high three-year simple annual average Earnings per Share growth; (ii) value, as represented by a low Price-to-Earnings ratio; and (iii) quality, as represented by a high three-year simple annual average Return-on-Equity. The growth, value and quality rankings will be combined, giving equal weight to each, and the equity securities of the top 15 Technology Companies based on this combined ranking will be included in the Portfolio. Of the Technology Companies included in the Indices with a market capitalization of at least U.S.\$15 billion as at March 15, 2011, the initial Portfolio, in ranked order as at March 15, 2011, will include:

Company	Ticker	Price (U.S.\$)	Market Capitalization (U.S.\$ Billions)	Initial Portfolio Selection Metrics					
				<u>Growth</u>		<u>Value</u>		<u>Quality</u>	
				Earnings per Share Growth ⁽¹⁾ % / Rank		Price-to- Earnings Ratio Ratio / Rank		Return-on-Equity ⁽¹⁾ % / Rank	
Dell Inc.	DELL	14.70	28.0	45.0	8	10.4	4	43.4	3
Corning Inc.	GLW	21.09	33.0	58.1	6	10.2	3	26.7	7
Intel Corporation	INTC	20.18	110.7	291.4	1	10.0	2	16.3	15
Research In Motion Limited	RIMM	62.09	32.0	40.5	10	10.4	5	40.2	4
Texas Instruments Inc.	TXN	33.90	39.7	172.2	3	13.2	8	22.5	11
Microsoft Corporation	MSFT	25.39	213.3	19.2	15	10.8	6	45.2	2
Apple Inc.	AAPL	345.43	318.2	52.6	7	19.3	14	34.2	5
International Business Machines Corporation	IBM	159.02	193.9	14.2	19	13.8	10	66.0	1
Hewlett-Packard Company	HPQ	40.93	88.6	13.8	20	9.4	1	20.9	12
Google Inc.	GOOG	569.56	183.5	123.1	4	21.7	18	19.2	13
MasterCard Inc.	MA	244.65	32.3	14.6	17	17.4	12	28.7	6
eBay Inc.	EBAY	30.44	39.5	59.1	5	22.0	20	15.7	16
Oracle Corporation	ORCL	31.17	157.5	14.5	18	21.1	16	24.1	8
Cisco Systems Inc.	CSCO	17.39	96.1	-5.4	23	13.1	7	18.1	14
Qualcomm Incorporated	QCOM	53.00	87.1	42.3	9	21.9	19	14.6	17

(1) 3-year average

Source: Bloomberg, Thomson as at March 15, 2011

The information set forth above details the individual rankings of the three selection metrics for each of the top 15 Technology Companies based on the combined ranking. Such information is historical and is not intended to be, nor should it be construed as, an indication as to future performance of the Portfolio Securities or the Portfolio. Specifically, there is no assurance that the Technology Companies to be included in the Portfolio as listed above will remain in the S&P 500 Index or the S&P/TSX 60 Index and, accordingly, the Portfolio.

As presented in the table below, the Portfolio offers diversification across the various industry groups that comprise the Technology Index. Each Technology Index industry group is represented in the Portfolio. On average, the Technology Companies in the Portfolio have higher cash to asset ratios than other companies in the Technology Index and the S&P 500 Index. In addition, the Technology Companies in the Portfolio have a high degree of geographic revenue diversification. The Portfolio companies, on average, derive 60% of their revenue from non-U.S. sources, providing investors with significant exposure to global markets.

Company	Industry Group	Cash as % of Assets	Revenue Source	
			U.S.	Other
Dell Inc.	Hardware & Equipment	36.0%	53.0%	47.0%
Corning Inc.	Hardware & Equipment	17.8%	25.8%	74.2%
Intel Corporation	Semiconductors	8.7%	15.0%	85.0%
Research In Motion Limited	Hardware & Equipment	15.2%	63.3%*	36.7%
Texas Instruments Inc.	Semiconductors	9.8%	11.0%	89.0%
Microsoft Corporation	Software & Services	6.4%	57.9%	42.1%
Apple Inc.	Hardware & Equipment	15.0%	52.6%	47.4%
International Business Machines Corporation	Software & Services	9.4%	43.3%**	56.7%
Hewlett-Packard Company	Hardware & Equipment	8.8%	35.3%	64.7%
Google Inc.	Software & Services	23.6%	47.9%	52.1%
MasterCard Inc.	Software & Services	34.7%	41.6%	58.4%
eBay Inc.	Software & Services	25.4%	46.5%	53.5%
Oracle Corporation	Software & Services	16.1%	42.8%	57.2%
Cisco Systems Inc.	Hardware & Equipment	5.7%	54.3%*	45.7%
Qualcomm Incorporated	Hardware & Equipment	11.6%	5.1%	94.9%
Portfolio		16.3%	39.7%	60.3%
Technology Index		13.9%	47.0%	53.0%
S&P 500 Index		5.3%	68.9% ⁽¹⁾	31.1% ⁽¹⁾

* Revenue derived from North America

** Revenue derived from North and South America

(1) Simple average of S&P 500 sector geographic revenue sources (most recent as at February 28, 2011).

Source: Bloomberg, Company Annual Reports

The information set out below has been taken from public disclosure documents of the Technology Companies to be included in the initial Portfolio. Although the Manager believes the information to be reliable, it has not independently verified same and does not provide any representation or assurance as to the accuracy or completeness of such information.

Software and Services

eBay Inc. – Ecommerce and Online Payment Solutions

eBay Inc. (eBay), incorporated in 1996, provides online marketplaces for the sale of goods and services, as well as other online commerce, or ecommerce, platforms and online payment solutions to a diverse community of individuals and businesses. eBay operates in two business segments: marketplaces and payments. The marketplaces segment provides the infrastructure to enable global online commerce on a variety of platforms, including eBay.com, Shopping.com, and Rent.com, among others. eBay.com has more than 90 million active users in 27 countries worldwide. The payments segment consists of their online payment solutions PayPal and Bill Me Later. PayPal has more than 87 million active registered accounts and is available in 190 markets worldwide.

Google Inc. – Internet Search and Advertising

Google Inc. (Google), incorporated in 1998, is primarily focused on internet search, online advertising, operating systems and platforms, and enterprise software. Google maintains an index of websites and other online content, and make it available through its search engine to anyone with an internet connection. Businesses use its AdWords program to promote their products and services with targeted advertising. In addition, the third parties that comprise the Google network use its AdSense program to deliver relevant ads that generate revenue and enhance the user experience. Google provides its products and services in more than 100 languages and in more than 50 countries, regions, and territories.

International Business Machines Corporation – IT Consulting

International Business Machines Corporation (IBM) was incorporated in 1911. IBM's offerings include information technology infrastructure services and business process services, application outsourcing services, operating systems software, solutions for advanced computing power and storage capabilities, and financing for the acquisition of IBM systems, software and services. IBM has a presence in more than 170 countries across the world.

MasterCard Inc. – Data Processing

MasterCard Incorporated (MasterCard) was founded in 1966 and became a public company in 2006. MasterCard is a payment solutions company that provides a variety of services in support of the credit, debit and related payment programs of approximately 22,000 financial institutions and other entities that are its customers. Through its three-tiered business model as franchisor, processor and advisor, MasterCard develops and markets payment solutions, process payment transactions, and provides support services to its customers and, depending upon the service, to merchants and other clients. MasterCard manages a family of payment card brands, including MasterCard, MasterCard Electronic, Maestro and Cirrus, which the company licenses to its customers. MasterCard provides its services in more than 210 countries and territories worldwide.

Microsoft Corporation – Systems Software

Microsoft Corporation (Microsoft), incorporated in 1981, is engaged in developing, manufacturing, licensing and supporting a range of software products and services for different types of computing devices. Microsoft's software products and services include operating systems for personal computers, servers and intelligent devices; server applications for distributed computing environments; information worker productivity applications; business solutions applications; computing applications; software development tools, and video games. Microsoft also designs and sells hardware, including the Xbox 360 gaming and entertainment console and accessories, the Zune digital music and entertainment device and accessories, and Microsoft personal computer hardware products. Microsoft conducts business throughout the world and has offices in more than 100 countries.

Oracle Corporation – Enterprise Software

Oracle Corporation (Oracle) is the world's largest enterprise software company. Oracle develops, manufactures, markets, distributes and services database and middleware software, applications software and hardware systems, consisting primarily of computer server and storage products, which are designed to help its customers manage and grow their business operations. Oracle was founded in 1977 and now has more than 370,000 customers in more than 145 countries around the globe.

Technology Hardware and Equipment

Apple Inc. – Computer Hardware

Apple Inc. (Apple), incorporated in 1977, designs, manufactures and markets a range of personal computers, mobile communication and media devices, and portable digital music players, and sells a range of related software, services, peripherals, networking solutions, and third-party digital content and applications. Apple's products and services include Macintosh (Mac) computers, iPhone, iPad, iPod, Apple TV, Xserve, a portfolio of consumer and professional software applications, the Mac OS X and iOS operating systems, third-party digital content and applications through the iTunes Store, and a range of accessory, service and support offerings. As at September 25, 2010, Apple had opened a total of 317 retail stores, including 233 stores in the United States and 84 stores internationally.

Cisco Systems Inc. – Communications and Networking Equipment

Cisco Systems Inc. (Cisco), incorporated in 1984, designs, manufactures, and sells Internet Protocol (IP)-based networking and other products related to the communications and information technology (IT) industry and provide services associated with these products and their use. Cisco's products and services are designed to address a wide range of customers'

needs, including improving productivity, reducing costs, and gaining a competitive advantage. Cisco focuses on delivering networking products and solutions that are designed to simplify and secure customers' network infrastructures. Cisco has operations in more than 11 countries worldwide and the company's customer base spans virtually all types of public and private agencies and businesses.

Corning Inc. – Display Technologies

Corning Incorporated (Corning), incorporated in 1936, is a leading provider of glass substrates for active matrix liquid crystal displays. It also manufactures full line of single-mode and multimode optical fibers for a range of network applications. Corning's product portfolio includes optical fibre, cable systems, glass substrates, ceramic substrates, technology for improving drug discovery process, diesel particulate filters and glass. Corning's products find applications in consumer electronics, telecommunications, mobile emissions control and life sciences. Corning manufactures and processes products at approximately 60 plants in 14 countries.

Dell Inc. – Computer Hardware

Dell Inc. (Dell), incorporated in 1984, is an innovative technology and services company, offering a broad range of product categories, including mobility products, desktop personal computers, software and peripherals, servers and networking, and storage. The services include a range of configurable information technology and business related services, including infrastructure technology, consulting and applications, and business process services. Dell operates in 72 countries through four global business segments: Large Enterprise, Public, Small and Medium Business, and Consumer.

Hewlett-Packard Company – Computer Hardware

Hewlett-Packard Company (HP), incorporated in 1947, is a leading global provider of products, technologies, software, solutions and services to individual consumers, small- and medium-sized businesses and large enterprises, including customers in the government, health and education sectors. HP's offerings cover multi-vendor customer services, enterprise information technology infrastructure, personal computing and other access devices; and imaging and printing-related products and services. HP has operations in 14 countries worldwide.

Research In Motion Limited – Communications Equipment

Research In Motion Limited (RIM), incorporated in 1984, is a designer, manufacturer and marketer of wireless solutions for the worldwide mobile communications market. Through the development of integrated hardware, software and services that support multiple wireless network standards, RIM provides platforms and solutions for seamless access to time-sensitive information, including e-mail, phone, short message service, Internet and intranet-based applications. RIM's portfolio of products, services and embedded technologies are used by organizations worldwide and include the BlackBerry wireless solution, the RIM Wireless Handheld product line, software development tools and other software and hardware. RIM has 550 carriers and distribution partners in 175 countries.

Qualcomm Incorporated – Communications Equipment

Qualcomm Incorporated (Qualcomm) designs, manufactures and markets digital wireless telecommunications products and services based on its code division multiple access (CDMA) technology and other technologies. The company operates through four segments: Qualcomm CDMA Technologies; Qualcomm Technology Licensing; Qualcomm Wireless & Internet, and Qualcomm Strategic Initiatives. Qualcomm was incorporated in 1989 and its products and services are available worldwide.

Semiconductors and Semiconductor Equipment

Intel Corporation – Semiconductor Chips

Intel Corporation (Intel), incorporated in 1968, is the world's largest semiconductor chip maker based on revenue. Intel develops advanced integrated digital technology products, primarily integrated circuits, for industries, such as computing and communications. Intel designs and manufactures computing and communications components, such as microprocessors, chipsets, motherboards, and wireless and wired connectivity products, as well as platforms that incorporate these components. Intel has operations across America, Asia Pacific, and Europe.

Texas Instruments Incorporated (TI) is principally engaged in the design and production of semiconductors, sold to electronics designers and manufacturers. TI sells two general categories of semiconductor products, including custom and standard. Custom products are designed specifically for a customer and are sold directly to that customer. Standard products are designed for many customers and for many applications and are generally sold through both direct and distribution channels. TI began operations in 1930 and now has 65 subsidiaries operating throughout the world. The company has design, manufacturing and sales operations in more than 30 countries around the world.

INVESTMENT RESTRICTIONS

The Fund will be subject to certain investment restrictions which are set out in the Declaration of Trust. The Investment Restrictions may not be changed without the prior approval of the Unitholders, unless such change or changes are necessary to ensure compliance with applicable laws, regulations or other requirements imposed from time to time by applicable regulatory authorities or otherwise as described under “Unitholder Matters — Amendment to Declaration of Trust”.

