



**Voya Global Income Solutions Fund**  
**Class A Units and Class U Units**

**Annual Information Form**

**For the year ended August 31, 2016**

No securities regulatory authority has expressed an opinion about these Units and it is an offence to claim otherwise.

November 29, 2016

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## **1 DESCRIPTION OF THE BUSINESS**

### ***1.1 NAME AND FORMATION***

Voya Global Income Solutions Fund (the "Fund") is a closed-end investment fund established under the laws of the Province of Ontario and governed by the Trust Agreement (the "Trust Agreement") between Aston Hill Capital Markets Inc. (the "Manager"), the Manager of the Fund, and RBC Investor Services Trust (formerly RBC Dexia Investor Services Trust) (the "Trustee") dated November 18, 2014. The principal place of business of the Fund and the registered office of the Manager is located at 77 King Street West, Suite 2110, P.O. Box 92, Toronto, Ontario M5K 1G8. The Fund commenced operations on December 15, 2014. The fiscal year-end of the Fund is August 31.

The Manager intends that on or about November 30, 2016, the Fund will, subject to applicable law, which may require Unitholder or regulatory approval, either (i) be merged on a tax-deferred basis into an open-end mutual fund managed by the Manager or an affiliate which the Manager determines has substantially similar investment objectives and which invests in Senior Loans and Global Equities (any such open-end mutual fund being the "Open-End Fund"), or (ii) convert to an open end mutual fund (the "Converted Fund") to be managed by the Manager or an affiliate of the Manager (any such transaction being the "Conversion").

### ***1.2 STATUS OF 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. However, the Fund is subject to certain other requirements and restrictions contained in securities legislation, including National Instrument 81-106 – Investment Fund Continuous Disclosure of the Canadian Securities Administrators, which governs the continuous disclosure obligations of investment funds, including the Fund.

### ***1.3 ISSUE OF UNITS***

On December 15, 2014, the Fund completed an initial public offering pursuant to the Prospectus dated November 18, 2014. \$20,000,000 was raised through the issue of 2,000,000 Class A Units and \$2,040,000 was raised through the issue of 204,000 Class U Units. The Class A Units were issued at \$10.00 per Unit and incurred Agents' fees and issue expenses of \$1,350,000. The Class U Units were issued at U.S. \$10.00 per Unit and incurred Agents' fees and issue expenses of U.S. \$137,700.

## **2 DESCRIPTION OF THE FUND**

### ***2.1 THE FUND***

#### ***2.1.1.1 Investment Objectives***

The Fund's investment objectives are to provide:

- (i) provide monthly cash distributions;
- (ii) preserve capital and provided the opportunity for capital appreciation; and
- (iii) generate increased returns in the event that short-term market interest rates rise and through dividend growth, in each case, through an investment, direct or indirect, in a diversified portfolio consisting primarily of Senior Loans and Global Equities, and actively managed by Voya Investment Management Co. LLC (the "Sub-Advisor").

#### ***2.1.1.2 Subsequent Event***

The Fund will be terminated on or about November 30, 2016 (the "Termination Date"). On or about the Termination Date, the Fund will distribute to unitholders their pro rata portions of the remaining assets of the Fund attributable to each class of units. Payment is expected to be made as soon as practicable following the Termination Date. Unitholders need not take any action to receive the payment.

The decision was made to terminate the Fund by the Manager in accordance with the Fund's declaration of trust. On or about November 30, 2016, it was intended that the Fund would be merged into an open-end mutual fund managed by the Manager that has substantially similar investment objectives, or convert to an open-end mutual fund to be managed by the Manager, in each case, subject to applicable law, which may require unitholder or regulatory approval. At present, the Manager does not have an open-end mutual fund with substantially similar investment objectives to effect a merger, and, in the opinion of the Manager and Voya Investment Management Co. LLC, the sub-advisor to the Fund, if the Fund were to convert to an open-end mutual fund it would not have sufficient assets to create a well-diversified portfolio on a cost-effective basis.

### **2.1.2 Investment Strategy**

The Fund seeks to invest, directly or indirectly, in a diversified portfolio consisting primarily of Senior Loans and Global Equities. The Sub-Advisor actively allocates between these asset classes based upon its analysis of the outlook for global credit and equity markets, and the valuation and prospects of Senior Loans and Global Equities. The Fund uses the experienced research analysts and portfolio managers of the Sub-Advisor's Multi-Asset, Senior Loan and Global Equity Teams to implement its investment strategy.

The Sub-Advisor uses a proprietary allocation process to decide the asset allocation for the Portfolio. The Sub-Advisor generally seeks to have a diversified contribution to risk and return from its allocations to Senior Loans and to Global Equities.

The initial Senior Loan Allocation is expected to be approximately 70% of the Portfolio and the initial Global Equity Allocation is expected to be approximately 30% of the Portfolio.

The Sub-Advisor's approach to security selection and portfolio construction is based on detailed fundamental analysis of individual companies with a view to identifying investment candidates that provide a reliable source of interest and principal payments on their loans and sustainable or growing dividends on their stocks.

In order to gain exposure to a broader portfolio of Senior Loans, the Fund currently anticipates that 100% of the Senior Loan Allocation is invested in units of ISL Loan Trust.

The Sub-Advisor intends to hedge to the Canadian dollar substantially all of the value of the major, non-Canadian, foreign exchange exposure in the loan allocation. The Sub-Advisor also intends to initially hedge such exposures in the Global Equity Allocation. In respect of the Class U Units, the Sub-Advisor intends to then hedge the value of the Portfolio that is equal to the proportion of the NAV of the Fund attributable to the Class U Units back to the U.S. dollar, or otherwise adjust its currency hedging. The Fund intends to use derivative instruments for currency hedging purposes. The Fund may use derivatives for hedging purposes only in accordance with NI 81-102.

### **2.1.3 Leverage**

Prior to the Conversion, the Fund may employ leverage (through borrowing), directly or indirectly, of up to 30% of Total Assets for the purposes of acquiring assets for the Portfolio and such other short term funding purposes as may be determined by the Sub-Advisor, in consultation with the Manager, from time to time and in accordance with the Investment Strategy. Accordingly, the maximum amount of leverage that the Fund could employ in relation to NAV is 1.43:1. The Fund's maximum leverage will take into account the leverage employed by any other investment funds that the Fund may invest in from time to time. Initially, the Fund is expected to employ leverage of approximately 28.5% of Total Assets. Following the Conversion, the Open-End Fund or the Converted Fund, as applicable, will not be permitted to use leverage to pursue its investment objectives.

During the year ended August 31, 2016, the Fund did not apply any direct leverage. The Fund is exposed to leverage by means of investing in ISL Loan Trust. Leverage applied in ISL Loan Trust as of August 31, 2016 was 27.0% of its NAV. Since the investment in ISL Loan Trust represents 60.6% of the Fund's NAV, indirect leverage employed in the Fund was approximately 16.4% of the Fund's period end NAV.

### **2.1.4 Investment Restrictions of the Fund**

The Fund is subject to certain investment restrictions that are set out in the Declaration of Trust. The investment restrictions of the Fund provide that the Fund will not:

- a) invest at the time of purchase less than 25% of Total Assets or more than 75% of Total Assets in Senior Loans, except within 90 days after the Closing Date and within 90 days prior to the Fund's termination;

- b) invest at the time of purchase less than 25% of Total Assets or more than 75% of Total Assets in Global Equities, except within 90 days after the Closing Date and within 90 days of the Fund's termination;
- c) invest at the time of purchase more than 25% of Total Assets in the Senior Loans or other debt instruments of borrowers in the same industry sector (determined with reference to the industry sectors identified by S&P);
- d) invest at the time of purchase more than 10% of Total Assets in Senior Loans or other debt instruments or Global Equities of any one borrower or issuer;
- e) employ financial leverage in excess of 30% of Total Assets, except in connection with foreign exchange rate hedging;
- f) purchase the common or preferred shares of any "substantial securityholder" of the Fund (as defined in the Securities Act (Ontario)) or the direct or indirect parent of any substantial securityholder of the Fund;
- g) except with respect to investments in Other Funds, purchase, own or control the securities of any issuer which constitute, or are convertible into or exercisable for, 10% or more of the outstanding voting or equity securities of that issuer or of any class of that issuer;
- h) purchase the securities of an issuer for the purposes of exercising control or direction, whether alone or in concert, over management of that issuer;
- i) sell securities short;
- j) use derivative instruments other than for hedging purposes in accordance with NI 81-102;
- k) make or hold any investments in entities that would be "foreign affiliates" of the Fund for purposes of the Tax Act;
- l) invest in or hold (i) securities of or an interest in any non-resident entity, an interest in or a right or option to acquire such property, or an interest in a partnership which holds any such property if the Fund would be required to include any significant amounts in income pursuant to section 94.1 of the Tax Act; (ii) an 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 section 94.2 of the Tax Act; or (iii) any interest in a non-resident trust (or a partnership which holds such an interest) other than an "exempt foreign trust" for the purposes of section 94 of the Tax Act (or pursuant to any amendments to such provisions);
- m) make any investment or conduct any activity that would result in the Fund failing to qualify as a "unit trust" or "mutual fund trust" within the meaning of the Tax Act;
- n) acquire or hold any property that is "taxable Canadian property" within the meaning of the Tax Act if the definition were read without paragraph (b) thereof (or any 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;
- o) acquire or hold any "non-portfolio property" as defined in the SIFT Rules;
- p) enter into any arrangement where the result is a "dividend rental arrangement" within the meaning of the Tax Act; or
- q) invest in any security that would be a "tax shelter investment" within the meaning of section 143.2 of the Tax Act.
- r) pledge any of its assets, except in connection with the employment of permitted financial leverage and foreign exchange rate or interest rate hedging; or
- s) purchase the securities of a borrower for the purposes of exercising control or direction, whether alone or in concert, over management of that borrower, except under circumstances where such borrower is in breach of the terms of, or in default under, the Senior Loan.

