



**NOTICE OF SPECIAL MEETING OF
HOLDERS OF CLASS A SHARES AND PREFERRED
SHARES OF S SPLIT CORP. AND
HOLDERS OF CAPITAL UNITS AND PREFERRED
SECURITIES OF TOP 10 SPLIT TRUST
JOINT MANAGEMENT INFORMATION CIRCULAR**

July 24, 2024

Meeting to be held virtually on August 30, 2024

at 9:30 a.m. (Toronto time)



**121 King Street West,
Suite 2600 Standard Life Centre,
P.O. Box 113 Toronto, Ontario
M5H 3T9**

July 24, 2024

Dear Securityholders:

Mulvihill Capital Management Inc. (“Mulvihill” or the “Manager”), as manager of S Split Corp. (“SBN”) and Top 10 Split Trust (“TXT” together with SBN, the “Funds”), invites you to a special meeting (the “Meeting”) of the holders of Class A Shares and Preferred Shares of SBN (the “Shareholders”) and holders of Capital Units and Preferred Securities of TXT (“Unitholders” and “Preferred Securityholders” respectively), to be held virtually on August 30, 2024 at 9:30 a.m. (Toronto time) to consider and vote upon the proposed mergers of each of SBN and TXT (the “Merger Proposal”) into Premium Global Income Split Corp. (“Premium Global”). If the Merger Proposal is approved and implemented, Premium Global will be the continuing fund (the “Continuing Fund”) and (a) holders of Class A Shares of SBN will become holders of Class A Shares of Premium Global, (b) holders of Preferred Shares of SBN will become holders of Class A Shares and a lesser number of Preferred Shares of Premium Global, (c) holders of Capital Units of TXT will become holders of Class A Shares of Premium Global, and (d) holders of Preferred Securities of TXT will become holders of Class A Shares and a lesser number of Preferred Shares of Premium Global.

In connection with the Merger Proposal, the Manager is also proposing to add a one-time special retraction right to permit Shareholders of SBN and Unitholders and Preferred Securityholders of TXT to redeem their securities on September 6, 2024, in order to provide Shareholders of SBN and Unitholders and Preferred Securityholders of TXT with the opportunity not to participate in the mergers if they so choose.

Premium Global is a split share corporation (formerly World Financial Split Corp.) with the following investment objectives: (a) to provide Preferred Shareholders with fixed cumulative preferential monthly cash distributions in an amount of \$0.0625 per Preferred Share, representing a yield on the \$10.00 original issue price of the Preferred Shares of 7.5% per annum; (b) to provide Class A Shareholders with monthly cash distributions targeted to be 12.0% per annum payable monthly on the initial \$8.00 net asset value per Class A Share; and (c) to return the issue price to holders of both Preferred Shares and Class A Shares at the time of redemption of such shares on the June 30, 2029 termination date.

Premium Global invests in a diversified portfolio of primarily large capitalization global equity securities actively selected by the Manager (the “Portfolio”). Premium Global may also invest up to 100% of its net assets in other public investment funds, including investment funds managed by the Manager. Like SBN and TXT, Premium Global writes covered call options to enhance the income generated by the Portfolio and to reduce volatility. In addition, Premium Global writes cash covered put options in respect of securities in which it is permitted to invest. Premium Global may purchase put options and call options and utilize options on the VIX Index to provide downside protection for Premium Global’s Portfolio and hedge against Portfolio volatility.

The Merger Proposal is expected to be beneficial to Shareholders of SBN and Unitholders and Preferred Securityholders of TXT for the following reasons:

- Premium Global’s investable universe is much broader than SBN and TXT’s current universe. An expanded investment universe will provide holders of Class A Shares of SBN and Capital Units of TXT potential for capital appreciation and an increase in yield. Holders of Preferred Shares and Preferred Securities will also benefit from the Merger Proposal from an increase in the net asset value of the Class A Shares which will provide greater asset coverage for the Preferred Shares and Preferred Securities as well as the potential for capital appreciation and increase in yield.