The Investment Restrictions provide that the Fund will not:

- (a) purchase equity securities other than equity securities of Technology Companies;
- (b) purchase equity securities of a Technology Company that is not included in the S&P 500 Index or the S&P/TSX 60 Index or that has a market capitalization of less than U.S.\$15 billion at the time of inclusion in the Portfolio unless there are less than ten Technology Companies included in the Indices with a market capitalization of at least U.S.\$15 billion at the time of inclusion in the Portfolio; provided that any Technology Company included in the Portfolio that is not included in one of the Indices must have a market capitalization of at least U.S.\$15 billion and high trading liquidity such that it could qualify for inclusion in one of the Indices;
- (c) purchase debt securities unless such securities are cash equivalents as defined in NI 81-102;
- (d) write covered call options on more than 25% of the equity securities of each Technology Company held in the Portfolio;
- (e) write call options unless the security underlying the option is owned by the Fund;
- (f) dispose of any security that is subject to a call option written by the Fund unless such option has either terminated or expired;
- (g) make or hold any investment or conduct any activity that would result in the Fund failing to qualify as a “mutual fund trust” within the meaning of the Tax Act;
- (h) purchase or enter into currency forwards or futures except for the purposes of hedging as defined in NI 81-102;
- (i) enter into any arrangement (including the acquisition of securities for the Portfolio) where the result is a dividend rental arrangement for the purposes of the Tax Act;
- (j) hold (i) securities of any non-resident corporation or trust or other entity (or of a partnership which holds such securities) if the Fund (or partnership) would be required to include any significant amounts in income pursuant to the offshore investment fund property rules in section 94.1 of the Tax Act as modified by the draft legislation dated August 27, 2010, (ii) any interest in a non-resident trust other than an “exempt foreign trust” for the purposes of proposed section 94 of the Tax Act set forth in the draft legislation dated August 27, 2010, or (iii) any interest in a trust (or a partnership which holds such an interest) which would require the Fund (or the partnership) to report income in connection with such interest pursuant to the rules in proposed section 94.2 of the Tax Act, as set forth in the draft legislation dated August 27, 2010 (or, in each of (i), (ii) and (iii) amendments to such proposals, provisions as enacted into law or successor provisions thereto);
- (k) invest in any security that is a tax shelter investment within the meaning of the Tax Act;
- (l) make or hold any investment that would result in the Fund becoming a “SIFT trust” within the meaning of subsection 122.1(1) of the Tax Act;

- (m) make or hold any investments in an entity that is a “SIFT trust” or “SIFT partnership” as those terms are defined in the Tax Act;
- (n) make or hold any investments in entities that would be “foreign affiliates” of the Fund for purposes of the Tax Act; or
- (o) acquire or continue to hold any property that would be “taxable Canadian property” (as such term is defined in the Tax Act if the definition were read without paragraph (b) thereof) (or any such amendments to that definition) or “specified property” as defined in subsection 18(1) of the Tax Proposals released on September 16, 2004 if the fair market value of such property exceeds 10% of the fair market value of all property owned by the Fund.

FEES AND EXPENSES

Initial Fees and Expenses

The expenses of the Offering (including the costs of creating and organizing the Fund, the costs of printing and preparing this prospectus, legal expenses, marketing expenses and other reasonable out-of-pocket expenses incurred by the Agents and other incidental expenses), which are estimated to be \$750,000 (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 as described under “Plan of Distribution”.

Management Fee

The Manager will receive a Management Fee from the Fund equal to 0.75% per annum of the Net Asset Value calculated and payable monthly in arrears, plus an amount equal to the Service Fee, plus applicable taxes. The Management Fee payable to the Manager in respect of the month in which Closing occurs will be pro rated based on the fraction that the number of days from and including the Closing Date to and including the last day of the month is of the number of days in such month. The Manager is responsible for paying the fees payable to the Option Advisor out of the Management Fee.

Service Fee

The Manager will pay to registered dealers a Service Fee (calculated quarterly and paid as soon as practicable after the end of each quarter) equal to 0.50% per annum of the Net Asset Value, plus applicable taxes. The Manager will pay the Service Fee to such registered dealers based on the number of Units held by clients of such registered dealers at the end of the relevant quarter. The Service Fee payable in respect of the quarter in which Closing occurs will be pro rated based on the fraction that the number of days from and including the Closing Date to and including the last day of the quarter is of the number of days in such quarter.

Ongoing Expenses

The Fund will pay for all expenses incurred in connection with its operation and administration, including, without limitation, costs of Portfolio transactions, fees payable to the Manager, fees payable to the Trustee, fees payable to the transfer agent, custodial fees, legal, audit and valuation fees and expenses, any additional fees payable to third party service providers, expenses of the directors of the Manager, fees and expenses of the members of the IRC appointed under NI 81-107 and expenses related to compliance with NI 81-107, premiums for directors’ and officers’ insurance coverage for the directors and officers of the Manager and members of the IRC, costs of reporting to Unitholders, registrar, transfer and distribution agency costs, printing and mailing costs, listing fees and expenses and other administrative expenses and costs incurred in connection with the continuous public filing requirements of the Fund and investor relations, taxes, brokerage commissions, costs and expenses relating to the issue of securities of the Fund, costs and expenses of preparing financial and other reports, costs and expenses arising as a result of complying with all applicable laws, regulations and policies, and any extraordinary expenses that the Fund may incur and all amounts paid on account of indebtedness of the Fund. Such expenses will also include expenses of any action, suit or other proceedings in which or in relation to which the Manager, members of the IRC, the Option Advisor, the Custodian or the Trustee and/or any of their respective officers, directors, employees, consultants or agents is entitled to indemnity by the Fund.

The operation and administration expenses of the Fund, excluding the Management Fee and costs of Portfolio transactions, are estimated to be \$250,000 per annum (assuming an aggregate size of the Offering of approximately \$100 million).

Additional Services

Any arrangements for additional services between the Fund and the Manager, or any affiliate thereof, that have not been described in this 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.

RISK FACTORS

Certain risk factors relating to the Fund and the Units are described below. Additional risks and uncertainties not currently known to the Manager or the Option Advisor, 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 make distributions on the Units could be materially adversely affected.

No Assurances on Achieving Investment Objectives or Making 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 appreciate or be preserved. Changes in the weightings of Portfolio Securities held by the Fund resulting from stock price movements can affect the overall yield to Unitholders.

Loss of Investment

An investment in the Fund is appropriate only for investors who have the capacity to absorb investment losses and who can withstand distributions not being made for any period of time.

No Guaranteed Return

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

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.

Passive Management Risk

An investment in Units should be made with an understanding that the value of the Portfolio Securities may fluctuate in accordance with the financial condition of the Technology Companies from time to time, the value of the securities generally and other factors. Because it is the Fund's intention to invest in the Portfolio Securities on a passive basis, the Portfolio will not be actively managed by traditional methods and, accordingly, will not be repositioned to attempt to take defensive positions in declining markets. The adverse financial condition of a Technology Company will not necessarily result in the removal of its securities from the Portfolio. In addition, the performance of the Portfolio Securities will not necessarily reflect changes in the value of the Technology Companies due to, among other things, the option writing strategy used by the Fund.

Volatility and Distributions

The amount of distributions may fluctuate from month to month and there can be no assurance that the Fund will make any distribution in any particular month. The current yield on the securities comprising the initial Portfolio is approximately 0.71% net of anticipated withholding taxes. The distributable cash flow and monthly distributions to Unitholders will be substantially based upon the level of premiums realized by the Fund pursuant to the option writing strategy described herein as opposed to the level of dividends received on the securities comprising the Portfolio. The Portfolio would be required to generate a return of approximately 8.53% per annum in order for the Fund to maintain a stable Net Asset Value per Unit (after accounting for the fees and expenses of the Offering) while making the initial cash distributions of \$0.65 per year (assuming an offering size of \$100 million and fees and expenses are as disclosed herein). As the Fund will not write call options on more than 25% of the securities of each of the Technology Companies included in the Portfolio, if there is a significant decrease in volatility of the Portfolio Securities, this could have a significant adverse effect on the distributable cash flow generated by the Fund and, accordingly, the

distributions, if any, paid by the Fund to Unitholders from time to time. If the return from writing covered call options is less than the amount necessary to fund the monthly distributions, the Manager may supplement the amounts needed through capital gains from the Portfolio, or may return a portion of the capital of the Fund to Unitholders to ensure that the distribution is paid, in which case the Net Asset Value per Unit would be reduced.

Fluctuations in Value of Technology Companies

The value of the Units will vary according to the value of the securities of the Technology Companies included in the Portfolio, which will depend, in part, upon the performance of such Technology Companies. The performance of the Technology Companies included in the Portfolio will be influenced by a number of factors which are not within the control of the Fund, the Manager or the Option Advisor, including materials and other commodity prices, operational risks relating to the specific business activities of the Technology Companies, industry competition, uncertainty and costs of funding capital projects, development of new technology, protection of intellectual property, risks relating to infringement of third party intellectual property, interest rates, exchange rates, environmental, health and safety risks, political and economic risks, issues relating to government regulation and risks relating to operating in foreign jurisdictions.

Sensitivity to Interest Rate Fluctuations

It is anticipated that the market price for Units and the value of the Portfolio Securities 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. 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.

Use of Options and Other Derivative Instruments

The Fund is subject to the full risk of its investment position in the securities comprising its Portfolio, including those securities that are subject to outstanding call options, should the market price of such securities decline. In addition, the Fund will not participate in any gain on the securities that are subject to outstanding call options above the strike price of such options. See “Investment Strategy — Covered Option Writing”.

The use of derivative instruments involves risks different from and possibly greater than the risks associated with investing directly in such securities and other traditional investments. Derivatives are subject to a number of risks, such as liquidity risk, interest rate risk, market risk, credit risk, leveraging risk, counterparty risk, trading execution risk and short selling risk. Derivatives also involve the risk of mispricing or improper valuation and the risk that changes in the value of a derivative may not correlate perfectly with the underlying asset, rate or index.

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

In purchasing call options or entering into forward contracts, the Fund is subject to the credit risk that its counterparty (whether a clearing corporation, in the case of exchange traded instruments, or other third party, in the case of over-the-counter instruments) may be unable to meet its obligations. In addition, there is risk of loss by the Fund of margin deposits in the event of the bankruptcy of the dealer with whom the Fund has an open position in an option or futures or forward contract. The ability of the Fund to close out its positions may also be effected by exchange imposed daily trading limits on options and futures contracts. If the Fund is unable to close out a position it will be unable to realize its profit or limit its losses until such time as the option becomes exercisable or expires or the futures or forward contract terminates, as the case may be. The inability to close out options, futures and forward positions could also have an adverse impact on the Fund’s ability to use derivatives instruments to effectively hedge its Portfolio or implement its Investment Strategy.

The use of options may have the effect of limiting or reducing the total returns of the Fund. In addition, the income associated with writing covered call options may be outweighed by the foregone opportunity of remaining invested directly in the securities comprising the Portfolio. In such an event, the Fund would have to increase the percentage of the Portfolio that is subject to covered call options in order to meet its targeted distributions.

Portfolio Concentration Risk

The Fund will invest at all times in securities of Technology Companies. The Fund's holdings will not be diversified and the Net Asset Value per Unit may be more volatile than the value of a more broadly diversified portfolio and may fluctuate substantially over short periods of time. This may have a negative impact on the value of the Units.

Reliance on the Manager and the Option Advisor

The Manager is responsible for providing, or arranging for the provision of, management and administrative services including investment and portfolio management services required by the Fund. The Option Advisor is responsible for rebalancing and hedging the Portfolio and executing and maintaining the Fund's option writing program. Investors who are not willing to rely on the Manager and the Option Advisor should not invest in Units.

Securities Lending

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

Trading at a Discount and Risks Relating to Redemptions

The Units may trade in the market at a discount to the Net Asset Value per Unit and there can be no assurance that the Units will trade at a price equal to the Net Asset Value per Unit. Units will be redeemable at 100% of the Net Asset Value per Unit on an Annual Redemption Date less any costs and expenses associated with the redemption. The purpose of the annual redemption right is to reduce the discount at which Units trade to the Net Asset Value per Unit and to provide investors with the right to eliminate entirely any trading discount once per year. While the redemption right provides investors the option of annual liquidity, there can be no assurance that it will reduce trading discounts. 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 Manager has the ability to terminate the Fund if, in its opinion, it would be in the best interests of the Unitholders to do so. The Manager may also suspend the redemption of Units in the circumstances described under "Redemption of Units — Suspension of Redemptions".

Nature of the Units

Units are dissimilar to debt instruments in that there is no principal amount owing to Unitholders. The Units represent a fractional interest in the assets of the Fund. 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.

Taxation of the Fund

While the Fund has been structured so that it will generally not be liable to pay income tax, information available to the Fund and the Manager relating to the characterization, for tax purposes, of the dividends received by the Fund in any year from issuers of securities in the Portfolio may be insufficient as at December 31 of that year to ensure that the Fund will make sufficient distributions in order that it will not be liable to pay non-refundable income tax in respect of that year.

In determining its income for tax purposes, the Fund will treat gains and losses realized on the disposition of securities held by it, option premiums received on the writing of covered call options and any losses sustained on closing out options as capital gains and capital losses in accordance with the CRA's published administrative practice. The CRA's practice is not to grant advance income tax rulings on the character of items as capital or income and no advance income tax ruling has been applied for or received from the CRA. If some or all of the transactions undertaken by the Fund were treated on income rather than capital account, the net income of the Fund for tax purposes and the taxable component of distributions to Unitholders could increase.

If the SIFT Rules become applicable to the Fund, it will be subject to a tax on certain income (other than taxable dividends), commencing in the taxation year in which it becomes a SIFT trust, notwithstanding that the income is distributed to Unitholders. If the Fund were to become a SIFT trust within the meaning of the SIFT Rules, the income tax considerations discussed under the heading "Income Tax Considerations" could be materially and adversely different in certain respects. See "Income Tax Considerations".

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.

On October 31, 2003, the Department of Finance announced the REOP Proposal (as defined under “Income Tax Considerations – Taxation of the Fund”) relating to the deductibility of losses under the Tax Act. Under the REOP Proposal, a taxpayer would be considered to have a loss from a business or property for a taxation year only if, in that year, it was reasonable to assume that the taxpayer would realize a cumulative profit from the business or property during the time that the taxpayer carried on, or could reasonably be expected to carry on, the business or held, or could reasonably be expected to hold, the property. Profit, for this purpose, would not include capital gains or capital losses. If the REOP Proposal were to apply to the Fund, deductions that would otherwise reduce the Fund’s taxable income could be denied, with after-tax returns to the Unitholders reduced as a result. On February 23, 2005, the Department of Finance announced that a more modest legislative initiative to replace the REOP Proposal would be released for comment at an early opportunity. No such alternative legislative proposal has been released to date.

Status of the Fund

As the Fund will not be 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, including without limitation NI 81-102, except insofar as that instrument prescribes a form of annual information form for mutual funds, which form applies with limited exceptions to the Fund.

Conflict of Interest

The Manager and the Option Advisor and their respective directors and officers engage in the promotion, management or investment management of one or more funds or trusts with similar investment objectives and/or a similar investment strategy to the Fund. Although none of the directors or officers of the Manager or the Option Advisor will devote his or her full time to the business and affairs of Fund each director and officer of the Manager and the Option Advisor will devote as much time as is necessary to supervise the management of (in the case of the directors) or to manage the business and affairs of (in the case of the officers) the Fund.