## **2.2 OVERVIEW OF THE INVESTMENT STRUCTURE**

### **2.2.1 Investment in other Investment Funds**

In accordance with applicable securities legislation, including NI 81-102, and as an alternative to or in conjunction with investing in and holding securities directly, the Sub-Advisor may also invest in one or more other investment funds, including other investment funds managed by the Manager or the Sub-Advisor (each, an “Other Fund”), provided that no management fees or incentive fees are payable by the Fund that, to a reasonable person, would duplicate a fee payable by the Other Fund for the same service. The Fund’s allocation to investments in Other Funds, if any, will vary from time to time depending upon the size of the Senior Loan Allocation and the Global Equity Allocation, the relative size and liquidity of the investment fund, and the ability of the Sub-Advisor to identify appropriate investment funds that are consistent with the Fund’s investment objectives and strategies.

In order to gain exposure to a broader portfolio of Senior Loans, the Fund currently anticipates that 100% of the Senior Loan Allocation will be invested in units of ISL Loan Trust. ISL Loan Trust is a reporting issuer in the Province of Quebec and is managed by the Manager. The Sub-Advisor also acts as the sub-advisor to ISL Loan Trust. For greater certainty, if the Fund invests in units of ISL Loan Trust, the aggregate management fee received by the Manager from the Fund and ISL Loan Trust will not exceed 1.1% per annum of the Net Asset Value. Following the Conversion, the Open-End Fund or the Converted Fund, as applicable, will invest in Senior Loans and Global Equities directly or indirectly through other investment funds in accordance with NI 81-102.

### **2.2.2 Investment Management Approach**

The Fund accesses to the experienced research analysts and portfolio managers of the Sub-Advisor’s Multi-Asset, Senior Loan and Global Equity Teams.

The Fund seeks to achieve its investment objectives by investing, directly or indirectly, in a diversified portfolio consisting primarily of Senior Loans and Global Equities. The Sub-Advisor actively allocates between these asset classes based upon its analysis of the outlook for global credit and equity markets, and the valuation and prospects of Senior Loans and Global Equities.

The Sub-Advisor generally seeks to have a diversified contribution to risk and return from its allocations to Senior Loans and Global Equities. The Sub-Advisor uses a proprietary asset allocation process to decide the Asset Allocation for the Portfolio, including the use of both quantitative models and qualitative judgment.

#### **Senior Loans:**

- Instruments: Focus primarily on senior, secured, floating rate loans of non-investment grade North American borrowers.
- Investment approach:
  - The Sub-Advisor aims to construct the Senior Loan portion of the Portfolio to achieve a significantly lower default risk across a full credit cycle than the Loan Index through an investment style with a with a proven history of positive returns and low defaults.
  - The Senior Loan Allocation primarily consists of Senior Loans that are expected to generate increased cash flow in the event that short-term interest rates rise above applicable LIBOR floors (which set a minimum LIBOR rate for such Senior Loans).
  - The Senior Loan Allocation primarily consists of Senior Loans of non-investment grade North American borrowers. Senior secured loans that are rated “BB+” and below by S&P or “Ba1” and below by Moody’s are considered to be non-investment grade loans. Non-investment grade loans are considered by rating agencies to be speculative and subject to high credit risk. Adverse business, financial, or economic conditions likely impairs a non-investment grade borrower’s capacity to meet its financial commitment on a loan.
- Benefits:
  - Limited Interest Rate Risk: Senior Loans do not have the duration risk of traditional fixed income classes.
  - Avoid Drawdowns: Senior Loans exhibit lower default rates and more stable income potential than other fixed income segments.

### ***Global Equities:***

- Instruments: Focus on high quality large and mid-cap global dividend paying stocks in the MSCI ACWI.
- Investment approach:
  - The Fund pursues an actively managed global equity strategy by utilizing a valuation-based screening process designed to identify both dividend paying and attractively valued stocks with sustainable paying ability and dividend growth potential.
  - The Sub-Advisor seeks to construct an allocation to Global Equities with a gross dividend yield that exceeds the average dividend yield of the companies in the MSCI ACWI.
  - In equity income investing, the Sub-Advisor aims to identify differentiated or unrecognized value investment opportunities ahead of consensus and invest in high quality companies as measured by financial strength, profitability, dividend growth prospects and sustainability.
  - In assessing quality, the Sub-Advisor evaluates critical factors such as capital management disciplines, management teams, debt to equity ratios, return on equity, and free cash flow to dividend ratios, to identify companies with the financial strength and capital allocation disciplines to support dividend sustainability and dividend growth potential.
- Benefits:
  - Dividend Yield Works: High dividend payers typically outperform their benchmarks over long periods in all regions and across sectors.
  - High Quality Security Selection: High income with potential for capital appreciation through higher quality dividend paying stocks.

### ***Combination Creates:***

- Diversification of Income Sources: The Portfolio generates interest and dividends from its credit and equity investments, respectively. The Sub-Advisor believes that over a full market cycle this will lead to a robust and stable stream of income as part of its total return compared to a single-asset class investment.
- Diversification of Returns: The combination of equity and credit returns can provide diversification. The Sub-Advisor believes that over a full market cycle this will lead to dampened Portfolio volatility and lower drawdowns compared to a single-class investment. As demonstrated by the chart below, Senior Loans historically have had a lower correlation to Global Equities than similar credit sectors (*e.g. high yield bonds*).
- Benefits of Dynamic Allocations: The Sub-Advisor believes that flexibility in the Asset Allocation will enable the Fund to position dynamically during evolving market cycles and with that meet its Investment Objectives.

## **3 UNITHOLDERS' EQUITY**

### ***3.1 DESCRIPTION OF UNITHOLDERS' EQUITY***

#### ***3.1.1 The Units***

The beneficial interest in the net assets and net income of the Fund is divided into units of such classes as may be determined by the Manager from time to time. Initially, Class A Units and Class U Units have been authorized for issuance and the Fund is authorized to issue an unlimited number of Units of each class. The Class U Units are designed for investors wishing to make their investment in U.S. dollars. 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, subject to Unitholders of each class being entitled to distributions or redemptions based on the Net Asset Value of the Units of a particular class. 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, including distributions of net realized capital gains or income, if any. On the redemption of Units, however, the Fund may in its sole discretion, designate payable to redeeming Unitholders, as part of the redemption price, any capital gains realized by, and income of, 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 with holders of Units of that class all of the assets of the Fund attributable to that class remaining after payment of all debts, liabilities and liquidation expenses of the Fund. Unitholders will have no voting rights in respect of assets held by the Fund or 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 a borrower included in the Portfolio.

The Declaration of Trust provides that the Fund may not issue additional Units of a class following completion of the Offering except (i) for net proceeds per Unit of a class of not less than 100% of the most recently calculated Net Asset Value per Unit of such class prior to the pricing of such issuance (and, for greater certainty, in making such determination, if such NAV is calculated prior to a record date for a distribution in respect of units of a class being issued, the most recently calculated NAV per unit for the purposes of determining the subscription price will be adjusted to account for any distributions which have been declared payable in respect of such units and which will not be received by the subscriber); (ii) with the approval of Unitholders; (iii) by way of unit distributions; or (iv) upon the exercise of any warrants provided that the exercise price of such warrants is not less than that which would yield net proceeds of at least 100% of the most recently calculated Net Asset Value per Unit prior to the pricing of such warrants.

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.

### **3.1.2 Conversion of Class U Units**

A holder of Class U Units may convert such Class U Units into Class A Units on a weekly basis and it is expected that liquidity for the Class U Units will be obtained primarily by means of conversion into Class A Units and a sale of such Class A Units. Class U Units may be converted in any week on the first Business Day of such week by delivering a notice and surrendering such Class U Units by 3:00 p.m. (Toronto time) at least five Business Days prior to the applicable Conversion Date. For each Class U Unit so converted, a holder will receive that number of Class A Units equal to the Net Asset Value per Class U Unit as of the close of trading on the Business Day immediately preceding the Conversion Date divided by the Net Asset Value per Class A Unit as of the close of trading on the Business Day immediately preceding the Conversion Date. For such purpose, the Fund will utilize the Reference Exchange Rate as of the Business Day immediately preceding the Conversion Date. No fraction of a Class A Unit will be issued upon any conversion of Class U Units. Any remaining fraction of a Class U Unit will be rounded down to the nearest whole number of Class A Units. A conversion of Class U Units into Class A Units and a redemption of any Class U Units will constitute a disposition of such Class U Units for the purposes of the Tax Act and may result in a capital gain (or capital loss) to the converting/redeeming Unitholder.

### **3.1.3 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) 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 of the applicable class 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.

### **3.1.4 Take-over Bids**

The Declaration of Trust contains provisions to the effect that if a take-over bid is made for the Class A Units and not less than 90% of the aggregate of the Class A Units (but not including any Class A 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 Class A Units held by the Unitholders who did not accept the take-over bid on the terms offered by the offeror.

