

Brompton Flaherty & Crumrine Investment Grade Preferred ETF

TSX:BPRF

Brompton Flaherty & Crumrine *Enhanced* Investment Grade Preferred ETF

TSX:BEPR

Overview

These ETFs seek to provide: (i) stable monthly cash distributions; and (ii) a stable net asset value. The ETFs invest in an actively managed portfolio consisting primarily of U.S. dollar denominated corporate preferred securities, trust preferred securities and other corporate debt, and may also invest in Canadian preferred shares. At least 75% of the ETF portfolio (at the time of investment) consists of securities that are rated investment grade. The Sub-Advisor will select a portfolio of preferred investments for the ETF, giving consideration to the opportunity for income, issuer and security diversification, credit quality, and duration/interest rate sensitivity, among other factors. Brompton Flaherty & Crumrine Investment Grade Preferred ETF (BPRF) is unleveraged, and Brompton Flaherty & Crumrine *Enhanced* Investment Grade Preferred ETF (BEPR) employs a moderate amount of leverage in the range of 20-33% of Total Assets to further enhance income and total return potential.

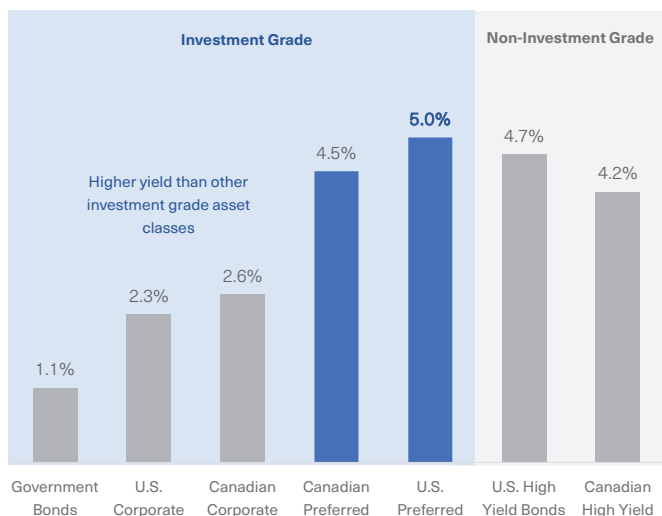
The Sub-Advisor, Flaherty & Crumrine Incorporated was established in 1983, and specializes in US-dollar-denominated preferred securities and corporate debt instruments. The firm uses 30 years of proprietary data on over 1500 preferred securities to carry out intensive credit analysis, thorough vetting of securities' terms and structures, and active portfolio management, with the goal of exploiting pricing inefficiencies in the fixed income markets to provide attractive rates of return on its funds.

Preferred Securities - Investment Rationale

1 High Quality, Attractive Income

The portfolio is comprised primarily of investment grade U.S. preferred securities, which provide higher income than many investment grade fixed income categories.¹

Fixed-Income Yield Comparison¹



2 Historically Resilient

U.S. preferred securities have significantly outperformed Canadian preferred shares over the last 7-years with lower volatility²

U.S. & Canadian Preferred Indices Total Return²



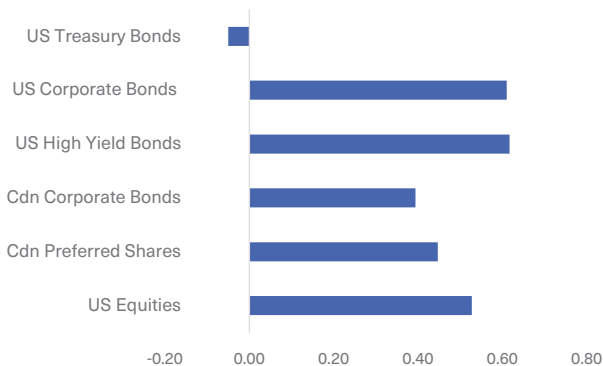
¹Source: Refinitiv Datastream, S&P Dow Jones Indices, as at October 31, 2021. Note: Indices used were ICE BofAML 8% Constrained Core West Preferred & Jr Subordinated Securities Index, ICE BofAML US Corporate Index, ICE BofAML Canadian Corporate Index, ICE BofAML US High Yield Index, ICE BofAML Canada High Yield Index, ICE BofAML US Treasury Index, and S&P/TSX Preferred Share Index.