Global Financial Developments

Global financial markets experienced a sharp increase in volatility beginning in 2008. This has been, in part, the result of the revaluation of assets on the balance sheets of international financial institutions and related securities contributing to a reduction in liquidity among financial institutions and a reduction in the availability of credit to those institutions and to the issuers who borrow from them. While central banks and governments continue attempts to restore liquidity to the global economy, no assurance can be given that the combined impact of the significant revaluations and constraints on the availability of credit will not continue to materially and adversely affect economies around the world in the near to medium term. Some or all of these economies may experience significantly diminished growth and some or all may suffer a recession the duration of which cannot be predicted. These 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. A substantial decline in the North American equities markets could be expected to have a negative effect on the Fund and the market price of the Units.

Operating History

The Fund is a newly organized investment fund with no previous operating history. There is currently no public market for Units and there can be no assurance that an active public market will develop or be sustained after completion of the Offering.

Not a Trust Company

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

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 Fund or the Unitholders.

Foreign Currency Exposure

As the Portfolio may include securities and options traded in foreign currencies, and because a large proportion of the operating costs, revenue or assets of Technology Companies may be valued in foreign currencies, the Net Asset Value, when measured in Canadian dollars, will be affected by changes in the value of the foreign currencies relative to the Canadian dollar. The Manager can not hedge against operating costs or revenue of the Technology Companies included in the Portfolio that are denominated in foreign currencies. Accordingly, no assurance can be given that the Fund will not be adversely impacted by changes in foreign exchange rates. As the Portfolio will include securities of issuers exposed to foreign currencies, the Net Asset Value and distributable cash (which will not be hedged in any circumstances), when measured in Canadian dollars, will be affected by changes in the value of these currencies relative to the Canadian dollar.

Substantially all of the non-Canadian priced Portfolio securities will be hedged to Canadian dollars. The use of hedges involves special risks, including the possible default by the other party to the transaction, illiquidity and, to the extent the assessment of certain market movements is incorrect, the risk that the use of hedges could reduce total returns or result in losses greater than if the hedging had not been used. The costs associated with a hedging program may outweigh the benefits of the arrangements in such circumstances.

DISTRIBUTION POLICY

The Fund will not have a fixed distribution, but intends to set periodic distribution targets based on, among other things, the actual and expected dividends to be received on the Portfolio Securities, actual and expected premiums to be received from call options and the Fund's estimated expenses. Based on the Manager's current estimates, the initial distribution target for the Fund is expected to be \$0.054 per Unit per month (\$0.65 per Unit per annum) representing a yield of 6.5% per annum based on the \$10.00 per Unit issue price. The amount of distributions may fluctuate from month to month and there can be no assurance that the Fund will make any distribution in any particular month. The initial distribution is payable to Unitholders of record on June 30, 2011 and will be paid no later than 10 Business Days following such record date. The first distribution will be pro rated to reflect the period from the Closing Date to June 30, 2011.

In order for the Fund to pay such distributions while maintaining a stable Net Asset Value, the Portfolio would be required to generate a return of approximately 8.53% through premiums from covered call options, dividends, capital appreciation or a combination of the foregoing in order for the Fund to maintain the original Net Asset Value per Unit (after accounting for the fees and expenses of the Offering) while making monthly cash distributions at the initial distribution target (assuming an offering size of \$100 million and fees and expenses are as disclosed herein). Assuming the current level of dividends, market volatility of the securities of the Technology Companies included in the initial Portfolio and certain of the factors set out under the heading "Income from Covered Call Option Writing", it is estimated that options covering 21% of the Portfolio will have to be sold in order to meet the initial distribution target without relying on net realized capital gains from sales of securities of Technology Companies. The use of call options may have the effect of limiting or reducing the total returns of the Fund, particularly in a rising market since the premiums associated with writing covered call options may be outweighed by the cost of closing out outstanding options. However, the Manager believes that in a slightly rising, flat or downward trending market, a portfolio that is subject to covered call option writing will generally provide higher relative returns and lower volatility than one on which no options are written. If the return from writing covered call options is less than the amount necessary to fund the monthly distributions, the Manager may supplement the amounts needed through capital gains from the Portfolio, or may return a portion of the capital of the Fund to Unitholders to ensure that the distribution is paid, in which case the Net Asset Value per Unit would be reduced. It is expected that distributions to Unitholders will primarily be characterized as capital gains, but may also include ordinary dividends and returns of capital. See "Risk Factors".

The Fund will be subject to tax under Part I of the Tax Act on the amount of its income for tax purposes for the year less the portion thereof that it claims in respect of the amounts paid or payable to Unitholders in the year. To ensure that the Fund will not generally be liable for income tax under Part I of the Tax Act, the Declaration of Trust provides that, if necessary, an Additional Distribution will be automatically payable in each year to Unitholders of record on the last day of the Fund's taxation year, *pro rata* based on the Net Asset Value. In the event that the Fund must pay an Additional Distribution, such Additional Distribution will be satisfied by the issuance of Units. Following such issue of additional Units, the outstanding Units will be automatically consolidated on a basis such that each Unitholder will hold after the consolidation the same number of Units as it held before the distribution of additional Units, except in the case of a Non-Resident Unitholder if tax was required to be withheld in respect of the distribution. See "Income Tax Considerations".

Distribution Reinvestment Plan

The Fund will adopt, on or prior to the Closing, the Reinvestment Plan so that, subject to obtaining all necessary regulatory approvals and the requirements of the Plan Participant's broker dealer, all distributions distributed on or after August 28, 2011 shall be automatically reinvested on each Unitholder's behalf, at the election of each such Unitholder, pursuant to the

Reinvestment Plan in accordance with the provisions of the Reinvestment Plan Agency Agreement. Notwithstanding the Reinvestment Plan, all distributions to non-resident Unitholders will be paid in cash and will not be reinvested. **There is no guarantee that the Fund will receive the requisite regulatory approvals to effect reinvestment of distributions or avoid resale restrictions in connection with the operation of the Reinvestment Plan. Such approvals may not be available, or may be conditional upon amendments being made to the Reinvestment Plan.** In the event that necessary regulatory approvals in respect of the Reinvestment Plan cannot be obtained, the Fund will, to the extent permitted under applicable laws and stock exchange rules, use distributions to acquire additional Units, through purchases in the market on behalf of each Unitholder that has elected to have distributions automatically reinvested.

Distributions due to the Plan Participants shall be applied, on behalf of Plan Participants, to purchase additional Units. Such purchases will either be made from the Fund or in the market. If the weighted average trading price on the TSX (or such other stock exchange on which the Units are listed, if the Units are no longer listed on the TSX) for the 10 trading days immediately preceding the relevant Distribution Date plus applicable commissions and brokerage charges (the “**DRIP Price**”) is less than the Net Asset Value per Unit on the Distribution Date, the Plan Agent shall apply the distributions either to purchase Units in the market or from treasury as follows. Purchases in the market will be made by the Plan Agent on an orderly basis during the 10 trading day period following the Distribution Date and the price paid for those Units will not exceed 115% of the DRIP Price of the Units. On the expiry of that period, the unused part, if any, of the distributions attributable to the Plan Participants will be used to purchase Units from the Fund at the higher of (i) the Net Asset Value per Unit on the relevant Distribution Date and (ii) 95% of the DRIP Price.

If the DRIP Price is equal to or greater than the Net Asset Value per Unit on the Distribution Date, the Plan Agent shall apply the distributions to purchase Units from the Fund through the issue of new Units at the higher of (i) the Net Asset Value per Unit on the relevant Distribution Date and (ii) 95% of the DRIP Price on the relevant Distribution Date.

If the Units are thinly traded, purchases in the market under the Reinvestment Plan may significantly affect the market price. Depending on market conditions, direct reinvestment of cash distributions by Unitholders in the market may be more, or less, advantageous than the reinvestment arrangements under the Reinvestment Plan. The Units purchased in the market or from the Fund will be allocated on a pro rata basis to the Plan Participants. The Plan Agent will furnish to each Plan Participant a report of the Units purchased for the Plan Participant’s account in respect of each distribution and the cumulative total purchased for that account. The Plan Agent’s charges for administering the Reinvestment Plan and all brokerage fees and commissions in connection with purchases in the market pursuant to the Reinvestment Plan will be paid by the Fund. **The automatic reinvestment of distributions under the Reinvestment Plan will not relieve participants of any income tax applicable to those distributions.** See “Income Tax Considerations”.

The Reinvestment Plan will also allow Plan Participants, subject to obtaining all necessary regulatory approvals and the requirements of the Plan Participant’s broker dealer, to make cash payments on or after August 28, 2011 (“**Optional Cash Payments**”) which will be invested in Units by the Plan Agent. Any Plan Participant may invest a minimum of \$100 per Optional Cash Payment with a maximum \$20,000 per calendar year per Plan Participant. Optional Cash Payments will be invested on the same basis as distributions. Optional Cash Payments must be received by the Plan Agent at least five Business Days prior to a Distribution Date to be used to purchase Units immediately following such Distribution Date. Optional Cash Payments received less than five Business Days prior to a Distribution Date will be held by the Plan Agent and will not be used by the Plan Agent to purchase Units until the next Distribution Date. A Plan Participant who wishes to make an Optional Cash Payment must ensure that the CDS Participant through which he holds his Units is provided with the notice of his intention to make such Optional Cash Payment and the funds to make such Optional Cash Payment sufficiently in advance of the Distribution Date so as to permit the CDS Participant to deliver a notice and the funds to CDS by 5:00 p.m. (Toronto time) on the day which is five Business Days prior to the Distribution Date. The aggregate number of Units that may be purchased with Optional Cash Payments in a calendar year may not exceed two percent of the outstanding Units at the commencement of such calendar year, except for the 2011 calendar year in respect of which the number of Units purchased with Optional Cash Payments may not exceed two percent of the outstanding Units immediately following Closing.

A Unitholder may elect to participate in the Reinvestment Plan by notifying CDS in writing via the CDS Participant through which he holds his Units, CDS will then appropriately instruct the Plan Agent. That notice, if actually received by the Plan Agent no later than the close of business on the Business Day immediately preceding the Record Date, will have effect for the distribution to be made on the following Distribution Date. Unless the Plan Agent has provided written notice of a Unitholder’s intention to participate in the Reinvestment Plan in such manner, distributions to Unitholders will be made in cash. The Manager may terminate the Reinvestment Plan in its sole discretion on not less than 30 days notice to the Plan Participants. The Manager may also amend, modify or suspend the Reinvestment Plan at any time in its sole discretion, provided that it gives notice of that amendment, modification or suspension to Unitholders. The Fund is not required to issue Units to Unitholders in any jurisdiction where that issuance would be illegal.

PURCHASE OF UNITS

Prospective purchasers may purchase Units through any one of the Agents or any member of a sub-agency group that the Agents may form. Prospective purchasers may acquire Units by cash payment only. Closing of the Offering will take place on or about May 20, 2011, or such later date as may be agreed upon by the Fund and the Agents that is not later than 90 days after a final receipt for this prospectus has been issued. The offering price was determined by negotiation between the Agents and the Fund. See “Plan of Distribution”.

REDEMPTION OF UNITS

Annual Redemptions

Unitholders are expected to have the ability to buy and sell their Units through their investment dealer on the TSX every day that the TSX is open for trading. The Fund expects that TSX trading will provide the primary means for Unitholders to sell or buy Units. As an optional, additional feature, the Units may be redeemed on an annual basis on the second last Business Day of November commencing in November 2012 (such a date being an Annual Redemption Date). In order to effect such a redemption, Units must be surrendered by no later than 5:00 p.m. (Toronto time) on the last Business Day of October. Unitholders whose Units are redeemed on an Annual Redemption Date will receive a redemption price in an amount equal to 100% of the Net Asset Value per Unit on that date (less any costs and expenses associated with the redemption including brokerage costs). Payment of the redemption price will be made on or before the Redemption Payment Date, subject to the Manager’s right to suspend redemptions in certain circumstances. The Net Asset Value per Unit will vary depending on a number of factors. See “Calculation of Net Asset Value” and “Risk Factors”.

Monthly Redemptions

In addition to the annual redemption right, Unitholders may choose to redeem Units on a Monthly Redemption Date, subject to certain conditions. In order to effect such a redemption, the Units must be surrendered by no later than 5:00 p.m. (Toronto time) on the date which is the last Business Day of the month preceding such Monthly Redemption Date. Payment of the redemption price will be made on or before the Redemption Payment Date, subject to the Manager’s right to suspend redemptions in certain circumstances. See “Risk Factors”.

Unitholders surrendering a Unit for redemption on a Monthly Redemption Date will receive a redemption price equal to the lesser of (i) 96% of the Market Price of a Unit, and (ii) 100% of the Closing Market Price of a Unit on the applicable Monthly Redemption Date less, in each case, any costs and expenses associated with the redemption including brokerage costs.

Exercise of Redemption Right

A Unitholder who desires to exercise redemption privileges must do so by causing the CDS Participant through which he or she holds his or her Units to deliver to CDS at its office in the City of Toronto on behalf of the Unitholder, a written notice of the Unitholder’s intention to redeem Units by no later than 5:00 p.m. (Toronto time) on the applicable notice date described above. A Unitholder who desires to redeem Units should ensure that the CDS Participant is provided with notice of his or her intention to exercise his or her redemption right sufficiently in advance of such deadline so as to permit the CDS Participant to deliver a notice to CDS by 5:00 p.m. (Toronto time) on the applicable notice date described above.

By causing a CDS Participant to deliver to CDS a notice of the Unitholder’s intention to redeem Units, the Unitholder will be deemed to have irrevocably surrendered his or her Units for redemption and appointed such CDS Participant to act as his or her exclusive settlement agent with respect to the exercise of such redemption privilege and the receipt of payment in connection with the settlement of obligations arising from such exercise, provided that the Manager may from time to time prior to the Annual Redemption Date or Monthly Redemption Date permit the withdrawal of a redemption notice on such terms and conditions as the Manager may determine, in its sole discretion, provided that such withdrawal will not adversely affect the Fund. Any expense associated with the preparation and delivery of the redemption notice will be for the account of the Unitholder exercising the redemption privilege.

Any redemption notice that CDS determines to be incomplete, not in proper form or not duly executed will, for all purposes, be void and of no effect and the redemption privilege to which it relates will be considered, for all purposes, not to have been exercised thereby. A failure by a CDS Participant to exercise redemption privileges or to give effect to the settlement thereof in accordance with a Unitholder’s instructions will not give rise to any obligations or liability on the part of the Fund, the Trustee or the Manager to the CDS Participant or the Unitholder.