- Shareholders of SBN and Unitholders and Preferred Securityholders of TXT will be provided with an opportunity to invest in a continuing fund with a more diversified portfolio, improved operational efficiencies and enhanced economic viability. The mergers are expected to eliminate the duplicative administrative and regulatory costs of operating the Funds as separate investment funds.
- The mergers are expected to reduce operational costs on a per security basis and correspondingly improve returns by spreading fixed costs over a greater number of units.
- The Continuing Fund is expected to have a greater number of securities outstanding and a larger number of securityholders than either of SBN or TXT. The larger net asset value of the Continuing Fund should enhance its ability to utilize its existing non-capital and capital tax losses which the Manager believes will be available to be applied against future gains and income, as a result of which it is expected that distributions on the Class A Shares and Preferred Shares of the Continuing Fund should consist primarily of return of capital for the foreseeable future.

The purpose of the Meeting is to consider and vote upon special resolutions to merge each of SBN and TXT into Premium Global. The Merger Proposal is also subject to receipt of all regulatory and stock exchange approvals.

Shareholders of SBN and Unitholders and Preferred Securityholders of TXT who do not wish to participate in the proposed mergers may submit their securities for retraction or repayment no later than August 23, 2024 in order to redeem their securities on September 6, 2024 (the “Special Retraction Date”). Unitholders who wish to redeem their securities should vote in favour of the Merger Proposal and simply redeem their securities no later than the Special Retraction Date.

In order to become effective, the Merger Proposal must be approved by a two-thirds majority of holders of Preferred Shares and Class A Shares of SBN and Unitholders and Preferred Securityholders of TXT present in person or represented by proxy at the applicable Meeting, each voting separately as a class. If approved, the Merger Proposal is expected to be implemented with respect to TXT on or about September 9, 2024, and with respect to SBN on or about September 13, 2024.

The accompanying joint management information circular (the “Circular”) and notice of special meeting of Shareholders of SBN and Unitholders and Preferred Securityholders of TXT contains important information relating to the Merger Proposal. You are urged to read the Circular carefully. If you are in doubt as to how to deal with the matters described in the Circular, you should consult your advisors.

If you wish to vote at the Meeting, you should submit the enclosed form of proxy or voting instruction form as soon as possible, and in any event no later than 5:00 p.m. (Toronto time) on August 28, 2024. All Shareholders of SBN and Unitholders and Preferred Securityholders of TXT are encouraged to attend the Meeting.

Shareholders of SBN and Unitholders and Preferred Securityholders of TXT can join the Meeting by using the following link: <https://meetnow.global/MDRCMSM>. No password is required to join the Meeting.

Shareholders of SBN and Unitholders and Preferred Securityholders of TXT will be able to listen to and ask questions at the Meeting and submit their votes by telephone or internet by 5:00 p.m. (Toronto time) on August 28, 2024. If the Meeting is adjourned for any reason, the adjourned meeting for SBN will be held virtually on September 4, 2024 at 9:30 a.m. (Toronto time) and the adjourned meeting for TXT will be held virtually on September 13, 2024 at 9:30 a.m. (Toronto time).

Non-Registered Shareholders of SBN and Unitholders and Preferred Securityholders of TXT who have not appointed themselves as proxyholders to participate and vote at the meeting will not be able to attend the meeting online but may login as a guest by clicking on “Guest” and complete the online form; however, they will not be able to vote or submit questions.

Shareholders of SBN and Unitholders and Preferred Securityholders of TXT who wish to appoint a third-party proxyholder to represent them at the virtual meeting must submit their proxy or voting instruction form (as applicable) prior to registering their proxyholder. To register a proxyholder, Shareholders of SBN and Unitholders and Preferred Securityholders of TXT must visit <https://www.computershare.com/Mulvihill> no later than 9:30 a.m. on August 28, 2024 and provide Computershare with their proxyholder’s contact

information, so that Computershare may provide the proxyholder with an Invite Code via email. Failure to register a duly appointed proxyholder will result in the proxyholder not receiving an Invite Code to participate in the meeting.

The Board of Directors of SBN and the Manager have determined that the Merger Proposal is in the best interests of SBN and TXT. In addition, the independent review committee of each of SBN and TXT has reviewed the Merger Proposal and recommended that the Merger Proposal be put to Shareholders of SBN and Unitholders and Preferred Securityholders of TXT for their consideration on the basis that it achieves a fair and reasonable result for each of SBN and TXT. Accordingly, the Board of Directors of SBN and the Manager unanimously recommend that securityholders vote in favour of the Merger Proposal.