The Declaration of Trust also provides that if, prior to the termination of the Fund, a formal bid (as defined in the Securities Act (Ontario)) is made for all of the Class U Units and such bid would constitute a formal bid for all Class A Units if the Class U Units had been converted to Class A Units immediately prior to such bid and the other offer does not include a concurrent identical take-over bid, including in terms of price (relative to the Net Asset Value per Unit of the class), for the Class A Units then the Fund shall provide the holders of Class A Units the right to convert all or a part of their Class A Units into Units of the applicable class and to tender such units to the other offer, as applicable. In the circumstances described above, the Fund shall by press release provide written notice to the holders of the Class A Units that such an offer has been made and of the right of such holders to convert all or a part of their Class A Units into Units of the applicable class and to tender such units to other offer.



### **3.1.5 Book-Entry Only System**

Registration of interests in and transfers of the Units will be made only through the Book-Entry Only System. On the Closing Date, the Manager, on behalf of the Fund will deliver to CDS certificates representing the aggregate number of Class A Units and Class U Units then subscribed for under the Offering. Class A Units and Class U Units must be purchased, converted (in the case of Class U Units), transferred and surrendered for redemption through a CDS Participant. All rights of Unitholders must be exercised through, and all payments or other property to which such Unitholders are entitled will be made or delivered by CDS or the CDS Participant through which the Unitholder holds such Units. 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-Entry Only System, in which case certificates for the Units in fully registered form would be issued to beneficial owners of such Units or their nominees.

## **3.2 UNITHOLDER MATTERS**

### **3.2.1 Meetings of Unitholders**

A meeting of Unitholders may be convened by the Trustee or the Manager 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 entitled to vote on the matter (whether Class A Units and/or Class U Units) by a written requisition specifying the purpose of the meeting. The Trustee or the Manager may convene a Class A Meeting or a Class U Meeting if the nature of the business to be transacted at that meeting is only relevant to Unitholders of the applicable class.

Notice of all meetings of Unitholders (whether a meeting of all Unitholders, a Class A Meeting or a Class U Meeting) will be given in accordance with the Declaration of Trust and applicable law. The quorum for a meeting of all Unitholders is two or more Unitholders present in person or represented by proxy holding not less than five percent of the Units then outstanding (whether Class A Units or Class U Units). The quorum for a Class A Meeting is two or more holders of Class A Units present in person or represented by proxy holding not less than five percent of the Class A Units then outstanding. The quorum for a Class U Meeting is two or more holders of Class U Units present in person or represented by proxy holding not less than five percent of the Class U 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 later 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.

A matter requiring an Extraordinary Resolution requires an 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.

The Fund, subject to obtaining any 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.

### **3.2.2 Matters Requiring Unitholder Approval**

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

- a) any change in the investment objectives or investment restrictions of the Fund, 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 change of the Manager except where 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 change in the frequency of calculating the Net Asset Value per Unit to less often than daily;

- f) other than a Permitted Merger, 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;
- g) other than in connection with a Permitted Merger, 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 interest of the Unitholders or otherwise in accordance with the terms of the Declaration of Trust;
- h) the issuance of additional Units, other than (i) for net proceeds per Unit of a class of not less than 100% of the most recently calculated Net Asset Value per Unit of such class prior to the pricing of such issuance (and, for greater certainty, in making such determination, if such NAV is calculated prior to a record date for a distribution in respect of units of a class being issued, the most recently calculated NAV per unit for the purposes of determining the subscription price will be adjusted to account for any distributions which have been declared payable in respect of such units and which will not be received by the subscriber), (ii) by way of unit distributions, or (iii) upon the exercise of any warrants provided that the exercise price of such warrants is not less than that which would yield net proceeds of at least 100% of the most recently calculated Net Asset Value per Unit prior to the pricing of such warrants, as more particularly described under “Description of the Units — The Units”; and
- i) any amendment to the above provisions except as permitted by the Declaration of Trust.

Notwithstanding the foregoing, the Trustee or the Manager 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 regulators or with current practice within the securities or investment fund industries, provided such amendments do not in the opinion of the Manager adversely affect the pecuniary value of the interest of the Unitholders or restrict any protection for the Trustee or the Manager or increase their respective responsibilities;
- d) maintain the status of the Fund as a “mutual fund trust” for the purposes of the Tax Act or to respond to amendments to such Act or to the interpretation or administration thereof;
- e) provide added protection or benefit to Unitholders;
- f) make amendments in connection with a Permitted Merger;
- g) make amendments in connection with effecting the Conversion, including any amendments that the Trustee deems necessary in order to comply with applicable law, including NI 81-102; or
- h) add additional classes of Units whose rights and privileges are not greater than the existing classes of Units.

Although approval of Unitholders will not be obtained before changing the auditor of the Fund, the Fund will send Unitholders written notice of the change in auditor at least 60 days prior to the effective date of the change.

For greater certainty, in addition to the foregoing, the Fund will comply with any Unitholder approval requirements of applicable law including NI 81-102.

Except as provided above, 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.

### **3.2.3 Reporting to Unitholders**

The Fund makes available to Unitholders such financial statements and other continuous disclosure documents as are required by applicable law, including (i) unaudited interim and audited annual financial statements of the Fund, prepared in accordance with International Financial Reporting Standards and, interim and annual management reports of fund performance in respect of the Fund.

The Fund makes available to each Unitholder annually and within the time prescribed by law, information necessary to enable such Unitholder to complete an income tax return with respect to the amounts payable by the Fund.

### **3.3 TERMINATION OF THE FUND**

The Fund does not have a fixed termination date. However, the Fund may be terminated at any time provided that the prior approval of Unitholders has been obtained by an Extraordinary Resolution at a meeting of Unitholders called for that purpose (the “Termination Date”) or in connection with the Conversion or a Permitted Merger; provided, however, that prior to the Conversion, the Manager may, in its discretion, on at least 60 days’ notice to Unitholders by way of press release, terminate the Fund without the approval of Unitholders if, in the opinion of the Manager, it would be in the best interests of Unitholders to terminate the Fund. The Fund will also issue a press release fifteen days prior to the Termination Date setting forth the details of the termination including the fact that, upon termination, the net assets of the Fund will be distributed to Unitholders on a pro rata basis. Immediately prior to the termination of the Fund, including on the Termination Date, the Trustee will, to the extent possible and other than in the event the Fund is terminated pursuant to the Conversion or another merger, combination or other consolidation, convert the assets of the Fund to cash and after paying or making adequate provision for all of the Fund’s liabilities, distribute the net assets of the Fund to the Unitholders as soon as practicable after the date of termination, subject to compliance with any securities or other laws applicable to such distributions.

Additionally, in the event that the Manager resigns and no new manager is appointed by the Unitholders 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.

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 after all liabilities of the Fund have been satisfied or appropriately provided for. Such assets, 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, unliquidated assets in specie rather than in cash. The value of any remaining assets of the Fund will be determined by the Manager, acting reasonably. In the case of termination pursuant to a merger, combination or other consolidation, including a merger into the Open-End Fund, such distribution may be made in the securities of the resulting or continuing investment fund. Following any such distribution, the Fund will be dissolved. There can be no assurance that Unitholders will receive \$10.00 per Unit upon any termination of the Fund.

#### **3.3.1 Distribution Policy**

The Fund does not have a fixed distribution policy, but intends to make monthly distributions based on the actual and expected returns on the Portfolio to Unitholders. The initial monthly distribution will be payable to Unitholders of record on January 30, 2015 and will be paid no later than February 16, 2015. The first distribution is expected to reflect the period from the Closing Date to January 30, 2015. Given that a significant portion of the Portfolio will be invested in Senior Loans which are floating rate, returns will vary with changes in interest rates. Based on current estimates and the assumptions set out below, the Fund’s initial distribution target is expected to be \$0.0416 per Unit per month (U.S. \$0.0416 in the case of the Class U Units), representing an initial yield on the Unit issue price of 5.0% per annum. The distributions are not guaranteed. The Manager will review the distribution policy from time to time and the distribution amount may change from time to time.

The Fund is subject to tax under Part I of the Tax Act on the amount of its income for tax purposes for the year, including net realized taxable capital gains, less the portion thereof that it claims in respect of the amounts paid or payable to Unitholders in the year. To ensure that the Fund will generally not 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 each taxation year of the Fund. The Additional Distribution may be necessary if the Fund realizes income and net realized capital gains for tax purposes which is in excess of the monthly distributions paid or made payable to Unitholders during the taxation year. If the Fund must pay an Additional Distribution, such Additional Distribution may, at the option of the Manager, be satisfied by the issuance of Units. Following such issue of additional Units, the outstanding Units may 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 “Canadian Federal Income Tax Considerations”.

### **3.4 REDEMPTION OF UNITS**

#### **3.4.1 Annual Redemptions**

Prior to Conversion, Class A Units and Class U Units may be redeemed on an Annual Redemption Date being, the second to last business day of November of each year, commencing in 2016, subject to certain conditions. In order to effect such a redemption, the Units must be surrendered during the period from the first Business Day in October until 5:00 p.m. (Toronto time) on October 15 in the year of redemption (the “Notice Period”), subject to the Fund’s right to suspend redemptions in certain circumstances. Units properly surrendered for redemption during the Notice Period will be redeemed on the Annual Redemption Date and the Unitholder surrendering such Units will receive payment on or before the Redemption Payment Date. Redeeming Unitholders will be entitled to receive a redemption price in an amount equal to 100% of the Annual Redemption Price. Concurrently with the payment of the redemption price, the Fund may pay to the redeeming Unitholder a cash distribution in the amount of the net realized capital gains and income of the Fund realized by it to fund the payment of the redemption price. The Annual Redemption Price will vary depending on a number of factors. Prior to Conversion, commencing in 2016, Unitholders depositing Units during the Notice Period will be entitled to elect to receive the Monthly Redemption Amount rather than the Annual Redemption Price.