Suspension of Redemptions

The Fund may suspend the redemption of Units or payment of redemption proceeds with the prior permission of the Canadian Securities Administrators, where required, (a) for the whole or any part of a period during which normal trading is suspended on one or more exchanges on which more than 50% of Portfolio Securities (by value) are listed and traded and if such securities are not traded on any exchange that represents a reasonable alternative for the Fund or (b) for any period not exceeding 120 days during which the Manager determines that conditions exist which render impractical the sale of assets of the Fund or which impair the ability of the Manager to determine the value of the assets of the Fund. The suspension may apply to all requests for redemption received prior to the suspension, but for which payment has not been made, as well as to all requests received while the suspension is in effect. In such circumstances all Unitholders will have, and will be advised that they have, the right to withdraw their requests for redemption. The suspension will terminate in any event on the first Business Day on which the condition giving rise to the suspension has ceased to exist, provided that no other condition under which a suspension is authorized then exists. To the extent not inconsistent with official rules and regulations promulgated by any government body having jurisdiction over the Fund, any declaration of suspension made by the Manager will be conclusive.

INCOME TAX CONSIDERATIONS

In the opinion of Stikeman Elliott LLP, counsel to the Fund, and Davies Ward Phillips & Vineberg 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 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 and has not acquired them in one or more transactions considered to be an adventure 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 such Units treated as capital property by making an election in accordance with subsection 39(4) of the Tax Act.

This summary is based on certificates of the Manager and the Agents, the current provisions of the Tax Act and counsel's understanding of the current published administrative policies and assessing practices of the CRA 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 provincial or foreign income tax legislation or considerations. There can be no assurance that the Tax Proposals will be enacted in the form publicly announced or at all.

This summary is also based on the assumption that the Fund will at no time be a SIFT trust. Provided that the Fund does not hold "non-portfolio property" as defined in the SIFT Rules, it will not be a SIFT trust. Based upon the Investment Restrictions, the Fund will not hold any "non-portfolio property". If the Fund were to become a SIFT trust within the meaning of the SIFT Rules, the income tax considerations would be materially different, in some respects, from those described below.

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 the investor's particular circumstances including the province/territory or provinces and/or territories 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 the Fund will qualify at all times as a "unit trust" and a "mutual fund trust" within the meaning of the Tax Act, and that the Fund will elect under the Tax Act to be a mutual fund trust from the date it was established. To qualify as a mutual fund trust the Fund must, among other things, comply on a continuous basis with certain minimum requirements respecting the ownership and dispersal of Units. The Manager has advised counsel that it expects that the Fund will meet the requirements necessary for it to qualify as a mutual fund trust no later than the Closing and at all times thereafter and will elect to be deemed to be a mutual fund trust throughout its first taxation year.

A trust will be deemed not to be a mutual fund trust if it is established or maintained primarily for the benefit of non-residents, unless all or substantially all of its property is property other than "taxable Canadian property" as defined in the Tax Act. On September 16, 2004, the Minister of Finance released draft amendments to the Tax Act under which a trust would lose its status as a mutual fund trust if the aggregate fair market value of all units issued by the trust held by one or more non-residents (including partnerships with one or more non-resident members) is more than 50% of the aggregate fair market value of all units issued by the trust where more than 10% (based on fair market value) of the trust's property is taxable Canadian property or certain other types

of specified property. Such draft amendments do not provide any means of rectifying a loss of mutual fund trust status. On December 6, 2004, the Minister of Finance tabled a Notice of Ways and Means Motion which did not include these proposed changes. The Minister of Finance has suspended implementation of these proposed changes pending further consultation with interested parties. Provided the Fund complies with its investment restrictions, it is expected that no more than the permissible percentage of the fair market value of the Fund's assets will at any time consist of taxable Canadian property or contain other types of "specified property".

Taxation of the Fund

The Fund will be subject to tax in each taxation year under Part I of the Tax Act on the amount of its income for the year, including net realized taxable capital gains, less the portion thereof that it claims in respect of the amount paid or payable to Unitholders in the year. An amount will be considered to be payable to a Unitholder in a taxation year if it is paid in the year by the Fund or the Unitholder is entitled in that year to enforce payment of the amount. The Manager has advised counsel that the Fund intends to make sufficient income, including net realized taxable capital gains of the Fund, payable to Unitholders in each taxation year so that the Fund is not liable to pay tax under Part I of the Tax Act for the taxation year, other than tax on net realized taxable capital gains that would be refunded to it with respect to such taxation year.

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

Premiums received on covered call options written by the Fund that are not exercised prior to the end of the year will constitute capital gains of the Fund in the year received, unless such premiums are received by the Fund as income from a business of buying and selling securities or the Fund has engaged in a transaction or transactions considered to be an adventure in the nature of trade. The Manager has advised counsel that the Fund will purchase the Portfolio with the objective of earning dividends thereon over the life of the Fund and will write covered call options with the objective of increasing the yield on the Portfolio beyond the dividends received on the Portfolio. Thus, having regard to the foregoing and in accordance with the CRA's published administrative practices, transactions undertaken by the Fund in respect of shares comprising the Portfolio and options on such shares will be treated and reported by the Fund as arising on capital account.

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

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 will be deductible by the Fund ratably 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 administrative expenses and interest payable by it on money borrowed to purchase securities. Any non-capital losses incurred by the Fund 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.

Tax Proposals released for public comment on October 31, 2003 (the "REOP Proposal") may deny losses realized in a year in respect of a business or property if in the year it is not reasonable to expect that the taxpayer will realize a cumulative profit from that business or property for the period in which the taxpayer has carried on, and can reasonably be expected to carry on, that business or has held, and can reasonably be expected to hold, that property. For these purposes, profit does not include capital gains. If the REOP Proposal applied to the Fund, certain losses in respect of a business or property of the Fund could be denied. On February 23, 2005 the Department of Finance announced that it will, at an early opportunity, release an alternative to the REOP Proposal for comment. To date, such alternative Tax Proposal has not been released.

In determining the income of the Fund, gains or losses realized upon dispositions of securities in the Portfolio of the Fund 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 Manager has advised counsel that the Fund will purchase the Portfolio with the objective of earning dividends from the securities in the Portfolio 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 Manager has advised counsel that the Fund will elect 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 will 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.

The Portfolio of the Fund 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 of the transaction 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 ("capital gains refund"). In certain circumstances, 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 redemptions of Units.

Taxation of Unitholders

A Unitholder generally will be required to include in computing income for a taxation year the amount of the Fund's net income for the taxation year, including the taxable portion of the Fund's net realized capital gains, that is paid or payable to the Unitholder of the Fund in the taxation year whether received in cash, Units or reinvested in additional Units including pursuant to the Fund's distribution reinvestment plan. The non-taxable portion of the Fund's net realized capital gains that is paid or payable to a Unitholder in a taxation year will not be included in computing the Unitholder's income for the year and will not reduce the adjusted cost base of the Unitholder's Units. Any other amount paid or payable by the Fund to a Unitholder that is in excess of such Unitholder's share of the net income and the net realized capital gains of the Fund for a taxation year generally will not be included in the Unitholder's income for the year but will reduce the adjusted cost base of the Unitholder's Units. To the extent that the adjusted cost base of a Unit would otherwise be a negative amount, the negative amount will be deemed to be a capital gain and the adjusted cost base of the Unit to the Unitholder will be increased by the amount of such deemed capital 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 foreign taxes eligible for the foreign tax credit, 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. 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 of such fund.

A Unitholder of the Fund who acquires additional Units may become taxable on the Unitholder's share of any income and gains of the Fund that have accrued or been realized but have not been made payable at the time the additional Units are acquired.

On the disposition or deemed disposition of a Unit, including on a redemption of a Unit, a Unitholder (other than a tax-exempt Unitholder) will realize a capital gain (or capital loss) to the extent that the Unitholder's proceeds of disposition (other than, in the case of a Unit, 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 allocated 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.

A consolidation of Units following a distribution paid in the form of additional Units will not be regarded as a disposition of Units.

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

In the case of a Unitholder, one-half of any capital gain ("taxable capital gain") realized on the disposition of Units, and net taxable capital gains of the Fund distributed to the Unitholder, will be included in the Unitholder's income and one-half of any capital loss realized may be deducted from taxable capital gains in accordance with the provisions of the Tax Act.

Amounts designated as taxable dividends from taxable Canadian corporations and net realized capital gains paid or payable by the Fund to such Unitholder or realized on the disposition of Units by such Unitholder may increase the Unitholder's liability for alternative minimum tax.

Taxation of Registered Plans

Amounts of income distributed by the Fund to a Registered Plan 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 plan. Unitholders should consult with their own advisors regarding the tax implications of establishing, amending, terminating or withdrawing amounts from a Registered Plan.

Provided that (i) the Units are listed on a designated stock exchange for the purposes of the Tax Act (which includes the TSX) or (ii) the Fund qualifies as a mutual fund trust within the meaning of the Tax Act, the Units will be qualified investments under the Tax Act for trusts governed by Registered Plans.

Notwithstanding the foregoing, if the Units are "prohibited investments" for the purposes of a tax-free savings account, a Unitholder will be subject to a penalty tax as set out in the Tax Act. A "prohibited investment" includes a unit of a trust, or a right to acquire a unit of a trust, which does not deal at arm's length with the holder or with a person or partnership in which the holder has a significant interest, or in which the 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 holder, either alone or together with persons and partnerships with which the holder does not deal at arm's length. Tax Proposals contain similar rules with respect to registered retirement savings plans and registered retirement income funds. Unitholders are advised to consult their own tax advisors in this regard.

Taxation Implications of the Fund's Distribution Policy

The Net Asset Value 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 Units are acquired. A Unitholder who acquires Units may become taxable on the Unitholder's share of income and gains of the Fund that have accrued or been realized, but have not been made payable at the time the Units were acquired, notwithstanding that such amounts may have been reflected in the price paid by the Unitholder for the Units. The consequences of acquiring Units late in a calendar year will generally depend on the amount of the monthly distributions throughout the year, if any, and whether one or more year-end special distributions to Unitholders are necessary late in the calendar year to ensure that the Fund will not be liable for income tax under Part I of the Tax Act.

ORGANIZATION AND MANAGEMENT DETAILS OF THE FUND

Manager

Brompton Funds Management Limited was formed pursuant to the *Business Corporations Act* (Ontario) and provides management, and provides or arranges investment management, services for the Brompton Group. The Manager's head office is located at Bay Wellington Tower, Brookfield Place, 181 Bay Street, Suite 2930, P.O. Box 793, Toronto, Ontario M5J 2T3. The Manager was organized for the purpose of managing and administering closed-end investments, including the Fund. The Manager is a member of the Brompton Group, a leading provider of structured investment products with assets under management of approximately \$2.0 billion as at December 31, 2010.

Duties and Services to be Provided by the Manager

Pursuant to the Management Agreement, the Manager has exclusive authority to manage the business and affairs of the Fund, to make all decisions regarding the business of the Fund and has authority to bind the Fund. The Manager may, pursuant to the terms of the Management Agreement, delegate certain of its powers to third parties at no additional cost to the Fund where, in the discretion of the Manager, it would be in the best interests of the Fund and the Unitholders to do so. The Manager also has authority to provide portfolio management services to the Fund, to acquire the securities of the issuers to comprise the Portfolio and to maintain the Portfolio subject to the Investment Restrictions. The Manager has engaged the Options Advisor to execute and maintain the option writing program of the Fund and to acquire and rebalance the Portfolio pursuant to the Option Advisor Agreement. The Manager will be responsible for paying the fees of the Options Advisor out of the Management Fee.

Details of the Management Agreement

The Manager is required to exercise its powers and perform its duties honestly, in good faith and in the best interests of the Unitholders and to exercise the care, diligence and skill that a reasonably prudent and qualified manager would exercise in comparable circumstances. The Management Agreement provides that the Manager will not be liable in any way for any default,

failure or defect of the assets of the Fund or the Portfolio, as the case may be, if it has satisfied the duties and the standard of care, diligence and skill set forth above. The Manager will incur liability, however, in cases of wilful misconduct, bad faith, negligence or breach of its duties or standard of care, diligence and skill. Among other restrictions imposed on the Manager, it may not dissolve the Fund or wind up the affairs of the Fund except if, in its opinion, it would be in the best interests of the Unitholders to terminate the Fund or otherwise in accordance with the provisions of the Declaration of Trust.

Under the terms of the Management Agreement, the Manager is responsible for providing, or causing to be provided, management and administrative services and facilities to the Fund, including, without limitation:

- (a) investing assets held by the Fund from time to time, as well as retaining and managing relationships with the Option Advisor, Custodian, registrar and transfer agent, auditors, legal counsel and other organizations or professionals serving the Fund;
- (b) monitoring ongoing compliance with, and the suitability of, the Investment Objectives, Investment Strategy and Investment Restrictions, as applicable, and preparing for adoption by the Unitholders of any amendments to the Investment Objectives, Investment Strategy and Investment Restrictions which the Manager believes are in the best interests of the Fund;
- (c) the authorization and payment on behalf of the Fund of operating expenses incurred on behalf of the Fund and the negotiation of contracts with third party providers of services (including, but not limited to, custodians, transfer agents, legal counsel, auditors and printers);
- (d) the calculation, on a quarterly basis, of the Service Fee and the payment thereof to registered dealers at the end of each calendar quarter, such Service Fee to equal 0.50%, on an annual basis, of the Net Asset Value of the Units held by clients of sales representatives of such registered dealers, plus applicable taxes;
- (e) the provision of office space, telephone services, office equipment, facilities, supplies and executive, secretarial and clerical services;
- (f) the preparation of accounting, management and other reports (including such interim and annual reports to Unitholders, financial statements, tax reporting to Unitholders and income tax returns as may be required by applicable law);
- (g) keeping and maintaining the books and records of the Fund and the supervision of compliance by the Fund with record keeping requirements under applicable regulatory regimes;
- (h) the calculation of the amount, and the determination of the frequency, of distributions by the Fund;
- (i) the handling of communications and correspondence with Unitholders and the preparation of notices of distributions to Unitholders;
- (j) establishing and monitoring the Reinvestment Plan, and amending, modifying, suspending or terminating the Reinvestment Plan in a manner which the Manager believes is in the best interests of the Unitholders;
- (k) ensuring that the Net Asset Value per Unit is calculated and provided to the financial press;
- (l) responding to investors' enquiries and general investor relations in respect of the Fund;
- (m) dealing with banks, custodians and subcustodians including in respect of the maintenance of bank records;
- (n) obtaining such insurance as the Manager considers appropriate for the Fund;
- (o) arranging for the provision of services by CDS for the administration of the non-certificated issue system with respect to the Units;
- (p) reviewing fees and expenses charged to the Fund and ensuring the timely payment thereof;
- (q) ensuring that that the Fund complies with all regulatory requirements and applicable stock exchange listing requirements;

- (r) providing assistance to the Trustee with respect to:
 - (i) the preparation and delivery of the Fund's reports to relevant securities regulatory authorities and any similar organization of any government or any stock exchange to which the Fund is obligated to report and to otherwise assist the Trustee in dealing with any such regulatory authorities; and
 - (ii) the organization of meetings of Unitholders; and
- (s) the provision of such other managerial and administrative services as may be reasonably required for the ongoing business and administration of the Fund including maintenance of a website.