Sincerely,

“John P. Mulvihill”

JOHN P. MULVIHILL

Chairman and Chief Executive Officer

TABLE OF CONTENTS

	<u>Page</u>		<u>Page</u>
NOTICE OF SPECIAL MEETING	1	INTERESTS OF MANAGEMENT AND OTHERS IN THE MERGER PROPOSAL	13
JOINT MANAGEMENT INFORMATION CIRCULAR	2	CANADIAN FEDERAL INCOME TAX CONSIDERATIONS	13
S SPLIT CORP.	2	RISK FACTORS	16
TOP 10 SPLIT TRUST	3	VOTING SECURITIES AND PRINCIPAL SHAREHOLDERS	20
PURPOSE OF THE MEETING	4	GENERAL PROXY INFORMATION	20
THE MERGER PROPOSAL	4	RIGHTS OF DISSENT FOR S SPLIT CORP. SHAREHOLDERS	22
BENEFITS OF THE MERGER PROPOSAL	4	FORWARD-LOOKING STATEMENTS	24
DETAILS OF THE MERGER PROPOSAL	4	DOCUMENTS INCORPORATED BY REFERENCE	24
PREMIUM GLOBAL INCOME SPLIT CORP.	6	ADDITIONAL INFORMATION	24
SHARE CAPITAL OF PREMIUM GLOBAL	6	APPENDIX A — SPECIAL RESOLUTION OF S SPLIT CORP.	A-1
RECOMMENDATION OF THE BOARD OF DIRECTORS	11	APPENDIX B — SPECIAL RESOLUTION OF TOP 10 SPLIT TRUST.	B-1
CONDITIONS TO IMPLEMENTING THE MERGER PROPOSAL	12	APPENDIX C — ADDITIONAL INFORMATION REGARDING MANAGEMENT OF PREMIUM GLOBAL	C-1
EXPENSES OF THE MERGER PROPOSAL	12		
TERMINATION OF THE MERGER PROPOSAL	12		

**S SPLIT CORP. AND
TOP 10 SPLIT TRUST**

**NOTICE OF SPECIAL MEETING OF HOLDERS OF CLASS A SHARES AND PREFERRED
SHARES OF S SPLIT CORP. AND UNITHOLDERS AND PREFERRED SECURITYHOLDERS OF
TOP 10 SPLIT TRUST**

TAKE NOTICE that a special meeting (a “Meeting”) of holders of Class A Shares and Preferred Shares (the “Shareholders”) of S Split Corp. (“SBN”) and holders of Capital Units and Preferred Securities (the “Unitholders and Preferred Securityholders” respectively) of Top 10 Split Trust (“TXT” together with SBN, the “Funds”) will be held virtually on August 30, 2024 at 9:30 a.m. (Toronto time) for the following purposes:

- in respect of SBN, to consider and, if thought appropriate, approve, with or without variation, a special resolution providing for the merger of SBN with Premium Global Income Split Corp. (“Premium Global”), including the transfer by SBN to Premium Global of substantially all the portfolio assets of SBN in consideration for the issuance Class A Shares and Preferred Shares of Premium Global. Premium Global will be the continuing fund;
- in respect of SBN, to consider and if thought appropriate, approve, the addition of a one-time special retraction right to permit Shareholders to redeem their Class A Shares or Preferred Shares of SBN on or about September 6, 2024 at 100% of the net asset value per Class A Share of SBN and the Preferred Share redemption price of the Preferred Shares;
- in respect of TXT, to consider and, if thought appropriate, approve, with or without variation, an extraordinary resolution providing for the merger of TXT with Premium Global, including the transfer by TXT to Premium Global of substantially all the portfolio assets of TXT in consideration for the issuance of Class A Shares and Preferred Shares of Premium Global. Premium Global will be the continuing fund; and
- in respect of TXT, to consider and if thought appropriate, approve, the addition of a one-time retraction right to permit Unitholders and Preferred Securityholders of TXT to redeem their Capital Units or Preferred Securities on or about September 6, 2024 at 100% of the net asset value per Capital Unit and at 100% of the principal amount of the Preferred Securities.

The Merger Proposal is more fully described in the accompanying management information circular (the “Circular”). A copy of the special resolution for SBN and the extraordinary resolution for TXT is attached as Appendix “A” and Appendix “B”, respectively, to the Circular.