#### **3.4.2 Monthly Redemptions**

Prior to Conversion, in addition to the annual redemption right, Class A Units and Class U Units may also be redeemed on a Monthly Redemption Date being the second to last Business Day of each month other than, commencing in 2016, 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 the month in which the Monthly Redemption Date falls, subject to the Fund’s right to suspend redemptions in certain circumstances. Units properly surrendered for redemption within such period will be redeemed on the Monthly Redemption Date and the Unitholder surrendering such Units will receive payment on or before the Redemption Payment Date. Concurrently with the payment of the redemption price, the Fund may pay to the redeeming Unitholder a cash distribution in the amount of the net realized capital gains and income of the Fund realized by it to fund the payment of the redemption price.

Unitholders surrendering a Class A Unit for redemption will receive a redemption price equal to the lesser of (i) 95% of the Market Price of a Class A Unit, and (ii) 100% of the Closing Market Price of a Class A Unit on the applicable Monthly Redemption Date less, in each case, any costs associated with the redemption, including brokerage costs, and less any net realized capital gains or income of the Fund that are distributed to a Unitholder concurrently with the proceeds of disposition on redemption.

If at the time of a monthly redemption the Class U Units are listed for trading on a securities exchange, Unitholders surrendering a Class U Unit for redemption will receive in U.S. dollars an amount equal to the lesser of (i) 95% of the Market Price of a Class U Unit; and (ii) 100% of the Closing Market Price of a Class U Unit on the applicable Monthly Redemption Date less, in each case, any costs associated with the redemption, including brokerage costs, and less any net realized capital gains or income of the Fund that are distributed to a Unitholder concurrently with the proceeds of disposition on redemption.

If at the time of a monthly redemption the Class U Units are not listed for trading on a securities exchange, Unitholders surrendering a Class U Unit for redemption will receive in U.S. dollars an amount equal to the

U.S. dollar equivalent of the product of (i) the Monthly Redemption Amount; and (ii) a fraction, the numerator of which is the most recently calculated NAV per Unit of a Class U Unit and the denominator of which is the most recently calculated NAV per Unit of a Class A Unit. For such purpose, the Fund will utilize the Reference Exchange Rate current at, or as nearly as practicable to, the Monthly Redemption Date in respect of a monthly redemption of Class U Units. A Unitholder surrendering a Class U Unit for a monthly redemption will not, in any circumstance, receive an amount that is more than the Net Asset Value per Class U Unit on the applicable Monthly Redemption Date.

During the year ended August 31, 2016, 19,837 units of Class A were redeemed for net amount of \$164,057 and 25,000 units of Class U were redeemed for net amount of \$273,824. Also, 60,000 units of Class U were converted to 83,154 units of Class A for a total value of \$703,144.

Following the Conversion, units of the Open-End Fund or the Converted Fund, as applicable, will be redeemable each Business Day at an amount per unit equal to the net asset value per unit of the applicable fund. Following the Conversion, no fees or expenses will be payable by Unitholders upon the redemption of units of the Open-End Fund issued pursuant to the Conversion.

### **3.4.3 Exercise of Redemption Right**

Prior to Conversion, 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 dates 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 the Annual Redemption Date or Monthly Redemption Date deadline so as to permit the CDS Participant to deliver a notice to CDS by 5:00 p.m. (Toronto time) on the notice dates 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, if 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, the Custodian or the Manager to the CDS Participant or the Unitholder.

### **3.4.4 Resale of Units Tendered for Redemption**

The Fund may enter into the Recirculation Agreement with BMO NBI on or prior to the Closing Date whereby BMO NBI will agree to use commercially reasonable efforts to find purchasers for any Units tendered for redemption prior to Conversion up to two Business Days prior to the relevant Redemption Payment Date. The Fund may, but is not obliged to, require BMO NBI to seek such purchasers. In such event, the amount to be paid to the Unitholder on the Redemption Payment Date will be an amount equal to the proceeds of the sale of the Units, less any applicable commission payable to BMO NBI. Such amount shall not be less than the amount that a Unitholder would have been otherwise entitled to receive on the Redemption Payment Date. The Recirculation Agreement will provide that BMO NBI will not recirculate Units unless the price achieved by BMO NBI in selling Units tendered for redemption is equal to or in excess of the redemption price to be paid to the redeeming Unitholder net of applicable fees and expenses.

### **3.4.5 Suspension of Redemptions**

The Fund may suspend the redemption of Units or payment of redemption proceeds 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% (by value) of the securities included in the Portfolio are listed and traded, and if the securities are not traded on any other exchange that represents a reasonable, practical alternative for 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.

## **4 VALUATION**

### **4.1 CALCULATION OF NET ASSET VALUE**

RBC Investor Services Trust acts as Valuation Agent for the Fund (the "Valuation Agent"). The Valuation Agent calculates the Net Asset Value per Unit of each class of Units as at the close of business on each Valuation Date. The Fund makes available to the financial press for publication on a daily basis the Net Asset Value per Unit of each class. Such amount is also available on the Manager's website at [www.astonhill.ca](http://www.astonhill.ca) and is also available to Unitholders upon request, at no cost, by calling 1-800-513-3868.

#### **4.1.1 Valuation Policies and Procedures**

For transactional reporting purposes, the Net Asset Value on a particular date is equal to (i) the Total Assets of the Fund less (ii) the aggregate value of the liabilities of the Fund. The Net Asset Value per Unit of a class on any day is obtained by dividing the net asset value of that class on such day by the number of Units of that class then outstanding.

For the purpose of calculating Net Asset Value (i.e., for purposes other than financial statements) of the Fund on a Valuation Date, the Total Assets of the Fund on such Valuation Date will be determined as follows:

- (a) the value of any cash on hand or on deposit, bill, demand note, account receivable, prepaid expense, distribution, or other amount receivable (or declared to holders of record of assets owned on a date before the Valuation Date as of 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 Valuation Agent has determined that any such deposit, bill, demand note, account receivable, prepaid expense, distribution, or other amount receivable (or declared to holders of record of assets owned on a date before the Valuation Date as of which the Total Assets are being determined, and 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 Valuation Agent determines to be the fair market value thereof;
- (b) the value of any loans, including Senior Loans, bonds, debentures and other debt obligations will be valued by taking the average of the bid and ask prices quoted by a major dealer or independent third party pricing service, such as Thomson Reuters (Markets) LLC or Markit North America, Inc., in such assets on a Valuation Date at such times as the Valuation Agent, in its discretion, deems appropriate. Short-term investments including notes and money market instruments will be valued at cost plus accrued interest;
- (c) the value of any security 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 Valuation Agent) 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 offer price and the latest available bid price (unless in the opinion of the Valuation Agent such value does not reflect the value thereof and in which case the latest offer 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;
- (d) the value of any security which is traded over-the-counter will be priced at the average of the last bid and asked prices quoted by a major dealer or recognized information provided in such securities;
- (e) any market price reported in currency other than Canadian dollars (or U.S. dollars in the case of the Class U Units) will be translated into Canadian currency (or U.S. currency in the case of the Class U Units) at the rate of exchange available from the Valuation Agent on the Valuation Date on which the Total Assets are being determined;
- (f) listed securities subject to a hold period will be valued as described above with an appropriate discount as determined by the Valuation Agent 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 Valuation Agent;
- (g) the value of any forward contract or other derivatives, such as future contracts, swap contracts or options on financial futures, will be the value that would be realized by the Fund if, on the date on which the Total Assets are being determined, or other derivatives were closed out in accordance with its terms; and
- (h) the value of any security or property to which, in the opinion of the Valuation Agent, 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 Valuation Agent determines in consultation with the Manager or the Sub-Advisor from time to time.

The Net Asset Value per Unit of a class is calculated in Canadian dollars (or U.S. dollars in the case of the Class U Units) in accordance with the rules and policies of the Canadian Securities Administrators or in accordance with any exemption therefrom that the Fund may obtain.

For the purposes of calculating the Redemption Net Assets per Unit in connection with a redemption of Units on an Annual Redemption Date, the net asset value will be determined on the basis that any bonds, debentures and other debt obligations that are owned by the Fund will be valued by taking the bid price on the Valuation Date.

## **4.2 AUDIT OF FINANCIAL STATEMENTS**

The annual financial statements of the Fund are audited by the Fund's auditor in accordance with International Financial Reporting auditing standards. The auditor is asked to report on the fair presentation of the annual financial statements in accordance with International Financial Reporting Standards.

## **5 MANAGEMENT OF THE FUND**

### **5.1 THE MANAGER**

Aston Hill Capital Markets Inc. acts as manager of the Fund. The Manager oversees, manages and implements the objectives of the Fund. The Manager is entitled to receive fees as compensation for management services rendered to the Fund. See "Duties and Services provided by the Manager" and "Fees and Expenses" below.