In addition, under the terms of the Management Agreement, the Manager is responsible for providing, or causing to be provided, investment fund management and portfolio management services to the Fund.

In consideration for these services, the Fund will pay to the Manager the Management Fee and reimburse the Manager for all reasonable costs and expenses incurred by the Manager on behalf of the Fund. See "Fees and Expenses — Management Fee". The Manager, the Trustee and each of their directors, officers, employees, consultants and agents are indemnified and will be reimbursed by the Fund to the fullest extent permitted by law against all liabilities and expenses (including judgments, fines, penalties, interest, amounts paid in settlement with the approval of the Fund and counsel fees and disbursements on a solicitor and client basis) reasonably incurred in connection with the services provided to the Fund described herein or as a director, officer, employee, consultant or agent thereof, including in connection with any civil, criminal, administrative, investigative or other action, suit or proceeding to which any such person may hereafter be made a party by reason of being or having been the manager, portfolio manager, trustee or a director, officer, employee, consultant or agent thereof, except for liabilities and expenses resulting from the person's wilful misconduct, bad faith, negligence, breach of such person's duties or standard of care, diligence and skill or material breach or default of such person's obligations under any agreements with the Fund, as applicable, to which such person is a party.

The Manager will pay to the registered dealers a Service Fee (calculated quarterly and paid as soon as practicable after the end of each quarter) with respect to the Units, equal to 0.50% per annum of the Net Asset Value attributable to the Units, plus applicable taxes. The Manager will pay the Service Fee to such registered dealers based on the number of Units held by the clients of such registered dealers at the end of the relevant quarter. The management fee paid by the Fund to the Manager is increased by an amount equal to the Service Fee.

The Management Agreement may be terminated at any time by the Trustee on 90 days written notice with the approval of the Unitholders by an Ordinary Resolution passed at a duly convened meeting of Unitholders called for the purpose of considering such Ordinary Resolution, provided that Unitholders holding at least 10% of the Units outstanding on the record date of the meeting vote in favour of such Ordinary Resolution, except in circumstances where the Manager has been removed pursuant to the Declaration of Trust or the Management Agreement or the Manager has resigned. The Management Agreement may be terminated by the Fund at any time on 30 days written notice to the Manager in the event of the persistent failure of the Manager to perform its duties and discharge its obligations under the Management Agreement, or the continuing malfeasance or misfeasance of the Manager in the performance of its duties under the Management Agreement. The Management Agreement may be terminated immediately by the Fund in the event of the commission by the Manager of any fraudulent act and will be automatically terminated if the Manager becomes bankrupt, insolvent or makes a general assignment for the benefit of its creditors. The Manager may assign the Management Agreement to an affiliate of the Manager at any time. The Manager may resign upon 120 days notice, and if no new manager is appointed within such 120-day period, the Fund will be terminated. Other than fees and expenses payable to the Manager pursuant to the Management Agreement up to and including the date of termination, no additional payments will be required to be made to the Manager as a result of any termination.

The Trustee may also terminate the investment fund management and portfolio management services provided under the Management Agreement immediately if, among other things, the Manager has lost any registration, license or other authorization required by it to perform its investment fund management and portfolio management duties under the Management Agreement or is otherwise deemed unable to perform such services.

The services of the Manager and the officers and directors of the Manager are not exclusive to the Fund. The Manager and its affiliates and associates may, at any time, engage in any other activity including the administration of any other investment fund.

Officers and Directors of the Manager

The Board of Directors of the Manager currently consists of three members. Directors are appointed to serve on the Board of Directors until such time as they retire or are removed and their successors are appointed. There is no chairman of the Board of Directors of the Manager and instead the director who chairs meetings rotates among the directors. The name, municipality of residence, position with the Manager and principal occupation of each director and senior officers are set out below:

Name and Municipality of Residence	Position with the Manager	Current Occupation
PETER A. BRAATEN ⁽¹⁾ Toronto, Ontario	Director	Chairman, Brompton Group Limited.
MARK A. CARANCI ⁽¹⁾ Toronto, Ontario	President, Chief Executive Officer and Director	President and Chief Executive Officer, Brompton Funds.
RAYMOND R. PETHER ⁽¹⁾ Toronto, Ontario	Director	Chief Executive Officer, Brompton Group Limited.
CRAIG T. KIKUCHI Toronto, Ontario	Chief Financial Officer	Chief Financial Officer, Brompton Funds.
CHRISTOPHER CULLEN Toronto, Ontario	Senior Vice-President	Senior Vice-President, Brompton Funds.
MOYRA E. MACKAY Toronto, Ontario	Vice-President and Corporate Secretary	Vice-President and Corporate Secretary, Brompton Funds.
MICHELLE TIRABORELLI Toronto, Ontario	Vice-President	Vice-President, Brompton Funds.
ANN WONG Toronto, Ontario	Vice-President and Controller	Vice-President, Brompton Funds.
BRIAN ZIEDENBERG Toronto, Ontario	Vice-President	Vice-President, Sales and Marketing, Brompton Funds.
KATHRYN BANNER Toronto, Ontario	Assistant Vice-President	Assistant Vice-President, Brompton Funds

(1) Member of the Audit Committee.

A description of the experience and background for each of the directors and officers of the Manager is set out below.

Peter A. Braaten (Director): Mr. Braaten has over 35 years experience in the investment business in Canada and the United Kingdom and co-founded the Brompton Group in 2000. In addition to his position as a director of Brompton Funds, he is Chairman of the Brompton Group. Mr. Braaten was one of the founders of a financial services organization in 1979 and was a partner of the organization from 1981 to 1998. Mr. Braaten has also held a number of positions with an investment management firm, an investment bank and two Canadian banks and was President and Chief Executive Officer of two public oil & gas companies. Mr. Braaten received an Honours Bachelor of Arts degree in Economics and Mathematics from the University of Western Ontario and a Master of Business Administration degree from the University of British Columbia.

Raymond R. Pether (Director): Mr. Pether has over 30 years experience in the investment business having held numerous high level oil & gas, banking, real estate finance and investment positions. Mr. Pether co-founded the Brompton Group in 2000 and participates in the direction of all activities in the group, and is a director of Brompton Funds. Mr. Pether was Chief Executive Officer of an oil & gas company based in Calgary, Alberta from August 2003 to May 2007 and was President and Chief Executive Officer of a public income trust engaged in the operation of oil & gas midstream assets from June 1998 to April 2001. Mr. Pether was also Chief Operating Officer of two public oil & gas companies, from January 1994 to November 2000. Prior thereto, Mr. Pether held several senior positions with a financial services organization and with a number of major banks. Mr. Pether received a Bachelor of Arts degree in Economics from the University of Western Ontario and a Master of Business Administration degree from McMaster University.

Mark A. Caranci (President, Chief Executive Officer and Director): Mr. Caranci has over 18 years of experience in the investment business, merchant banking and public accounting and as principal of the Brompton Group, participates in the direction of all activities in the group. Mr. Caranci was appointed as the Chief Financial Officer of the Brompton Group in 2000 and held that position until October 2006 when he became President of Brompton Funds. In April 2007, Mr. Caranci was also appointed Chief Executive Officer and director of Brompton Funds. From 1996 to 2000, Mr. Caranci was Vice-President of a

financial services organization. Mr. Caranci has held various senior positions with public companies, including Chief Financial Officer of a public energy services income trust and Vice-President of Finance of several public oil & gas companies. Prior to 1996, Mr. Caranci worked at PricewaterhouseCoopers LLP, Chartered Accountants. Mr. Caranci is a Chartered Accountant and is a member of the Ontario Institute of Chartered Accountants and received a Bachelor of Commerce degree from the University of Toronto.

Craig T. Kikuchi (Chief Financial Officer): Mr. Kikuchi has over 14 years of financial experience with public and private companies. Mr. Kikuchi joined the Brompton Group in 2002 as Controller, served as Vice-President and became Chief Financial Officer of Brompton Funds in October 2006. Mr. Kikuchi worked for PricewaterhouseCoopers LLP from September 1996 to January 2002, where he held progressively senior roles, including the role of manager in both the assurance and business advisory services practice and the taxation and legal services practice. Mr. Kikuchi is a Chartered Accountant and is a member of the Ontario Institute of Chartered Accountants. He is also a CFA charterholder and is a member of the Toronto CFA Society. He received a Bachelor of Arts degree in Economics from the University of Western Ontario.

Christopher Cullen (Senior Vice-President): Mr. Cullen has over 12 years of professional experience in banking, securities, and engineering. Mr. Cullen joined the Brompton Group in March of 2006 and is Senior Vice-President of Brompton Funds. Previously Mr. Cullen was a Commercial Banking Manager at Canadian Imperial Bank of Commerce, specializing in providing credit to investment funds and a Research Associate in the Telecom and Cable Services group with UBS Securities (Canada). From 1997 to 1999, Mr. Cullen was a Process Engineer with an international engineering consultant, focusing on the chemical process industries. Mr. Cullen is a CFA charterholder and is a member of the Toronto CFA Society. Mr. Cullen graduated with a Bachelor of Applied Science in Chemical Engineering and Applied Chemistry from the University of Toronto and a Master of Business Administration from the Rotman School of Management, also at the University of Toronto.

Moyra E. MacKay (Vice-President and Corporate Secretary): Ms. MacKay has over 30 years of experience in the investment business having held positions in real estate and resource finance and investment and financial services companies and is a principal of the Brompton Group. Ms. MacKay is Vice-President and Corporate Secretary of Brompton Funds. Prior to joining the Brompton Group in 2000, Ms. MacKay was Vice-President of a Canadian issuer of flow-through investment funds and was Vice-President of three public oil & gas companies and a financial services organization that was registered with the Securities and Futures Authority in London, U.K. Ms. MacKay received a Bachelor of Arts degree from the University of Western Ontario.

Michelle Tiraborelli (Vice-President): Ms. Tiraborelli has been working in the financial industry since 2006 and joined Brompton Funds in 2010. Prior to joining the Brompton Group, Ms. Tiraborelli was an Investment Advisor with BMO Nesbitt Burns. She has also worked as an Analyst with a Toronto based Corporate Development Consulting firm focused on private company mergers & acquisitions, and business expansion. Ms. Tiraborelli received a Bachelor of Science, Honours degree from Queen's University. She also holds a Master of Business Administration degree from the Hong Kong University of Science and Technology, having studied jointly at the HKUST Business School in Hong Kong and New York University's Stern School of Business.

Ann Wong (Vice-President and Controller): Ms. Wong has over ten years of financial experience with public and private companies and is Vice-President and Controller of Brompton Funds. Prior to joining the Brompton Group, Ms. Wong was a Senior Manager in the Treasury Finance group of Canadian Imperial Bank of Commerce, and also worked for PricewaterhouseCoopers LLP as a manager in the assurance and business advisory services practice. Ms. Wong is a Chartered Accountant, a member of the Ontario Institute of Chartered Accountants and a Certified Public Accountant from the State of Delaware. She is also a CFA charterholder and a member of the Toronto CFA Society. She received a Bachelor of Arts degree and a Master of Accounting degree from the University of Waterloo.

Brian Ziedenberg (Vice-President): Mr. Ziedenberg has over 12 years of professional experience in financial services. Mr. Ziedenberg joined Brompton in January 2011 and is Vice-President of Sales and Marketing for Brompton Funds. Previously Mr. Ziedenberg worked as a Director of Strategic Accounts for AGF Investments, where he managed several institutional relationships through the banking, insurance and investment dealer channel. Prior to AGF Investments, Mr. Ziedenberg worked in a sales and consulting role for Morningstar Research. Mr. Ziedenberg graduated with a Bachelor of Arts from York University and holds a Master of Business Administration from the Odette School of Business from the University of Windsor.

Kathryn Banner (Assistant Vice-President): Ms. Banner has been involved in the financial industry for over 14 years. Since joining Brompton Group in 2000, Ms. Banner has held progressively senior roles and is currently Assistant Vice-President of Brompton Funds with a focus on regulatory, compliance and corporate services. From 1996 to 2000, Ms. Banner was employed by a financial services company. She has been involved with investment funds, a public energy services income trust and both international and domestic oil and gas companies. She received a Bachelor of Arts degree and a Master of Arts degree from the University of Waterloo.

Conflicts of Interest

The services of the Manager are not exclusive to the Fund. The Manager may act as the manager or investment advisor to other funds and companies and may act as the manager or investment advisor to other funds which are considered competitors of the Fund. In addition, the directors and officers of the Manager may be shareholders of one or more Technology Companies from which the Fund may acquire securities. See “Organization and Management Details of the Fund — Details of the Management Agreement”.

The Declaration of Trust acknowledges that the Trustee may provide services to the Fund in other capacities, provided that the terms of any such arrangements are no less favourable to the Fund than those which would be obtained from parties which are at arm’s length for comparable services.

The services of the Option Advisor are not exclusive to the Fund. The Option Advisor acts as investment advisor and portfolio manager for other clients and may advise clients or funds which will invest in securities of Technology Companies which are considered competitors of the Fund.

The Manager will refer conflict of interest matters to the IRC for review or approval in accordance with the IRC’s charter and NI 81-107. See “Organization and Management Details of the Fund — Independent Review Committee”.

Independent Review Committee

The Manager has appointed the following members to its IRC, which also acts as the IRC for other investment funds managed by the Manager:

James W. Davie: Mr. Davie has over 30 years of investment banking experience and currently serves as a corporate director. Mr. Davie has held a number of senior positions at RBC Dominion Securities Inc. since 1973 including Managing Director of Investment Banking and, from 1987 to 1999, head of Equity Capital Markets. Mr. Davie received a Bachelor of Commerce degree from the University of Toronto and a Master of Business Administration degree from Queen’s University.