As required by National Instrument 81-107 — *Independent Review Committee for Investment Funds*, the Manager of SBN and TXT, has presented the Merger Proposal to the independent review committee of each of SBN and TXT for a recommendation. The independent review committee has reviewed and recommended that the Merger Proposal be put to the Shareholders of SBN and Unitholders and Preferred Securityholders of TXT for their consideration on the basis that it achieves a fair and reasonable result for SBN and TXT.

DATED at Toronto, Ontario as of the 24th day of July, 2024.

BY ORDER OF THE BOARD OF DIRECTORS

“John P. Mulvihill”

JOHN P. MULVIHILL

Chairman and Chief Executive Officer

Note: Reference should be made to the Circular for details of the above matters. If you are unable to be present in person at the Meeting, it is requested that you complete and sign the enclosed form of proxy or voting instruction form and return it in the enclosed prepaid envelope provided for that purpose. Voting instruction forms sent by Broadridge Financial Solutions, Inc. may be completed by telephone or through the internet at www.proxyvote.com.

JOINT MANAGEMENT INFORMATION CIRCULAR
S SPLIT CORP.
TOP 10 SPLIT TRUST

The information contained in this joint management information circular (the “Circular”) is provided by Mulvihill Capital Management Inc. (“Mulvihill” or the “Manager”), the manager of S Split Corp. (“SBN”) and Top 10 Split Trust (“TXT” and together with SBN, the “Funds”) in connection with the solicitation of proxies on behalf of the Manager to be used at the special meeting (“Meeting”) of the holders of Class A Shares and Preferred Shares of SBN (the “Shareholders”) and holders of Capital Units and Preferred Securities of TXT (the “Unitholders” and “Preferred Securityholders”, respectively), for the purposes described below.

The Meeting is to be held virtually on August 30, 2024 at 9:30 a.m. (Toronto time) (including any adjournment or postponement thereof, as the case may be).

Shareholders of SBN and Unitholders and Preferred Securityholders of TXT can join the Meeting by using the following link: <https://meetnow.global/MDRCMSM>. No password is required to join the Meeting.

Shareholders of SBN and Unitholders and Preferred Securityholders of TXT will be able to listen to and ask questions at the Meeting and submit their votes by telephone or internet by 5:00 p.m. (Toronto time) on August 28, 2024. If the Meeting is adjourned for any reason, the adjourned meeting for SBN will be held virtually on September 4, 2024 at 9:30 a.m. (Toronto time) and the adjourned meeting for TXT will be held virtually on September 13, 2024 at 9:30 a.m. (Toronto time).

Non-Registered Shareholders of SBN and Unitholders and Preferred Securityholders of TXT who have not appointed themselves as proxyholders to participate and vote at the meeting will not be able to attend the meeting online but may login as a guest by clicking on “Guest” and complete the online form; however, they will not be able to vote or submit questions.

Shareholders of SBN and Unitholders and Preferred Securityholders of TXT who wish to appoint a third-party proxyholder to represent them at the virtual meeting must submit their proxy or voting instruction form (as applicable) prior to registering their proxyholder. To register a proxyholder, Shareholders of SBN and Unitholders and Preferred Securityholders of TXT must visit <https://www.computershare.com/Mulvihill> no later than 9:30 a.m. on August 28, 2024 and provide Computershare with their proxyholder’s contact information, so that Computershare may provide the proxyholder with an Invite Code via email. Failure to register a duly appointed proxyholder will result in the proxyholder not receiving an Invite Code to participate in the meeting.

Except as otherwise stated, the information contained in this Circular is given as of July 24, 2024 and all dollar amounts herein are expressed in Canadian dollars, unless otherwise noted.

S SPLIT CORP.

S Split Corp. (“SBN”) is a mutual fund corporation incorporated under the laws of the Province of Ontario on January 26, 2007. The manager and investment manager of SBN is Mulvihill.

Investment Objectives and Strategy

SBN invests in a portfolio of common shares (“BNS Shares”) of The Bank of Nova Scotia (“BNS”). The investment objectives for the Preferred Shares are: (a) to provide holders of Preferred Shares with fixed cumulative preferential monthly cash distributions in the amount of \$0.04375 per Preferred Share (\$0.525 per year) representing a yield on the issue price of the Preferred Shares of 5.25% per annum; and (b) to return the issue price of \$10.00 per Preferred Share to holders of Preferred Shares at the time of redemption of such shares on November 30, 2028 (the “Termination Date”). The investment objectives for the Class A Shares are: (a) to provide holders of Class A Shares with monthly cash distributions targeted to be 6.00% per annum on the net asset value (“NAV”) of the Class A Shares; and (b) to provide holders of Class A Shares with the opportunity for leveraged growth in NAV and distributions per Class A Share.