#### **5.1.1 Duties and Services provided by the Manager**

Pursuant to the Declaration of Trust, the Manager has exclusive authority to manage the operations and affairs of the Fund to make all decisions regarding the undertaking of the Fund and to bind the Fund. The Manager may delegate certain of its powers to third parties where, in the discretion of the Manager, it would be in the best interests of the Fund to do so.

The Manager's duties include maintaining accounting records for the Fund; authorizing the payment of operating expenses incurred on behalf of the Fund; preparing financial statements, income tax returns and financial and accounting information as required by the Fund; ensuring that unitholders are provided with financial statements and other reports as are required from time to time by applicable law; ensuring that the Fund complies with regulatory requirements, including its continuous disclosure requirements under applicable securities laws; preparing the Fund's reports to unitholders and to the Canadian securities regulators; providing the Custodian with information and reports necessary for the Custodian to fulfil its fiduciary responsibilities; currency hedging; administering the redemption of Units; arranging for any payment required on the termination of the Fund; dealing and communicating with unitholders; and negotiating contracts with third party providers of services, including, but not limited to, custodians, transfer agents, legal counsel, auditor and printers.

The Manager also implements and monitor the Fund's investment strategy to ensure compliance with the Fund's investment guidelines.

The Fund will enter into the Registrar, Transfer Agency and Distribution Agency Agreement, as referred to under "Organization and Management Details of the Fund — Transfer Agent and Registrar". The Fund may terminate the foregoing agreement upon notice.

#### **5.1.2 Details of the Manager's Obligations under the Trust Agreement**

Pursuant to the Declaration of Trust, the Manager shall exercise the powers and discharge the duties of its office honestly, in good faith and in the best interests of the Fund and its Unitholders and in connection therewith, shall exercise the degree of care, diligence and skill that a reasonably prudent manager would exercise in similar circumstances. The Declaration of Trust provides that the Manager shall not be liable in any way for any default, failure or defect in the assets held by the Fund or for any loss or diminution in the value of such assets or other loss or damage suffered by any such person or for any errors of judgement, acts or omissions if it has satisfied the duties and standard of care, diligence and skill set forth above. The Manager will, however, incur liability in cases of wilful misconduct, bad faith or negligence or breach of its obligations under the Declaration of Trust and is responsible for any investment advisory and portfolio management services provided to the Fund, including those provided to the Fund by the Sub-Advisor.

The Manager may resign as manager of the Fund upon at least 60 days' notice to the Unitholders and to the Fund or upon such lesser notice period as the Fund may accept. If the Manager resigns it may appoint its successor but, unless its successor is an affiliate of the Manager, its successor must be approved by Unitholders of the Fund. If the Manager is in material default of its obligations under the Declaration of Trust and such default has not been cured within 20 business days after notice of same has been given to the Manager or the Fund, the Fund shall give notice thereof to its unitholders, and such unitholders may remove the Manager and appoint a successor manager.

The Manager is entitled to fees for its services under the Declaration of Trust as described under "Fees and Expenses" and will be reimbursed for all reasonable costs and expenses incurred by it on behalf of the Fund.

The Manager and each of its directors, officers, employees and agents are indemnified by the Fund for all liabilities, costs and expenses incurred in connection with any action, suit or proceeding that is proposed or commenced or other claim that is made against the Manager or any of its officers, directors, employees or agents in the exercise of its duties as manager, except those resulting from the Manager's wilful misconduct, bad faith or negligence or the Manager's failure to meet the standard of care set forth above.

### 5.1.3 Accounting and Reporting

The Fund's fiscal year-end is August 31. The Manager ensures that the Fund complies with all applicable reporting and administrative requirements.

The Manager keeps adequate books and records reflecting the activities of the Fund. A Unitholder or his or her duly authorized representative has the right to examine the books and records of the Fund during normal business hours at the offices of the Manager. Notwithstanding the foregoing, subject to applicable law, a Unitholder shall not have access to any information, which, in the opinion of the Manager, should be kept confidential in the interests of the Fund.

### 5.1.4 Officers and Directors of the Manager

The name and municipality of residence of the directors and officers of the Manager and their principal occupations are as follows:

<b>Name and Municipality</b>	<b>Position with the Manager</b>	<b>Principal Occupation</b>
James Werry Toronto, Ontario	Director	Chief Executive Officer, Aston Hill Financial Inc.
Kal Zakarneh Toronto, Ontario	Chief Financial Officer	Chief Financial Officer, Aston Hill Capital Markets Inc.
Derek Slemko Calgary, Alberta	Director	Vice President and Chief Financial Officer, Aston Hill Financial Inc.
Sasha Rnjak Woodbridge, Ontario	Chief Compliance Officer and Corporate Secretary	Vice President, Fund Operations and Chief Compliance Officer, Aston Hill Asset Management Inc.

**James Werry:** James Werry joined Aston Hill in February 2016. The majority of Mr. Werry's 34 years in the Canadian investment industry were spent at ScotiaMcLeod where he held a number of progressively senior positions, ultimately becoming Managing Director and Head of ScotiaMcLeod. After leaving ScotiaMcLeod in 2003, Mr. Werry founded and was CEO of what has become one of Canada's largest independent private client investment firms, Richardson GMP (formerly GMP Private Client). Mr. Werry currently sits on the Board of Myca Health Inc. and is the Past Chair of the Foundation Board of the Toronto East General Hospital.

**Kal Zakarneh:** B.Comm, University of Jordan. Mr. Zakarneh joined Aston Hill Capital Markets Inc. in 2013. Prior thereto Mr. Zakarneh was a Fund Accounting Controller with Connor, Clark & Lunn Financial Group since 2005.

**Derek Slemko:** C.A.; B.Comm, University of Alberta. Mr. Slemko joined Aston Hill Financial Inc. in 2006. Prior thereto, Mr. Slemko was controller of Vault Energy Trust from 2005 to 2006.

**Sasha Rnjak:** BA Economics, University of Western Ontario, Vice President, Fund Operations and Chief Compliance Officer, Aston Hill Asset Management Inc., since April 2011; prior thereto, Compliance Manager, CI Investments Inc., since September, 2007.

## 5.2 PROXY VOTING POLICIES AND PROCEDURES

Subject to compliance with the provisions of applicable law, the Manager has the right to vote proxies relating to the assets in the Portfolio and the assets held directly by the Fund. Proxies must be voted in a manner consistent with the best interests of the Fund.

Because the Fund does not purchase assets for the purposes of exercising control or direction over the assets of the Portfolio, as a general rule, proxies will be voted with management on routine business. Examples of routine business are voting on the size, nomination and election of the board of directors and the appointment of the auditor. All other special or non-routine matters will be assessed on a case-by-case basis with a focus on the potential impact of the vote on the value of the Fund's investment. Examples of



non-routine business are stock based compensation plans, executive severance compensation arrangements, shareholders rights plans, corporate restructuring plans, going private transactions in connection with leveraged buyouts, supermajority approval proposals, and stakeholder or shareholder proposals.

On rare occasions, the Manager may abstain from voting a proxy or a specific proxy item when it is concluded that the potential benefit of voting the proxy is outweighed by the cost of voting the proxy. In addition, the Manager will not vote proxies received for assets which are no longer held by the Fund.

The Manager’s proxy voting guidelines include procedures with respect to: (i) the completion and submission of proxies in a timely fashion; and (ii) subsequent verifications with respect to (i) above, to ensure that securities held by the Fund are voted in accordance with the instructions of the Manager.

**5.2.1 Proxy Voting Conflicts of Interest**

Where proxy voting could give rise to a conflict of interest or perceived conflict of interest, in order to balance the interest of the Fund in voting proxies with the desire to avoid the perception of a conflict of interest, the Manager has instituted procedures to help ensure that the Fund’s proxy is voted in accordance with the business judgment of the person exercising the voting rights on behalf of the Fund, uninfluenced by considerations other than the best interests of the Fund.

The procedures for voting proxies where there may be a conflict of interest include escalation of the issue to the Independent Review Committee, for their consideration and advice, although the responsibility for deciding how to vote the Fund’s proxies and for exercising the vote remains with the Manager.

**5.2.2 Disclosure of Proxy Voting Guidelines and Record**

A copy of the Manager’s proxy voting guidelines will be made available on the Internet at [www.astonhill.ca](http://www.astonhill.ca). The most recent proxy voting record for the Fund for the most recent period ended December 31 of each year will also be available on the Internet at [www.astonhill.ca](http://www.astonhill.ca).

**5.3 THE PORTFOLIO MANAGER**

The Manager is the lead portfolio manager in charge of providing management services for the Fund. The Manager may appoint a sub-advisor, pursuant to the Declaration of Trust, to perform some of its services and will have responsibility for the investment advice given or portfolio management services provided by the Sub-Advisor.

Voya Investment Management Co. LLC (formerly ING Investment Management Co. LLC) will act as the sub-advisor to the Fund in connection with the selection, purchase and sale of Senior Loans, Global Equities and other assets of the Portfolio. The Sub-Advisor is part of Voya IM, a leading U.S.-based asset management firm and wholly-owned subsidiary of Voya Financial, Inc. (formerly ING U.S., Inc.) (NYSE: VOYA).

Voya IM is a leading U.S.-based active asset management firm. As of September 30, 2016, Voya IM managed approximately \$221 billion for both institutions and individual investors. The Sub-Advisor will manage the Portfolio using the input of its Multi-Asset, Senior Loan and Global Equity Teams.