Arthur R.A. Scace: Mr. Scace is an independent director and former partner of McCarthy Tétrault LLP and has over 35 years of legal and business experience. Mr. Scace began his career at McCarthy Tétrault LLP in 1967 and became a partner in 1972. Mr. Scace served as the Managing Partner of the Toronto office from 1989 to 1996 and as the firm’s National Chairman from 1997 to 1999. Mr. Scace received a Bachelor of Arts degree from the University of Toronto, a Bachelor of Law degree from Oxford University as a Rhodes Scholar, a Master of Arts degree from Harvard University, and a Bachelor of Laws degree from Osgoode Hall Law School at York University. Mr. Scace is also a Queen’s Counsel, has been appointed as a member of the Order of Canada and has received honorary Doctorates of Law from The Law Society of Upper Canada, York University, the University of Toronto and Trinity College of the University of Toronto. Mr. Scace is former Chairman of the Board of Directors of The Bank of Nova Scotia and a director of several other Canadian companies, and is a former Treasurer of The Law Society of Upper Canada.

Ken S. Woolner: Mr. Woolner has over 20 years of experience in the oil and gas industry and currently serves as a corporate director. From April 2005 to February 2006, Mr. Woolner was Executive Chairman of White Fire Energy Ltd., a public oil and gas company operating in Western Canada and a trustee of Sequoia Oil & Gas Trust. Mr. Woolner was President and Chief Executive Officer of Lightning Energy Ltd. from December 2001 to April 2005, when it merged with Argo Energy Ltd. to create Sequoia Oil & Gas Trust and White Fire Energy Ltd. Mr. Woolner was the President and Chief Executive Officer and a director of Velvet Exploration Ltd. from April 1997 to July 2001 when it was acquired by El Paso Oil & Gas Inc., and was a director of El Paso Oil and Gas Canada Inc. from July 2001 to May 2002. Mr. Woolner is a professional engineer and received a Bachelor of Science degree in Geological Engineering from the University of Toronto.

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

- (a) reviewing and providing input into the Manager’s policies and procedures regarding conflict of interest matters, including any amendments to such policies and procedures referred to the IRC by the Manager;
- (b) approving or disapproving each conflict of interest matter referred by the Manager to the IRC for its approval;
- (c) providing its recommendation as to whether the Manager’s proposed action on a conflict of interest matter referred by the Manager to the IRC for its recommendation achieves a fair and reasonable result for the Fund;

- (d) together with the Manager, providing orientation to new members of the IRC as required by NI 81-107;
- (e) conducting regular assessments as required by NI 81-107; and
- (f) reporting to the Unitholders, to the Manager and to regulators as required by NI 81-107.

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

- (a) handles complaints and implements corrective action regarding accounting, internal accounting controls and auditing matters for the Manager, as more specifically set out in the whistleblower policy of the Manager;
- (b) acts in an advisory capacity to the audit committee of the board of directors of the Manager, as more specifically set out in the IRC's charter; and
- (c) may, as more specifically set out in its charter, identify conflict of interest matters.

The IRC will prepare a report, at least annually, of its activities for the Unitholders which will be available on the Manager's website at www.bromptonfunds.com, or at a Unitholder's request at no cost, by contacting the Manager at info@bromptongroup.com.

Remuneration of Directors, Officers and Independent Review Committee Members

The officers of the Manager will receive their remuneration from the Manager. The directors of the Manager do not receive any director fees. Assuming net proceeds of the Offering of \$100 million, compensation for the IRC will be \$30,000 per annum in aggregate. The expenses of the directors of the Manager and the premiums for directors' and officers' insurance coverage for the directors and officers of the Manager are paid by the Fund. The fees and other reasonable expenses of members of the IRC, as well as premiums for insurance coverage for such members, are paid by the Fund and other applicable investment funds managed by the Manager on a *pro rata* basis. In addition, the Fund has agreed to indemnify the members of the IRC against certain liabilities.

Voting Rights in the Portfolio Securities

Unitholders will have no voting rights in respect of securities held by the Fund. The Fund has delegated to the Manager the responsibility for voting on matters for which the Fund receives, in its capacity as a securityholder, proxy materials for a meeting of securityholders of an issuer included in the Portfolio. In fulfilling these duties, the Manager has appointed Highstreet and Highstreet has adopted the following policies and procedures: (i) it is Highstreet's policy to seek to ensure that proxies for shares held by the Fund are voted consistently and in the best interests of the Fund; (ii) Highstreet has engaged the services of a reputable third party that specializes in voting proxies and whose established guidelines and practices meet the Manager's fiduciary responsibility outlined above, to vote the proxies related to the securities held by the Fund and to provide information related to such voting for the purpose of providing the necessary reporting by the Fund; (iii) the Manager proposes to adopt the written policies and procedures of Highstreet that are based on established guidelines and practices; and (iv) Highstreet will review the recommendations made by such third party from time to time to monitor compliance with the established policies and procedures. See "Proxy Voting Disclosure for Portfolio Securities Held".

Brokerage Arrangements

The primary consideration in all Portfolio transactions will be prompt execution of orders in an efficient manner at the most favourable price. In selecting and monitoring dealers and negotiating commissions, the Option Advisor considers the dealer's reliability, the quality of its execution services on a continuing basis and its financial condition. When more than one dealer is believed to meet these criteria, preference may be given to dealers who provide research or statistical material or other services to the Fund or to the Option Advisor or its affiliates. Such services include advice, both directly and in writing, as to the value of the securities; the advisability of investing in, purchasing or selling securities; and the availability of securities, or purchasers or sellers of securities; as well as analyses and reports concerning issues, industries, securities, economic factors and trends, portfolio strategy or the performance of accounts. This allows the Option Advisor to supplement its own investment research activities and obtain the views and information of others prior to making investment decisions. The Option Advisor is of the opinion that, because this material may be analyzed and reviewed by its staff, its receipt and use does not tend to reduce expenses but may benefit the Fund by supplementing the Option Advisor's research. Brokerage transactions may also be allocated to dealers affiliated with the Option Advisor, on terms, including fees and commissions, not less favourable than would be offered to other similar clients of such affiliated dealers.

Option Advisor

Highstreet Asset Management Inc. has been retained as the Option Advisor to invest the net proceeds of the Offering to purchase securities for the Portfolio, to rebalance the Portfolio and hedge the Portfolio to Canadian dollars in accordance with the Investment Objectives, Investment Strategy and Investment Restrictions and to execute and maintain the option writing program of the Fund pursuant to the Option Advisor Agreement. The Option Advisor is an investment management firm with total assets under management, as at December 31, 2010, of approximately \$6.4 billion including a family of pooled funds and investments for numerous accounts, pension plans and endowment funds. The Option Advisor's principal office is located at 244 Pall Mall Street, Suite 350, London, Ontario, N6A 5P6. The Option Advisor is owned approximately 80% by AGF Management Limited and Highstreet's employees own the remaining shares.

The Option Advisor is registered as a Portfolio Manager, Exempt Market Dealer, Investment Fund Manager and Commodity Trading Manager in the Province of Ontario.

Option Advisor Fee

For its services to the Fund, the Option Advisor will be paid a fee pursuant to the terms of the Option Advisor Agreement. That fee will be calculated as a fixed percentage of the fee paid to the Manager and will be paid by the Manager out of the Management Fee.

Key Personnel of the Option Advisor

The principal advisors of Highstreet Asset Management Inc. who are responsible for investing the net proceeds of the Offering to purchase securities for the Portfolio and rebalancing and hedging the Portfolio in accordance with the Investment Objectives, Investment Strategy and Investment Restrictions and for the Fund's selective call option writing and trading are:

Name and Municipality of Residence	Position with the Advisor	Current Occupation
ROBERT L. JACKSON London, Ontario	Chief Risk Officer	Chief Risk Officer, Highstreet Asset Management Inc.
BRUCE GRAHAM London, Ontario	Vice President, Investments	Vice President, Investments, Highstreet Asset Management Inc.

The following individuals provide a supporting role to the principal advisors of Highstreet in the investment management of the Fund:

Name and Municipality of Residence	Position with the Advisor	Current Occupation
SHAUN ARNOLD London, Ontario	Chief Investment Officer	Chief Investment Officer, Highstreet Asset Management Inc.
AJAY VIRK London, Ontario	Manager, Investments	Manager, Investments, Highstreet Asset Management Inc.

A description of the experience and background for each of these individuals is set out below.

Robert L. Jackson (Chief Risk Officer): Mr. Jackson leads Highstreet's investment team together with the Chief Investment Officer. He is responsible for the firm's research, fixed income, balanced and alternative strategies, including derivative overlays. Mr. Jackson has been a strategic member of the investment team since the firm's inception in 1998 and played an integral role in the development of the firm's proprietary models and risk management processes. He has over 15 years of experience in portfolio and risk management. Prior to 1998, Mr. Jackson was a risk analyst within the investment management team at a large Canadian life insurance company. He earned an Honours Bachelor of Arts degree in statistics from the University of Western Ontario in 1987 and a Master of Mathematics degree from the University of Waterloo in 1988.

Bruce Graham (Vice President, Investments): Mr. Graham is the portfolio manager for Highstreet's option overlay strategies. He is also a key member of the Canadian Growth and Small Cap portfolio management team. In addition, he oversees the completion of all qualitative assessments for existing and prospective holdings in Highstreet's Canadian equity portfolios. Mr. Graham joined Highstreet's investment team in 2007. He has over 32 years of portfolio management experience having previously worked as a portfolio manager for asset management firms, a large Canadian public pension fund and a life insurer. Mr. Graham is a graduate of the Ivey School of Business at the University of Western Ontario where he earned a Masters of Business Administration in 1990. Mr. Graham also earned a Chartered Financial Analyst designation in 1987.

Shaun Arnold (Chief Investment Officer): Mr. Arnold leads the investment team together with the Chief Risk Officer and is also the portfolio leader of Highstreet's core Canadian equity portfolios. Mr. Arnold has been a strategic member of the investment team since the firm's inception in 1998 and has played an integral role in enhancing Highstreet's portfolio management techniques and processes. He has over 17 years of portfolio management experience. Prior to joining Highstreet, Mr. Arnold was a portfolio manager with a large Canadian financial institution. Mr. Arnold received a Bachelor of Arts degree in economics from the University of Western Ontario in 1990. He also earned a Chartered Financial Analyst designation in 2000 having previously earned a Chartered Accountant designation in 1994.

Ajay Virk (Manager, Investments): Mr. Virk supports Highstreet's alternative equity portfolio team, focusing on the research of Highstreet's option overlay strategy. He is also closely involved with Highstreet's risk management and research activities related to the enhancement and validation of its quantitative models. Mr. Virk joined Highstreet's investment team in 2006. Prior to joining Highstreet, Mr. Virk was responsible for the operation of NASDAQ's premier stock market surveillance system. Mr. Virk earned his Master of Business Administration from the University of Toronto in 2006 where he specialized in financial engineering and risk management. He also completed a Master of Mathematics from the University of Waterloo in 2003 and a Bachelor of Engineering (Computer Engineering) in 1997 at the Thapar Institute of Engineering & Technology, India.

The Chief Risk Officer oversees the Option Advisor's option overlay strategies from a strategic standpoint. In addition, Mr. Jackson provides functional oversight to all securities activity in the Fund and reporting oversight to Mr. Graham and Mr. Virk. The option overlay program is executed by Mr. Graham with administrative support from Mr. Virk. Rebalancing of the Portfolio is executed by the Option Advisor under the Manager's direction.

Details of the Option Advisor Agreement

The Option Advisor will invest the net proceeds of the Offering in equity securities of the Technology Companies to be included in the Portfolio and will employ a covered call option writing program on up to, but not more than, 25% of the equity securities of each Technology Company held in the Portfolio, in order to seek to earn attractive tax effective income from call option premiums and lower the overall volatility of returns, and will rebalance the Portfolio at least annually in conjunction with the annual redemption, all in accordance with the Investment Objectives, Investment Strategy and Investment Restrictions.

The Option Advisor Agreement, unless terminated as described below, will continue until the termination of the Fund. The Manager may terminate the Option Advisor Agreement upon 90 days' prior written notice or immediately in any of the following events: (i) if the Option Advisor is in material breach or default of the provisions of that agreement and such breach or default has not been cured within 15 days after notice thereof has been given to the Option Advisor; (ii) if the Option Advisor has committed any fraudulent act; (iii) if any representation of the Option Advisor in the Option Advisor Agreement is determined by the Fund to have not been true and correct as of the date of that agreement; (iv) if the Option Advisor has been declared bankrupt or insolvent or has entered into liquidation or winding-up, whether compulsory or voluntary (and not merely a voluntary liquidation for the purposes of amalgamation or reorganization); (v) if the Option Advisor makes a general assignment for the benefit of creditors or otherwise acknowledges its insolvency; (vi) if the assets of the Option Advisor have become subject to seizure or confiscation by any public or governmental organization; or (vii) if the Option Advisor has lost any registration, license or other authorization required by it to perform the services delegated to the Option Advisor under that agreement. The Option Advisor has the right to terminate the Option Advisor Agreement upon 90 days prior written notice and in certain other circumstances.

In the event that the Option Advisor Agreement is terminated as provided above, the Manager will appoint a successor option advisor and portfolio advisor to carry out its activities.

In the Option Advisor Agreement, the Option Advisor covenants to act on a basis which is fair and reasonable to the Fund, to act honestly and in good faith with a view to the best interests of the Fund and, in connection therewith, to exercise the degree of care, diligence and skill that a reasonably prudent advisor would exercise in comparable circumstances. The Option Advisor Agreement provides that the Option Advisor will not be liable for any default, failure or defect in the option writing services provided by the Option Advisor, any loss or diminution in value of the Fund or any other loss or damage suffered by the Fund or any other person, except where the same are due to wilful misfeasance, bad faith or negligence in the performance of the Option Advisor's duties under, or failure to fulfill its obligations and duties under, or breach of the Option Advisor Agreement.

The Option Advisor may, from time to time, seek the assistance of the directors and officers of the Manager in evaluating any proposed transaction in which the Fund may transact.

Trustee

Equity Financial Trust Company is the trustee of the Fund. The Trustee is responsible for certain aspects of the administration of the Fund as described in the Declaration of Trust. The address of the Trustee is 200 University Avenue, Suite 400, Toronto, Ontario M5H 4H1.

The Trustee or any successor trustee may resign upon 90 days written notice to the Manager or may be removed by an Extraordinary Resolution passed at a meeting of Unitholders called for such purpose. Any such resignation or removal will become effective only on the appointment of a successor trustee. If, after notice of resignation has been received from the Trustee, no successor has been appointed within 90 days of such notice, the Trustee, the Manager or any Unitholder may apply to a court of competent jurisdiction for the appointment of a successor trustee. In addition, the Manager may remove the Trustee in accordance with the Declaration of Trust. The Manager will provide notice of such event upon at least 30 days notice to Unitholders of such termination by way of press release. Any such termination will become effective only on the appointment of a successor trustee by the Manager.