²Source: Refinitiv Datastream, as at October 31, 2021. The U.S. Preferred Securities Index is represented by the ICE BofAML 8% Constrained Core West Preferred & Jr Subordinated Securities Index.

3 Diversification

Preferred Securities have low correlation of returns to traditional equity and fixed income categories, providing an effective tool to diversify portfolio returns and risk³

Preferred Securities - Low Correlation³ Diversification opportunity when correlation <1



4 Benefits of Active Management

Unlike a passive index, actively managed ETFs can:

- Avoid preferred securities that are trading at premiums to call price while nearing an issuer call date, which could lead to loss of principal;
- Select high quality issuers and choose the most attractive Preferred Securities offered by that issuer;
- Access more choice by participating in Institutional Preferreds (which trade like bonds & are 70% of the market); Index ETFs are generally limited to Retail Preferreds (exchange-listed, 30% of the market).

Select Portfolio Holdings⁴



Sub-Advisor

Established in 1983, Flaherty & Crumrine Incorporated specializes in US dollar denominated preferred securities and corporate debt instruments. The firm uses 30 years of proprietary data on over 1500 preferred securities to carry out intensive credit analysis, thorough vetting of securities' terms and structures, and active portfolio management, with the goal of exploiting pricing inefficiencies in the fixed income markets to provide attractive rates of return on its funds.

Manager

Founded in 2000, Brompton is an experienced investment fund manager with income focused investment solutions including exchange-traded funds (ETFs) and other TSX traded investment funds. Our funds are designed to address investors' cash flow requirements and to provide them with value-added diversification strategies. Since inception, Brompton has paid out over \$2.8 billion in distributions.

Investor Relations

PHONE 416.642.6000

info@bromptongroup.com

TOLL FREE 1.866.642.6001

www.bromptongroup.com

BROMPTON
FUNDS

³Source: Morningstar Direct, Refinitiv Datastream, as at September 30, 2021. "US Preferreds" is comprised of 50% of the ICE BofAML 8% Capped Hybrid Preferred Securities Index (P8HO) and 50% of the ICE BofAML 8% Capped Corporate US Capital Securities Index (C8CT) prior to 4/30/2012, and thereafter of the ICE BofAML 8% Constrained Core West Preferred & Jr Subordinated Securities Index (P8JC). Other indices used were the S&P/TSX Preferred Share Index, FTSE Canada All Corporate Bond Index, ICE BofAML U.S. Corporate Index (C0A0), ICE BofAML ICE BofAML U.S. Corporate High Yield Index (H0A0), ICE BofAML US Treasury Index Index (G0Q0), and the S&P 500 Index. The correlations are calculated using monthly returns over trailing 15 years.

⁴Please visit www.bromptongroup.com for a portfolio summary.

The benchmarks from ICE Data Indices, LLC ("ICE Data") are used with permission. ICE Data, its affiliates and their respective third party suppliers disclaim any and all warranties and representations, express and/or implied, including any warranties of merchantability or fitness for a particular purpose or use, including the indices, index data and any data included in, related to, or derived therefrom. Neither ICE Data, its affiliates nor their respective third party providers shall be subject to any damages or liability with respect to the adequacy, accuracy, timeliness or completeness of the indices or the index data or any component thereof, and the indices and index data and all components thereof are provided on an "as is" basis and your use is at your own risk. ICE Data, its affiliates and their respective third party suppliers do not sponsor, endorse or recommend the Fund.

Commissions, trailing commissions, management fees and expenses may all be associated with ETFs. Please read the prospectus before investing. ETFs are not guaranteed, their values change frequently and past performance may not be repeated.

Certain statements contained in this document constitute forward-looking information within the meaning of Canadian securities laws. Forward-looking information may relate to matters disclosed in this document and to other matters identified in public filings relating to the ETF, to the future outlook of the ETF and anticipated events or results and may include statements regarding the future financial performance of the ETF. In some cases, forward-looking information can be identified by terms such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "intend", "estimate", "predict", "potential", "continue" or other similar expressions concerning matters that are not historical facts. Actual results may vary from such forward-looking information. Investors should not place undue reliance on forward-looking statements. These forward-looking statements are made as of the date hereof and we assume no obligation to update or revise them to reflect new events or circumstances.