<b>Name and municipality</b>	<b>Position with the Sub-Advisor</b>	<b>Principal occupation</b>
PAUL ZEMSKY . . . . . NEW YORK, NY	Senior Managing Director	Chief Investment Officer, Voya Multi-Asset Strategies and Solutions
JODY HRAZANEK . . . . . NEW YORK, NY	Senior Vice President	Head of Portfolio Implementation and Management, Voya Multi-Asset Strategies and Solutions
DANIEL A. NORMAN . . . . . SCOTTSDALE, AZ	Managing Director	Group Head, Voya Senior Loan Group
JEFFREY A. BAKALAR . . . . . SCOTTSDALE, AZ	Managing Director	Group Head, Voya Senior Loan Group

RALPH E. BUCHER . . . . .	Senior Vice President	Senior Credit Officer, Voya Senior Loan Group
SCOTTSDALE, AZ		
ROBERT L. WILSON . . . . .	Senior Vice President	Team Leader, Voya Senior Loan Group
SCOTTSDALE, AZ		
CHRISTOPHER CORAPI . . . . .	Senior Managing Director	Chief Investment Officer, Voya Equity Group
NEW YORK, NY		
MARTIN JANSEN . . . . .	Senior Vice President	Portfolio Manager, Voya Equity Group
NEW YORK, NY		
VINCENT COSTA . . . . .	Managing Director	Head of Portfolio Engineering, Voya Equity Group
NEW YORK, NY		

During the past five years, all of the officers of the Sub-Advisor listed above have held their present principal occupations (or similar positions with their present employer or its affiliates).

The Sub-Advisor will be primarily responsible for providing advice to the Manager with respect to the investment in Senior Loans, Global Equities and other assets in the Portfolio. Specifically, pursuant to the Sub-Advisor Agreement, the Sub Advisor will provide investment management services necessary for the Fund to implement its stated investment strategy.

The team of individuals working at the Sub-Advisor responsible for advising, servicing and making investment decisions on behalf of the Fund consists of nine individuals, Mr. Paul Zemsky, Mr. Frank van Etten, Ms. Jody Hrazanek, Mr. Daniel A. Norman, Mr. Jeffrey A. Bakalar, Mr. Ralph E. Bucher, Mr. Christopher Corapi, Mr. Martin Jansen and Mr. Vincent Costa, each of whom has significant experience in portfolio management and investment advisory services. A short biography of each of these individuals is provided below, which biographies include their respective full name, title, length of time of service with the Sub-Advisor and business experience over the past five years.

**Paul Zemsky:** Senior Managing Director, is the Chief Investment Officer of the Multi-Asset Team, with responsibility for multi-asset investment solutions. Under his leadership, multi-asset products and solutions are supported by asset allocation, manager research, quantitative research, portfolio implementation and multi-manager capabilities. Paul joined the firm in 2005 as Head of Derivative Strategies. In this role, he oversaw derivative strategies for credit, interest rate, and equity products, and supported the organization on a number of key areas, including product development and risk management for both proprietary and third-party businesses. Paul spent 18 years at JPMorgan Investment Management, where he held a number of key positions, including Head of Investments for over \$300 Billion of Fixed Income assets. Prior to his role at Voya, he co-founded CaliberOne Private Funds Management, a macro hedge fund. Paul is a member of the U.S. Management Committee and a board member of Pomona Capital. He holds a dual degree in finance and electrical engineering from the Management and Technology Program at the University of Pennsylvania and holds the Chartered Financial Analyst designation. Paul has 32 years of investment experience.

**Jody Hrazanek:** Senior Vice President, is Head of Strategy Design and Implementation in the Multi-Asset Team. She is responsible for overseeing the implementation of a variety of investment solutions including asset allocation, derivatives/financial engineering, risk management, portable alpha and structured products. Jody joined Voya IM in October 2005 as a derivatives trader with responsibility for Voya IM’s third-party business as well as the firm’s general account. Prior to joining Voya IM she was a convertible bond trader at Advent Capital Management. She had previously been a convertible bond portfolio manager and risk arbitrage trader at Merrill Lynch Quantitative Advisors and Deutsche Bank Asset Management and an analyst at Goldman Sachs. Jody graduated summa cum laude from Fairfield University with a B.S. in mathematics and has a M.S. in statistics and operations research from New York University. Jody has 22 years of investment experience.

**Daniel A. Norman:** B.A., MBA, University of Nebraska. Mr. Norman is Managing Director and Group Head of the Senior Loan Team and is the co-chairman of the Senior Loan Team’s Investment Committee. Mr. Norman began managing senior loan portfolios in 1995 when Voya IM’s predecessor acquired the management rights to Voya Prime Rate Trust. Mr. Norman is currently a member of the Loan Syndications and Trading Association and International Association of Credit Portfolio Managers Boards of Directors. Mr. Norman has a wide variety of business and investment experience, having begun his career at Arthur Andersen & Co. in 1981. Mr. Norman joined Voya IM’s predecessor in 1992. Mr. Norman has 31 years of investment experience.

**Jeffrey A. Bakalar:** B.S. (Finance), University of Illinois Chicago; M.B.A. (Finance), DePaul University. Mr. Bakalar is Managing Director and Group Head of the Senior Loan Team and is co-chairman of the Senior Loan Team’s Investment Committee. Mr. Bakalar joined Voya IM’s predecessor in 1998 and became part of the investment team for what is now Voya Prime Rate Trust.

Mr. Bakalar began his career as an associate with Continental Bank in 1987, serving in various credit and corporate finance roles. Mr. Bakalar has 30 years of investment experience.

**Ralph E. Bucher:** B.A., University of Arizona in 1983; MA (International Management), Thunderbird School of Global Management. Mr. Bucher is Senior Vice President and Senior Credit Officer of the Senior Loan Team and joined the group in November 2001. Mr. Bucher serves as a member of the Senior Loan Team's Investment Committee and the Loan Valuation Committee. Mr. Bucher also assists in the approval of loan credit limits, problem loan management and loan valuations. Mr. Bucher has spent most of his financial career in credit risk management and distressed asset management. Prior to joining Voya IM, Mr. Bucher was the North American Head of Special Assets for Standard Chartered Bank. Mr. Bucher has also held other senior credit risk management positions with Standard Chartered and Soci t  Generale, as well as credit structuring and analysis positions with National Australia Bank and Commerzbank. Mr. Bucher has 31 years of investment experience.

**Robert L. Wilson:** B.S. (Finance), Golden Gate University. Mr. Wilson is a Senior Vice President, Senior Portfolio Manager and Team Leader of the Senior Loan Team. Mr. Wilson joined the firm's predecessor in June 1998 and became a Senior Vice President within the Group in March of 2003. Mr. Wilson and his team cover the gaming and lodging, food and beverage, entertainment and leisure, paper and forest products, technology, telecommunications and real estate sectors. Mr. Wilson also serves as the lead portfolio manager for the Group's three Canadian closed-end funds, as well as two separately managed accounts for large U.S. pension funds. Mr. Wilson began his financial services career in 1987 as an Associate National Bank Examiner at the Office of the Comptroller of the Currency, the federal bureau that regulates national banks. From 1990-1994, Mr. Wilson served as a Vice President of Strategic Planning for Bank of California, an \$8 billion regional bank in San Francisco, California. From 1994-1997, Mr. Wilson was a Vice President with Union Bank of California's Corporate Banking Group, charged with underwriting and syndicating senior debt transactions for media and telecommunications companies. From 1997 to 1998, Mr. Wilson served in a similar debt origination capacity with the Bank of Hawaii in Phoenix, Arizona. Mr. Wilson has 27 years of investment experience.

**Christopher Corapi:** Senior Managing Director, is the Chief Investment Officer of the Global Equity Team responsible for overseeing all equity strategies. Chris also serves as the Portfolio Manager for the Voya Large Cap Value, Global Value Advantage and Mid Cap Value Advantage strategies. Chris joined the firm in February 2004 as the Head of U.S. Equities. Prior to joining the firm, Chris was the Global Head of equity research at Federated Investors. Previously, he was Head of U.S. Equities and Portfolio Manager at Credit Suisse Asset Management. Before joining Credit Suisse, Chris was with JPMorgan Investment Management as the Head of Emerging Markets Research and was a U.S. equity analyst at Sanford C. Bernstein & Company. He holds a B.S. in business administration from Alfred University and is a Certified Public Accountant. Chris has 34 years of investment experience.

**Martin Jansen:** Senior Vice President, is a Portfolio Manager for the Voya Global Value Advantage strategy, the Infrastructure, Industrials and Materials Fund and the International High Dividend Income Fund and has extensive experience running international value strategies. Previously, he was responsible for managing the transition of the U.S. equity trading facility and U.S. equity assets from the firm in The Hague to ING Aeltus. Martin joined the firm in 1997 to co-manage U.S. equity portfolios and was named head of the U.S. equity team in 1999. Prior to joining the firm, Martin was responsible for the U.S. equity and venture capital portfolios at a large corporate Dutch pension fund. He received a Bachelor of Commerce and M.B.A. from the University of the Witwatersrand, South Africa. Martin has 37 years of investment experience.

**Vincent Costa:** CFA, Managing Director, is Head of Global Equities. He is the head of global equity team and a portfolio manager at Voya Investment Management for the active quantitative, large cap value, and global equity strategies. Prior to joining the firm in 2006, Vincent managed quantitative equity investments at both Merrill Lynch and Bankers Trust. He earned his bachelor's degree in quantitative business analysis from Pennsylvania State University and his M.B.A. in finance from the New York University Stern School of Business, and he holds the Chartered Financial Analyst designation. Vincent has 31 years of investment experience.