The Declaration of Trust provides that the Trustee will not be liable in carrying out its duties under the Declaration of Trust except in cases where the Trustee fails to act honestly and in good faith with a view to the best interests of the Unitholders or to exercise the degree of care, diligence and skill that a reasonably prudent trustee would exercise in comparable circumstances. In addition, the Declaration of Trust contains other customary provisions limiting the liability of the Trustee and indemnifying the Trustee in respect of certain liabilities incurred by it in carrying out its duties. The Fund will grant the Trustee a lien on the Fund's assets or with a right of set-off against the Fund's assets, in either case to enforce the payment of any amounts payable or reimbursable by the Fund to the Trustee.

The Trustee is entitled to receive fees from the Fund as described under "Fees and Expenses – Ongoing Expenses" and to be reimbursed by the Fund for all expenses which are reasonably incurred by the Trustee in connection with the activities of the Fund.

Custodian

RBC Dexia Investor Services Trust at its office in Toronto, Ontario will be appointed as the custodian of the Fund. The Custodian will be responsible for safekeeping of all the investments and other assets of the Fund delivered to it (but not those assets of the Fund not directly controlled or held by the Custodian, as the case may be). The Custodian may employ sub-custodians as considered appropriate in the circumstances. Subject to certain exemptions as set out in the Custodian Agreement, the Custodian is not responsible for any ongoing assessment, adequacy or monitoring of or any liability for any loan or credit facility or any liability for holding or controlling any property of the Fund pledged to a counterparty and not directly held by the Custodian.

Auditor

The auditor of the Fund is PricewaterhouseCoopers LLP, Chartered Accountants, Licensed Public Accountants, at its office located at Suite 3000, Royal Trust Tower, Toronto-Dominion Centre, 77 King Street West, Toronto, Ontario M5K 1G8.

Transfer Agent and Registrar

Equity Financial Trust Company will act as transfer agent and registrar for the Units and will maintain the securities register of the Units and register transfers of Units at its office in Toronto, Ontario.

Promoter

The Manager may be considered a promoter of the Fund for purposes of securities legislation in certain provinces of Canada by reason of its initiative in forming and establishing the Fund and taking the steps necessary for the public distribution of the Units. The Manager will not receive any benefits, directly or indirectly, from the issuance of Units offered hereunder other than amounts paid to the Manager as described under "Fees and Expenses".

CALCULATION OF NET ASSET VALUE

The Manager will calculate, or will arrange for the calculation of, the Net Asset Value per Unit as at the close of business on each Valuation Date.

Valuation Policies and Procedures

For reporting purposes other than financial statements, the Net Asset Value on a particular date will be equal to (i) the Total Assets less (ii) the aggregate value of the liabilities of the Fund. The Net Asset Value per Unit on any Valuation Date will be calculated by dividing the Net Asset Value on such Valuation Date by the total number of Units issued and outstanding on such Valuation Date.

Unless otherwise required by law, for the purpose of calculating the Net Asset Value on a Valuation Date, the Total Assets on such Valuation Date will be determined as follows:

- (a) the value of any cash on hand or on deposit, bill, demand note, accounts receivable, prepaid expenses, distributions, dividends, or other amounts receivable (or declared to holders of record of securities owned by the Fund on a date before the Valuation Date as at which the Total Assets are being determined, and to be receivable) and interest accrued and not yet received will be deemed to be the full amount thereof provided that if the Manager has determined that any such deposit, bill, demand note, accounts receivable, prepaid expenses, distributions, dividends, or other amounts receivable (or declared to holders of record of securities owned by the Fund on a date before the Valuation Date as at which the Total Assets are being determined, and are to be receivable) or interest accrued and not yet received is not otherwise worth the full amount thereof, the value thereof will be deemed to be such value as the Manager determines to be the fair market value thereof;
- (b) the value of any security, index future or index option which is listed or traded upon a stock exchange (or if more than one, on the principal stock exchange for the security, as determined by the Manager) will be determined by taking the latest available sale price of recent date, or lacking any recent sales or any record thereof, the simple average of the latest available ask price and the latest available bid price (unless in the opinion of the Manager such value does not reflect the value thereof and in which case the latest ask price or bid price will be used), as at the Valuation Date on which the Total Assets are being determined, all as reported by any means in common use, provided that, for the purpose of calculating the redemption price in connection with an annual redemption of Units, the value of any security, index future or index option which is listed or traded upon a stock exchange (or if more than one, on the stock exchange in which the security primarily trades, as determined by the Manager) will be equal to the weighted average trading price over the last three Business Days of the month in which the Annual Redemption Date occurs;
- (c) short-term investments including notes and money market instruments will be valued at cost plus accrued interest;
- (d) the value of a forward contract or swap shall be the gain or loss with respect thereto that would be realized if, on the Valuation Date, the position in the forward contract or swap were to be closed out in accordance with its terms;
- (e) the value of any security which is traded over-the-counter will be priced at the average of the last bid and ask prices quoted by a major dealer or recognized information provider in such securities;
- (f) the value of any purchased or written clearing corporation options, options on futures or over-the-counter options shall be the current market value thereof;
- (g) the value of any security or other asset for which a market quotation is not readily available will be its fair market value on the Valuation Date on which the Total Assets are being determined as determined by the Manager (generally the Manager will value such security or other asset at cost until there is a clear indication of an increase or decrease in value);
- (h) any market price reported in currency other than Canadian dollars will be converted into Canadian currency at the rate of exchange available from the Custodian on the Valuation Date on which the Total Assets are being determined;
- (i) listed securities subject to a hold period will be valued as described above with an appropriate discount as determined by the Manager and investments in private companies and other assets for which no published market exists will be valued at the lesser of cost and the most recent value at which such securities have been exchanged in an arm's length transaction which approximates a trade effected in a published market, unless a different fair market value is determined to be appropriate by the Manager; and

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

The Net Asset Value per Unit is calculated in Canadian dollars in accordance with the rules and policies of the Canadian Securities Administrators or in accordance with any exemption therefrom that the Fund may obtain. The Net Asset Value per Unit determined in accordance with the principles set out above may differ from Net Asset Value per Unit determined under Canadian generally accepted accounting principles. Under current Canadian generally accepted accounting principles, the primary differences are that securities traded in an active market are generally valued using the bid prices for securities held long and the ask prices for securities sold short.

Reporting of Net Asset Value

The Net Asset Value per Unit will be provided to Unitholders on request, at no cost, by calling 1-866-642-6001 and will be made available on the Manager's website at www.bromptonfunds.com. The Fund will also make the Net Asset Value per Unit available to the financial press for publication on a weekly basis.

DESCRIPTION OF THE UNITS

The Units

The Fund is authorized to issue an unlimited number of Units, each of which represents an equal 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 holder of Units. Each Unitholder is entitled to one vote for each Unit held and is entitled to participate equally with respect to any and all distributions made by the Fund, 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, income incurred 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.

On December 16, 2004, the *Trust Beneficiaries' Liability Act, 2004* (Ontario) came into force. This statute provides that holders of units of a trust are not, as beneficiaries, liable for any act, default, obligation or liability of the trust if, when the act or default occurs or the liability arises, (i) the trust is a reporting issuer under the *Securities Act* (Ontario) and (ii) the trust is governed by the laws of Ontario. The Fund is a reporting issuer under the *Securities Act* (Ontario) and it is governed by the laws of Ontario by virtue of the provisions of the Declaration of Trust.

Purchase for Cancellation

The Declaration of Trust provides that the Fund may, in its sole discretion, from time to time, purchase (in the open market or by invitation for tenders) Units for cancellation subject to applicable law and stock exchange requirements, based on the Manager's assessment that such purchases are accretive to Unitholders, in all cases at a price per Unit not exceeding the most recently calculated Net Asset Value per Unit immediately prior to the date of any such purchase of Units. It is expected that these purchases will be made as normal course issuer bids through the facilities and under the rules of the TSX or such other exchange or market on which the Units are then listed.

Take-over Bids

The Declaration of Trust contains provisions to the effect that if a take-over bid is made for the Units and not less than 90% of the aggregate of the Units (but not including any Units held at the date of the take-over bid by or on behalf of the offeror or associates or affiliates of the offeror) are taken up and paid for by the offeror, the offeror will be entitled to acquire the Units held by the Unitholders who did not accept the take-over bid on the terms offered by the offeror.

Book-Based System

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 such securities are held. Upon purchase of any Units, the Unitholders will receive only a customer confirmation from the registered dealer which is a CDS Participant and from or through which the Units are purchased.

The ability of a beneficial owner of Units to pledge such Units or otherwise take action with respect to such Unitholder's interest in such Units (other than through a CDS Participant) may be limited due to the lack of a physical certificate.

The Fund has the option to terminate registration of the Units through the book-based system administered by CDS, in which case certificates for the Units in fully registered form would be issued to beneficial owners of such Units or their nominees.

UNITHOLDER MATTERS

Meetings of Unitholders

A meeting of Unitholders may be convened by the Trustee by a written requisition specifying the purpose of the meeting, and must be convened by the Trustee if requisitioned by Unitholders holding not less than 10% of the then outstanding Units by a written requisition specifying the purpose of the meeting.

Notice of all meetings of Unitholders will be given in accordance with applicable law. The quorum for a meeting is two or more holders of Units present in person or represented by proxy holding not less than five percent of the Units then outstanding. In the event that such quorum is not present within one-half hour after the time called for a meeting, the meeting, if convened upon the request of a Unitholder, will be dissolved, but in any other case, the meeting will stand adjourned to such day no more than 14 days later and to such time and place as may be appointed by the chairman of the meeting (which for greater certainty can be at a later time on the date of the originally scheduled meeting), and if at such adjourned meeting a quorum is not present, the Unitholders present in person or by proxy at such adjourned meeting will be deemed to constitute a quorum.

The Fund, subject to obtaining all necessary regulatory approvals, does not intend to hold annual meetings of Unitholders. However, the Fund will undertake to the TSX to hold annual meetings of Unitholders if so instructed by the TSX.

Amendment to Declaration of Trust

Except as provided below, the Declaration of Trust may be amended by an Ordinary Resolution approved at a meeting of Unitholders duly convened and held in accordance with the provisions in that regard contained in the Declaration of Trust, or by the written consent in lieu of a meeting if there is only one Unitholder.

The following matters may only be undertaken with the approval of Unitholders by an Extraordinary Resolution:

- (a) any change in the Investment Objectives, Investment Strategy or Investment Restrictions, unless such changes are necessary to ensure compliance with applicable laws, regulations or other requirements imposed by applicable regulatory authorities from time to time;
- (b) any material change in the Management Agreement, other than a change in the Manager provided that the new manager is an affiliate of the Manager;
- (c) any increase in the Management Fee;
- (d) any amendment, modification or variation in the provisions or rights attaching to the Units;
- (e) any issue of Units (other than (i) pursuant to any warrants or rights issued by the Fund to existing Unitholders, or (ii) any distribution reinvestment plan which may be established by the Fund) when the net proceeds per Unit are less than the most recently calculated Net Asset Value per Unit prior to the date of setting the subscription price for such issuance;
- (f) any change in the frequency of calculating the Net Asset Value per Unit to less often than weekly;
- (g) any merger, arrangement or similar transaction or the sale of all or substantially all of the assets of the Fund other than in the ordinary course of business;
- (h) any liquidation, dissolution or termination of the Fund except if it is determined by the Manager, in its sole discretion, to be in the best interests of the Unitholders or otherwise in accordance with the terms of the Declaration of Trust; and

- (i) any amendment to the above provisions except as permitted by the Declaration of Trust.

Notwithstanding the foregoing, the Trustee is entitled to amend the Declaration of Trust without the consent of, or notice to, the Unitholders to:

- (a) remove any conflicts or other inconsistencies which may exist between any terms of the Declaration of Trust and any provisions of any law, regulation or requirements of any governmental authority applicable to or affecting the Fund;
- (b) make any change or correction in the Declaration of Trust which is of a typographical nature or is required to cure or correct any ambiguity or defective or inconsistent provision, clerical omission, mistake or manifest error contained therein;
- (c) bring the Declaration of Trust into conformity with applicable laws, rules and policies of Canadian Securities Administrators or with current practice within the securities or investment fund industries, provided such amendments do not in the opinion of the Manager adversely affect the pecuniary value of the interest of the Unitholders or restrict any protection for the Trustee or the Manager or increase their respective responsibilities;
- (d) maintain the status of the Fund as a “mutual fund trust” or, if applicable, a “registered investment” for the purposes of the Tax Act or to respond to amendments to such Act or to the interpretation or administration thereof; or
- (e) provide added protection or benefit to Unitholders.

Reporting to Unitholders

The Fund will make available to Unitholders such financial statements and other continuous disclosure documents as are required by applicable law including unaudited interim and audited annual financial statements prepared in accordance with Canadian generally accepted accounting principles. The Fund will make available to each Unitholder annually and before March 31 of the following year information necessary to enable such Unitholder to complete an income tax return with respect to the amounts paid or payable by the Fund.

TERMINATION OF THE FUND

The Fund does not have a fixed termination date. Pursuant to the Declaration of Trust, the Fund will terminate on the date specified in an Extraordinary Resolution of Unitholders calling for the termination of the Fund or when terminated by the Manager as described below. In addition to such termination, the Declaration of Trust also provides that:

- (a) in the event that the Manager resigns and no new Manager is appointed by the Trustee within 120 days of the Manager giving notice to the Trustee of such resignation, the Fund will automatically terminate on the date which is 60 days following the end of such 120 day period; and
- (b) the Manager may, in its discretion, terminate the Fund without the approval of the Unitholders if, in its opinion, it would be in the best interests of the Unitholders to do so.

The Manager will provide notice of such termination upon at least 30 days notice to the Unitholders of the termination date by way of press release.

The Declaration of Trust provides that, prior to the termination of the Fund, the Manager will dispose of all of its assets and will satisfy or make appropriate provision for all liabilities of the Fund. The Declaration of Trust provides that the Manager may, in its discretion and upon not less than 30 days prior written notice to the Unitholders, postpone any termination date by a period of up to 180 days if the Manager determines that it will be unable to convert all of its assets to cash prior to any termination date and the Manager determines that it would be in the best interests of the Unitholders to do so. Upon termination, the Declaration of Trust provides that the Fund will distribute to Unitholders their *pro rata* portions of the remaining assets of the Fund which will include cash and, to the extent liquidation of certain assets is not practicable or the Manager considers such liquidation not to be appropriate prior to any termination date, such unliquidated assets *in specie* rather than in cash. Following such distribution, the Fund will be dissolved.