### **5.3.1 Details of the Sub-Advisor Agreement**

Under the Sub-Advisor Agreement, the Sub-Advisor is required to act at all times on a basis which is fair and reasonable to the Fund and 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 investment advisor would exercise in comparable circumstances. The Sub-Advisor Agreement provides that the Sub-Advisor shall not be liable in any way for any default, failure or defect in the assets held by the Fund or for any loss or diminution in the value of such assets or other loss or damage suffered by any such person or for any errors of judgement, acts or omissions if it has satisfied the duties and standard of care, diligence and skill set forth above. The Sub-Advisor will, however, incur liability in cases of willful misconduct, bad faith or negligence or breach of its standard of care set forth

above.

The Sub-Advisor Agreement will continue in effect unless earlier terminated in accordance with the terms thereof. If the Manager is terminated, the Sub-Advisor Agreement will terminate at such time. The Manager may terminate the Sub-Advisor Agreement if the Sub-Advisor has committed certain events of bankruptcy or insolvency, has lost any registration, licence or other authorization required to perform its services thereunder or is in material breach or default of the provisions thereof and such material breach or default has not been cured within 20 Business Days after notice thereof has been given to the Sub-Advisor by the Manager.

The Sub-Advisor Agreement includes various customary rights of termination, including that the Sub-Advisor may terminate the Sub-Advisor Agreement upon at least 20 business days' notice in the event that the Fund or the Manager is in material breach or default of the provisions thereof and such material breach or default has not been cured within 20 business days' notice of same to the Manager and to the Fund, as applicable, or in the event that there is a material change in the investment guidelines of the Fund. In addition, either the Manager or the Sub-Advisor may terminate the Sub-Advisor Agreement upon at least 90 days' notice to the other party.

Any amendment to the Sub-Advisor Agreement requires the prior written consent of the Manager, which consent shall not be unreasonably withheld or delayed.

The Manager is responsible for the payment of the fees of the Sub-Advisor out of its fees.

#### **5.4 CONFLICTS OF INTEREST**

The management and administrative services provided by the Manager to the Fund pursuant to the Declaration of Trust are not exclusive and nothing in the Declaration of Trust prevents the Manager from providing similar management services to other investment funds and clients (whether or not their investment objectives and policies are similar to those of the Fund) or from engaging in other activities. Investment decisions for the Fund will be made independently of those made for other clients and independently of investments of the Manager. On occasion, however, the Manager may manage the same investment for the Fund and for one or more of its other clients. If the Fund and one or more of the other clients of the Manager are engaged in the purchase or sale of the same security, the transactions will be effected on an equitable basis.

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 favorable to the Fund than those which would be obtained from parties which are at arm's length for comparable services. The Trustee may act as trustee of, and provide services to, other investment funds or trusts.

The services of the Sub-Advisor and its officers and directors are not exclusive to the Fund or the Manager. The Sub-Advisor or any of its affiliates and associates may, at any time, engage in the promotion, management or investment management of any other entity or portfolio which invests primarily in the same assets as those held by the Fund and provide similar services to other investment funds and other clients and engage in other activities. Investment decisions for the Fund will be made independently of those made for other clients and independently of investments of the Sub-Advisor. On occasion, however, the Sub-Advisor may identify the same investment for the Fund and for one or more of its other clients. If the Fund and one or more of the other clients of the Sub-Advisor are engaged in the purchase or sale of the same security, the transactions will be effected on an equitable basis.

#### **5.5 INDEPENDENT REVIEW COMMITTEE**

The Manager has appointed an independent review committee (the "Independent Review Committee") in accordance with NI 81-107 comprised of four members, each of whom is independent of the Manager and entities related to the Manager. The Independent Review Committee intends to function in accordance with applicable securities law, including NI 81-107. The mandate of the Independent Review Committee is to review and provide its decisions to the Manager on conflict of interest matters that the Manager has referred to the Independent Review Committee for review. The Manager is required to identify conflict of interest matters inherent in its management of the Fund and request input from the Independent Review Committee in respect of how it manages those conflicts of interest, as well as its written policies and procedures outlining its management of those conflicts of interest. The Independent Review Committee has adopted a written charter which it follows when performing its functions and is subject to requirements to conduct regular assessments. In performing their duties, members of the Independent Review Committee are required to act honestly, in good faith and in the best interests of the Fund and to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. The Independent Review Committee report annually to the Fund which report is available free of charge upon request to the Manager and is also posted on the Manager's website at [www.astonhill.ca](http://www.astonhill.ca).

The members of the Independent Review Committee are John Crow (chair), C. Scott Browning, Robert B. Falconer, and Joseph H. Wright. The Independent Review Committee acts as a review committee for a number of investment funds managed by the Manager and its affiliates.

The principal occupations and biographies of the Independent Review Committee members are set out below:

**John Crow (chair)** is the former Governor of the Bank of Canada and a noted economist. He is a director or advisor to a number of companies, and is also a Senior Fellow of the C.D. Howe Institute. In 1999, he chaired a committee of international experts that was commissioned by the Executive Board of the International Monetary Fund (the "IMF") to evaluate IMF bilateral, regional, and multilateral surveillance activities, and in 2002, he took part in a high level international mission to advise on monetary problems in Argentina. In 2003, he chaired an international task force commissioned by the International Federation of Accountants to examine the loss of credibility in financial reporting and how to restore it. Mr. Crow is the author (2002) of *Making Money: An Insider's Perspective on Finance, Politics, and Canada's Central Bank*.

**C. Scott Browning** received his doctorate in chemistry from the University of Toronto in 1992. He returned to join the faculty at UofT after a sixteen month term as a post-doctoral Fellow at the National Institute of Bioscience in Japan. His research on the modular design, synthesis and properties of tunable phosphine ligands has been published in the journals of the Royal Society of Chemistry and the American Chemical Society and presented at international conferences. Dr. Browning is a Fellow of the University of St. Michael's College and is currently coauthoring a textbook that emphasizes a strong mechanistic approach to understanding organic chemistry.

**Robert B. Falconer** is a Member of Board of Directors, Audit and Valuation, Investment and Independent Review Committee (chair) of VentureLink Funds and has financial consulting contracts with Altamira Financial Services, Ontario Clean Water Agency and GHD International. He recently worked as a Director of Community Loans Policy & Risk Control for Ontario Strategic Infrastructure Financing Authority and as a Vice President of Corporate Finance for Altamira Financial Services.

**Joseph H. Wright** spent 23 years with Citibank in New York, Geneva and Toronto. He left Citibank in 1986 to join Burns Fry Limited where he worked until 1994, finishing as a Vice Chairman. In 1995, he joined Swiss Bank Corporation (Canada) as President & CEO. Following Swiss Bank, he has spent 16 years as a corporate director, serving on the boards of Loblaw Companies Limited, O & Y Real Estate Investment Trust, Call-Net Enterprises Inc. and St. Laurent Paperboard Inc., to name a few. He also served for 5 years as the Chair of the Connor, Clark & Lunn Financial Group's independent review committee.

Effective August 15, 2013 Aston Hill Financial Inc., the parent company to Aston Hill Asset Management Inc., announced that it had completed its acquisition of an 80% interest (the "Acquisition") in Connor, Clark & Lunn Capital Markets Inc. ("Capital Markets"). Concurrent with completion of the Acquisition, Capital Markets has been renamed Aston Hill Capital Markets Inc. and the IRC of the funds managed by Aston Hill Asset Management Inc. became the IRC of the funds managed by Capital Markets that were included in the Acquisition. Additionally, Mr. Wright joined the IRC as its fourth member.

The IRC members each receive \$15,000 per annum (\$20,000 for the Chairman) plus \$1,250 per meeting for acting in such capacity and are also reimbursed for expenses in connection with performing their duties. These fees and expense reimbursements are allocated across investment funds that are managed by the Manager in a manner that is fair and reasonable.

For the year ended August 31, 2016, members of the IRC were paid the following aggregate compensation: Mr. Crow: \$25,600; Mr. Falconer: \$20,275; Mr. Browning: \$20,275 and Mr. Wright: \$20,275. The report prepared by the IRC is available on the Manager's website ([www.astonhill.ca](http://www.astonhill.ca)), or on request at no cost, by contacting the Manager at 77 King Street West, Suite 2110, P.O. Box 92, Toronto-Dominion Centre, Toronto, Ontario M5K 1G8; telephone: (416) 583-2300; or toll free: 1-800-513-3868.

The IRC reviews its compensation on an annual basis, giving consideration to: industry practice; the number, nature and complexity of the funds; and the nature and extent of the workload.

## **5.6 THE TRUSTEE**

Aston Hill Capital Markets Inc. is the trustee of the Fund under the Declaration of Trust and, as such, is responsible for certain aspects of the day-to-day administration of the Fund as described in the Declaration of Trust. The Trustee's office is located in Toronto, Ontario.

The Trustee may resign upon at least 60 days' notice to the Manager and to Unitholders. The Trustee may be removed with the approval of a simple majority vote cast at a meeting of Unitholders called for such purpose or by the Manager, if the Trustee has committed certain events of bankruptcy or insolvency or is in material breach or default of its obligations under the Declaration of

Trust, which breach has not been cured within 30 days after notice thereof has been given to the Trustee. Any such resignation or removal shall become effective only upon the acceptance of appointment by a successor. If the Trustee resigns, its successor may be appointed by the Manager. The successor of the Trustee must be approved by Unitholders if the Trustee is removed by Unitholders. If no successor has been appointed within 90 days, the Fund will be terminated.