USE OF PROCEEDS

The net proceeds from the sale of the Units will be as follows:

	<u>Maximum Offering</u>	<u>Minimum Offering</u>
Gross proceeds to the Fund.....	\$200,000,000	\$35,000,000
Agents' fees	\$10,500,000	\$1,837,500
Estimated expenses of the Offering ⁽¹⁾	\$750,000	\$525,000
Net proceeds to the Fund	\$188,750,000	\$32,637,500

(1) The expenses of the Offering to be borne by the Fund shall not exceed 1.5% of the gross proceeds of the Offering.

The net proceeds of the Offering will be invested in Portfolio Securities in accordance with the Investment Objectives and Investment Strategy and subject to the Investment Restrictions.

The Agents' fees and all other expenses of the Offering (including the cost of creating and organizing the Fund, the cost of preparing and printing this prospectus, legal expenses of the Fund and the Agents and certain other expenses) will be paid by the Fund out of the gross proceeds of the Offering.

Pending investment in Portfolio Securities, which will be made as expeditiously as prudent investment practice permits, the Fund will invest the net proceeds of the Offering in cash and cash equivalents. It is anticipated that investment of the net proceeds of the Offering in Portfolio Securities will be completed within 30 days of Closing.

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, 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 \$10.00 per Unit. The offering price per Unit was determined by negotiation between the Agents and the Manager on behalf of the Fund. In consideration for their services in connection with the Offering, the Agents will be paid a fee of \$0.525 per Unit (5.25%) 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. The Agents may form a sub-agency group including other qualified investment dealers and limited market 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 an Over-Allotment Option, exercisable for a period of 30 days from the Closing Date, to purchase up to 15% of the aggregate number of Units issued at Closing at a price of \$10.00 per Unit solely to cover over-allotments, if any. The Agents' fee payable by the Fund upon an exercise of the Over-Allotment Option will be \$0.525 per Unit. 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 \$230,000,000, \$12,075,000 and \$217,925,000, respectively. This 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 prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. See "Plan of Distribution".

Subscription amounts received in trust will be held in segregated accounts with a depository who is a registered dealer, bank or trust company until the minimum amount of subscriptions for Units has been obtained. If subscriptions for a minimum of 3,500,000 Units (or \$35,000,000) have not been received within 90 days following the date of issuance of a final receipt for this prospectus, the Offering may not continue and subscription proceeds will be returned to subscribers, without interest or deduction, unless an amendment to this prospectus is filed. In the event Closing does not occur for any reason, subscription proceeds received from prospective purchasers in respect of the Offering will be returned to such purchasers promptly without interest or deduction. The maximum number of Units which will be sold is 20,000,000 Units or \$200,000,000. 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. Closing will take place on or about May 20, 2011 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 prospectus is issued.

The TSX has conditionally approved the listing of the Units subject to the Fund fulfilling all of the requirements of the TSX on or before July 20, 2011, including distribution to a minimum number of public Unitholders. The Units have not been, nor will they be, registered under the U.S. Securities Act or any state securities legislation and these securities may not be offered or sold in the United States or to or for the account of a person in the United States or a U.S. person 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 these securities within the United States 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 person in the United States or 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 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 Manager and the Option Advisor have agreed to indemnify the Agents and their controlling persons, directors, officers and employees against certain liabilities.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

The Manager is entitled to receive the Management Fee plus an amount equal to the Service Fee and will be reimbursed by the Fund for all expenses incurred in connection with the operation and administration of the Fund. See “Organization and Management Details of the Fund” and “Fees and Expenses”.

PROXY VOTING DISCLOSURE FOR PORTFOLIO SECURITIES HELD

The proxies associated with securities held by the Fund will be voted in accordance with the best interests of Unitholders determined at the time the vote is cast. The Option Advisor maintains policies and procedures that are designed to be guidelines for the voting of proxies; however, each vote is ultimately cast on a case-by-case basis, taking into consideration the relevant facts and circumstances at the time of the vote. Any conflict of interest will be resolved in a way that most benefits Unitholders. See also “Organization and Management Details of the Fund — Voting Rights in the Portfolio Securities”.

The Option Advisor’s proxy voting policies and procedures set out various considerations that the Option Advisor will address when voting, or refraining from voting, proxies, including that:

- (a) the Option Advisor will generally vote with management on routine matters such as electing corporate directors, appointing external auditors and adopting or amending management compensation plans unless it is determined that supporting management’s position would not be in the best interests of Unitholders;
- (b) the Option Advisor will address on a case-by-case basis, non-routine matters, including those business issues specific to the issuer or those raised by shareholders of the issuer with a focus on the potential impact of the vote on the Fund’s Net Asset Value; and
- (c) the Option Advisor has the discretion whether or not to vote on routine or non-routine matters. In cases where the Option Advisor determines that it is not in the best interests of Unitholders to vote, the Option Advisor will not be required to vote.

The Manager will post the proxy voting record on www.bromptonfunds.com no later than August 31 of each year. The Fund will send the most recent proxy voting policies and procedures and proxy voting record, without charge, to any Unitholder upon a request made by the Unitholder.

MATERIAL CONTRACTS

The only material contracts entered into by the Fund or the Manager during the past two years or to which either of them will become a party prior to Closing, other than during the ordinary course of business, are as follows:

- (a) the Declaration of Trust referred to under “Organization and Management Details of the Fund — Trustee” and “Unitholder Matters — Amendment to Declaration of Trust”;
- (b) the Management Agreement referred to under “Organization and Management Details of the Fund — Manager”;
- (c) the Custodian Agreement to be entered into on or prior to the Closing Date referred to under “Organization and Management Details of the Fund — Custodian”;
- (d) the Agency Agreement referred to under “Plan of Distribution”;
- (e) the Option Advisor Agreement referred to under “Organization and Management Details of the Fund — Option Advisor”; and
- (f) the Reinvestment Plan Agency Agreement to be entered into on or prior to the Closing Date referred to under “Distribution Policy — Distribution Reinvestment Plan”.

Copies of the foregoing documents may be examined during normal business hours at the principal office of the Fund during the period of distribution to the public of the Units offered under the Offering and for a period of 30 days thereafter. Copies of the Declaration of Trust may be obtained at any time from the Manager on written request.

EXPERTS

Certain legal matters in connection with the issuance and sale of the Units offered by this prospectus will be passed upon on behalf of the Fund by Stikeman Elliott LLP and on behalf of the Agents by Davies Ward Phillips & Vineberg LLP.

The auditors of the Fund are PricewaterhouseCoopers LLP, Chartered Accountants, Licensed Public Accountants, who have prepared an auditors’ report dated April 27, 2011 in respect of the financial statements of the Fund as at April 27, 2011. PricewaterhouseCoopers LLP have advised that they are independent with respect to the Fund within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of Ontario.

PURCHASERS’ STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces and territories 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 prospectus and any amendment thereto. In several of the provinces and territories of Canada, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province or territory. The purchaser should refer to the applicable provisions of the securities legislation of the purchaser’s province or territory for the particulars of these rights or should consult with a legal adviser.

AUDITOR'S CONSENT

We have read the prospectus of Tech Leaders Income Fund (the "**Fund**") dated April 27, 2011 relating to the initial public offering of units of the Fund. We have complied with Canadian generally accepted standards for an auditor's involvement with offering documents.

We consent to the use in the above-mentioned prospectus of our report to the Unitholder and Trustee of the Fund on the statement of net assets of the Fund as at April 27, 2011. Our report is dated April 27, 2011.

Toronto, Ontario
April 27, 2011

(Signed) PricewaterhouseCoopers LLP
Chartered Accountants, Licensed Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Unitholder and the Trustee of Tech Leaders Income Fund (the Fund)

We have audited the accompanying statement of net assets (the financial statement) of the Fund as at April 27, 2011 and the related notes including a summary of significant accounting policies.

Management's responsibility for the financial statement

Management is responsible for the preparation and fair presentation of the financial statement in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statement presents fairly, in all material respects, the financial position of the Fund as at April 27, 2011 in accordance with Canadian generally accepted accounting principles.

Toronto, Ontario
April 27, 2011

(Signed) PricewaterhouseCoopers LLP
Chartered Accountants, Licensed Public Accountants

TECH LEADERS INCOME FUND

STATEMENT OF NET ASSETS

As at April 27, 2011

Assets

Cash\$10

Unitholder's Equity

Unitholder's Equity (Note 1)\$10

The accompanying notes are an integral part of this statement of net assets.

Approved on behalf of Tech Leaders Income Fund
By: Brompton Funds Management Limited

(Signed) PETER A. BRAATEN
Director

(Signed) RAYMOND R. PETHER
Director

TECH LEADERS INCOME FUND
NOTES TO STATEMENT OF NET ASSETS

As at April 27, 2011

1. ORGANIZATION AND UNITHOLDER'S EQUITY

Tech Leaders Income Fund (the “**Fund**”) is a closed-end investment fund established under the laws of the Province of Ontario pursuant to a declaration of trust dated as of January 1, 2011. The beneficiaries of the Fund will be the holders of transferable, redeemable units of the Fund (each, a “**Unit**”). Equity Financial Trust Company is trustee of the Fund.

The investment objectives of the Fund are to provide Unitholders with (i) monthly distributions; and (ii) the opportunity for capital appreciation through investment in a portfolio comprising equity securities of large-capitalization companies whose primary business is in the information technology sector.

The Fund is authorized to issue an unlimited number of Units, each of which consists of one transferable, redeemable Unit, which represents an equal undivided interest in the net assets of the Fund.

On January 1, 2011, the Fund was settled and issued an initial Unit for cash consideration of \$10.00 to Brompton Funds Management Limited (the “**Manager**”), the settlor of the Fund.

2. MANAGEMENT AND SERVICE FEE

The Manager will receive a management fee from the Fund equal in the aggregate to 0.75% per annum of the net asset value of the Fund. The Manager is responsible for paying the fees payable to the option advisor out of the management fee. A service fee equal to 0.50% per annum of the net asset value of the Fund will also be paid to the Manager and will be applied by the Manager to pay a service fee in an equivalent aggregate amount, plus applicable taxes, to CDS participants based on the number of Units held by clients of such CDS participants at the end of the relevant quarter.

3. REDEMPTION OF UNITS

Units may be redeemed on an annual basis on the second last Business Day of November (each, an “**Annual Redemption Date**”), commencing in November 2012 subject to certain conditions. In order to effect such a redemption, the Units must be surrendered by no later than 5:00 p.m. (Toronto time) on the last business day of October. Unitholders whose Units are redeemed on an Annual Redemption Date will receive a redemption price in an amount equal to 100% of the net asset value per Unit on that date (less any costs and expenses associated with the redemption).

4. INITIAL OFFERING

The Fund, the Manager and the Fund's option advisor, Highstreet Asset Management Inc., have entered into an agency agreement with RBC Dominion Securities Inc., CIBC World Markets Inc., TD Securities Inc., BMO Nesbitt Burns Inc., National Bank Financial Inc., Scotia Capital Inc., HSBC Securities (Canada) Inc., Mackie Research Capital Corporation, Raymond James Ltd., Canaccord Genuity Corp., Dundee Securities Ltd., Macquarie Private Wealth Inc., Wellington West Capital Markets Inc., Desjardins Securities Inc. and Manulife Securities Incorporated (collectively, the “**Agents**”) dated as of April 27, 2011 pursuant to which the Fund has agreed to create, issue and sell, and the Agents have agreed to offer for sale to the public a minimum of 3,500,000 Units and a maximum of 20,000,000 Units at \$10.00 per Unit. In consideration for their services in connection with the offering, the Agents will be paid a fee of \$0.525 per Unit (5.25%) out of the proceeds of the offering. In addition, expenses of the initial offering at an amount not to exceed 1.5% of the gross proceeds of the offering will be paid out of the gross proceeds of the offering.

CERTIFICATE OF THE FUND, THE MANAGER AND THE PROMOTER

Dated: April 27, 2011

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of all of the provinces and territories of Canada.

BROMPTON FUNDS MANAGEMENT LIMITED

as Manager and on behalf of

TECH LEADERS INCOME FUND

By: *(Signed)* MARK A. CARANCI
Chief Executive Officer

By: *(Signed)* CRAIG T. KIKUCHI
Chief Financial Officer

On behalf of the Board of Directors
of

BROMPTON FUNDS MANAGEMENT LIMITED

By: *(Signed)* PETER A. BRAATEN
Director

By: *(Signed)* RAYMOND R. PETHER
Director

BROMPTON FUNDS MANAGEMENT LIMITED

as Promoter

By: *(Signed)* MARK A. CARANCI
Chief Executive Officer

CERTIFICATE OF THE AGENTS

Dated: April 27, 2011

To the best of our knowledge, information and belief, this prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of all of the provinces and territories of Canada.

RBC DOMINION SECURITIES INC.
By: *(Signed)* EDWARD V. JACKSON

CIBC WORLD MARKETS INC.
By: *(Signed)* SCOTT SMITH

TD SECURITIES INC.
By: *(Signed)* CAMERON GOODNOUGH

BMO NESBITT BURNS INC.
By: *(Signed)* ROBIN G. TESSIER

NATIONAL BANK FINANCIAL INC.
By: *(Signed)* TIMOTHY EVANS

SCOTIA CAPITAL INC.
By: *(Signed)* BRIAN D. MCCHESEY

HSBC SECURITIES (CANADA) INC.
By: *(Signed)* BRENT LARKAN

MACKIE RESEARCH CAPITAL
CORPORATION
By: *(Signed)* DAVID J. KEATING

RAYMOND JAMES LTD.
By: *(Signed)* J. GRAHAM FELL

CANACCORD GENUITY
CORP.
By: *(Signed)*
RON SEDRAN

DUNDEE SECURITIES LTD.
By: *(Signed)*
AARON UNGER

MACQUARIE PRIVATE
WEALTH INC.
By: *(Signed)*
RAY SAWICKI

WELLINGTON WEST
CAPITAL MARKETS INC.
By: *(Signed)*
SCOTT D. LARIN

DESIARDINS SECURITIES INC.
By: *(Signed)* BETH A. SHAW

MANULIFE SECURITIES INCORPORATED
By: *(Signed)* WILLIAM PORTER



Tech Leaders

INCOME FUND

BROMPTON
FUNDS

HIGHSTREET
ASSET MANAGEMENT INC.