The Declaration of Trust provides that the Trustee shall be liable in carrying out its duties under the Declaration of Trust except where it is in breach of its obligations under the Declaration of Trust or where the Trustee fails to act honestly and in good faith, and in the best interests of Unitholders to the extent required by laws applicable to trustees, 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, or any of their respective officers, directors, employees or agents, in respect of certain liabilities incurred by it in carrying out its duties.

The Trustee is entitled to receive fees from the Fund as described under ‘‘Fees and Expenses’’. The Trustee is entitled to be reimbursed for all expenses and liabilities which are properly incurred by the Trustee in connection with the activities of the Fund.

### **5.7 THE CUSTODIAN**

RBC Investor Services Trust acts as custodian of the assets of the Fund pursuant to the Declaration of Trust. The Custodian, in its capacity as valuation services agent, will also carry out certain aspects of the day-to-day administration of the Fund, including calculating NAV, net income and net realized capital gains of the Fund and maintaining the books and records of the Fund. The Custodian’s office is located in Toronto, Ontario.

### **5.8 THE AUDITOR**

The auditor of the Fund is PricewaterhouseCoopers LLP, Chartered Accountants, at 18 York Street, Suite 2600, Toronto, Ontario, M5J 0B2.

### **5.9 TRANSFER AGENT AND REGISTRAR**

Pursuant to the Registrar, Transfer Agency and Distribution Agency Agreement, Computershare Investor Services Inc., at its office in Toronto, Ontario, maintains the securities registers of the Units, registers transfers of the Units.

## **6 FEES AND EXPENSES**

### **6.1 INITIAL FEES AND EXPENSES**

The expenses of the initial offering and treasury offering of the Fund (including the costs of creating and organizing the Fund, the costs of printing and preparing the prospectus, legal expenses, marketing expenses and other reasonable out-of-pocket expenses incurred by the Agents and other incidental expenses), which were \$1,510,049, were paid out of the gross proceeds of the offerings.

### **6.2 MANAGEMENT FEES**

The Manager receives a Management Fee from the Fund equal to 1.1% per annum of the Net Asset Value, calculated and payable monthly in arrears. The Manager is responsible for paying the fees of the Sub-Advisor out of the amount received by the Manager.

The management fees charged to the Fund during the year ended August 31, 2016 were \$219,089 plus applicable taxes.

### **6.3 ONGOING EXPENSES**

The Fund pays for all expenses incurred in connection with its operation and administration which will generally be allocated to the Units of each class pro rata based on the Net Asset Value applicable to each class of Units, including, fees payable to the Trustee, custodial fees, legal, audit, valuation fees and expenses, rating agency fees, any additional fees payable to third party service providers, out-of-pocket expenses of the Manager, the Portfolio Manager and the Sub-Advisor, expenses of the directors of the Manager, fees and expenses of the members of the Independent Review Committee appointed under NI 81-107 and expenses related to compliance with NI 81-107, 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, fees and expenses relating to the voting of proxies by a third party, taxes, brokerage commissions, costs and expenses relating to the issue of Units, 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 (including U.S. and other foreign laws applicable to the Fund), extraordinary expenses that the Fund may incur, but excluding the fees payable to the Manager and the Sub-Advisor. Such expenses will also include expenses of any action, suit or other proceedings in which or in relation to which the Manager, the Sub-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 total ongoing expenses charged to the Fund during the year ended August 31, 2016 were \$170,560 plus applicable taxes.

## **7 CANADIAN FEDERAL INCOME TAX CONSIDERATIONS**

**This summary is not exhaustive of all possible Canadian federal income tax considerations applicable to an investment in Units and does not describe the income tax consequences relating to the deductibility of interest on money borrowed to acquire Units. Moreover, the income and other tax consequences of acquiring, holding or disposing of Units will vary depending on an investor's particular circumstances, including the province or territory in which the investor resides or carries on business. Accordingly, 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.**

### ***7.1 STATUS OF THE FUND***

This summary is based on the assumptions that the Fund will qualify at all times as a “mutual fund trust” within the meaning of the Tax Act and that the Fund will validly elect under the Tax Act to be a mutual fund trust from the date it was established. To qualify as a mutual fund trust, (i) the Fund must be a Canadian resident “unit trust” for purposes of the Tax Act; (ii) the only undertaking of the Fund must be the investing of its funds in property (other than real property or interests in real property or an immovable or a real right in an immovable); and (iii) the Fund must comply with certain minimum requirements respecting the ownership and dispersal of Units. The Manager has advised counsel that it expects the Fund will qualify as a mutual fund trust on the closing of the Offering, that it will elect to be deemed to be a mutual fund trust from inception until the closing of the Offering and that it is expected to qualify as a mutual fund trust at all relevant times thereafter.

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

This summary is based on the assumption that the Fund will at no time be a SIFT trust within the meaning of subsection 122.1(1) of the Tax Act. Provided the Fund complies with the investment restrictions described under the heading “Investment Restrictions”, the Fund will not be a SIFT trust.

### ***7.2 TAXATION OF THE FUND***

The Fund is subject to tax in each taxation year under Part I of the Tax Act on the amount of its income for the taxation 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 taxation year. An amount will be considered to be payable to a Unitholder in a taxation year of the Fund if it is paid in the year by the Fund or the Unitholder is entitled in that year to enforce payment of the amount. Counsel have been advised that it is intended that the Fund will deduct, in computing its income for each taxation year, an amount in respect of distributions to Unitholders sufficient to ensure that the Fund will generally not be liable for income tax under Part I of the Tax Act (after taking into account all other available deductions and all available credits and refunds). The Fund is 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 (the “Capital Gains Refund”). The Capital Gains Refund in a particular taxation year may not completely offset the tax liability of the Fund, if any, for such taxation year which may arise upon the sale or other disposition of a security in the Portfolio in connection with the redemption of Units.

### ***7.3 TAXATION OF UNITHOLDERS***

A Unitholder will generally be required to include in computing income for a taxation year the amount of the Fund's net income for the taxation year of the Fund ending in such taxation year, including net realized taxable capital gains, paid or payable to the Unitholder (whether in cash or in Units) in the taxation year of the Fund including any portion of amounts paid on a redemption of

Units treated as a distribution of income or of the taxable portion of net realized capital gains by the Fund. The non-taxable portion of the Fund's net realized capital gains paid or payable to a Unitholder will not be included in the Unitholder's income for the year. Any other amount in excess of the Fund's net income for a taxation year paid or payable to the Unitholder in the year, such as a return of capital of the Fund, will generally not be included in the Unitholder's income. Such an amount, however, will generally reduce the adjusted cost base of the Unitholder's Units. To the extent that the adjusted cost base of a Unit would otherwise be less than zero, the negative amount will be deemed to be a capital gain realized by the Unitholder from the disposition of the Unit and the Unitholder's adjusted cost base of the Unit will then be zero.

Provided that appropriate designations are made by the Fund, such portion of: (i) the net realized taxable capital gains of the Fund, (ii) dividends received by the Fund from taxable Canadian corporations, and (iii) income of the Fund from foreign sources 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. Where the Fund has designated its income from a foreign source in respect of a Unitholder, the Unitholder will be entitled to treat the Unitholder's proportionate share of foreign taxes paid in respect of such income as foreign taxes paid by the Unitholder for purposes of computing the Unitholder's foreign tax credit, subject to the detailed rules contained in the Tax Act. To the extent that amounts are designated as taxable dividends from taxable Canadian corporations, the gross-up and dividend tax credit rules in the Tax Act will apply, including the enhanced gross-up and tax credit applicable to designated eligible dividends.

On the disposition or deemed disposition of a Unit, including a redemption, the Unitholder will realize a capital gain (or capital loss) to the extent that the Unitholder's proceeds of disposition, which excludes any amount paid on redemption as distributions of income or gains realized by the Fund in connection with the disposition of Portfolio securities in order to Fund redemptions, exceed (or are less than) the aggregate of the adjusted cost base of the Unit and any reasonable costs of disposition. For the purpose of determining the adjusted cost base of Units to a Unitholder, when Units are acquired, the cost of the newly acquired Units will be averaged with the adjusted cost base of all Units of that class owned by the Unitholder as capital property immediately before that time. The cost of Units acquired as a distribution by the Fund to a Unitholder will generally be equal to the amount of the distribution. A consolidation of Units following a distribution paid in the form of additional Units will not be regarded as a disposition of Units and will not affect the aggregate adjusted cost base to a Unitholder.

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

## **8 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 the Closing, other than during the ordinary course of business, are as follows:

- (a) the Declaration of Trust;
- (b) the Agency Agreement;
- (c) the Sub-Advisor Agreement; and
- (d) the Recirculation Agreement.

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.



## Voya Global Income Solutions Fund

Additional information about Voya Global Income Solutions Fund is available in the financial statements. You can get a copy of the financial statements, including a statement of portfolio transactions, at no charge by contacting the Manager by:

- Mail: Aston Hill Capital Markets Inc.  
77 King Street West  
Suite 2110, P.O. Box 92  
Toronto, Ontario  
M5K 1G8  
[www.astonhill.ca](http://www.astonhill.ca)
- Phone: 1-800-513-3868
- E-mail: [info@astonhill.ca](mailto:info@astonhill.ca)