SBN writes covered call options to enhance the income generated by the portfolio and to reduce volatility. SBN employs a quantitative, technical based methodology that identifies appropriate times to write and/or close out option positions compared to continuously writing and rolling options every thirty days. This proprietary process has been developed by the Manager over many years through various market cycles. The Manager believes that in a flat or downward trending market, a portfolio that is subject to covered option writing will generally provide higher relative returns and lower volatility than one on which no options are written. However, in a rising market, the use of options may have the effect of limiting or reducing the total returns of SBN since the premiums associated with writing covered options may be outweighed by the foregone opportunity of remaining fully invested in the securities comprising the portfolio. The composition of the portfolio, the number of BNS Shares that may be subject to call options and put options and the terms of such options will vary from time to time, based on Mulvihill's assessment of market conditions.

Further Information

For further information about SBN, see the annual information form of SBN dated March 27, 2024 and the Manager's website at www.mulvihill.com.

TOP 10 SPLIT TRUST

Top 10 Split Trust ("TXT"), formerly First Premium U.S. Income Trust, is an investment trust established under the laws of the Province of Ontario pursuant to a trust agreement dated as of January 22, 1997, as amended from time to time (the "Trust Agreement") between the Manager and RBC Investor Services Trust, as trustee.

Investment Objectives and Strategy

TXT's investment objectives are:

- a) Capital Units — (i) to provide holders of Capital Units, upon redemption, with the benefit of any capital appreciation in the market price of the securities in the Financial Portfolio (as defined below); and (ii) to pay quarterly distributions to holders of Capital Units in an amount targeted to be 7.5% per annum of the net asset value of TXT; and
- b) Preferred Securities — (i) to pay holders of Preferred Securities fixed quarterly cash interest payments equal to 6.25% per annum on the \$12.50 principal amount of a Preferred Security; and (ii) to repay the principal amount of \$12.50 per Preferred Security on the termination date.

TXT invests in a portfolio (the "Financial Portfolio") consisting of securities of: (a) the six largest Canadian banks and; (b) the four largest Canadian life insurance companies. TXT generally invests not less than 5% and not more than 15% of TXT's assets in each of the companies in the Financial Portfolio.

The Financial Portfolio is actively managed by Mulvihill, TXT's investment manager. TXT writes covered call options to enhance the income generated by the Financial Portfolio and to reduce volatility. In addition, TXT writes cash covered put options in respect of securities in which it is permitted to invest. TXT employs a quantitative, technical based methodology that identifies appropriate times to write and/or close out option positions compared to continuously writing and rolling options every thirty days. This proprietary process has been developed by the Manager over many years through various market cycles. The Manager believes that in a flat or downward trending market, a portfolio that is subject to covered option writing will generally provide higher relative returns and lower volatility than one on which no options are written. However, in a rising market, the use of options may have the effect of limiting or reducing the total returns of TXT since the premiums associated with writing covered options may be outweighed by the foregone opportunity of remaining fully invested in the securities comprising the Financial Portfolio.

Further Information

For further information about TXT, see the annual information form of TXT dated March 27, 2024 and the Manager's website at www.mulvihill.com.

PURPOSE OF THE MEETING

The purpose of the Meeting is to consider and vote upon a proposal to merge SBN and TXT into Premium Global (the “Merger Proposal”), a split share corporation managed by the Manager, with Premium Global being the continuing fund (the “Continuing Fund”).

The Merger Proposal must be approved by a two-thirds majority of the holders of Class A Shares and Preferred Shares of SBN and Unitholders and Preferred Securityholders of TXT present in person or represented by proxy at the Meeting, each voting separately as a class. The full text of the resolutions relating to the Merger Proposal is set out in Appendix “A” and Appendix “B”.

THE MERGER PROPOSAL

If the Merger Proposal is approved and implemented, Premium Global will be the Continuing Fund and (a) holders of Class A Shares of SBN will become holders of Class A Shares of Premium Global, (b) holders of Preferred Shares of SBN will become holders of a lesser number of Preferred Shares and Class A Shares of Premium Global, (c) holders of Capital Units of TXT will become holders of Class A Shares of Premium Global, and (d) holders of Preferred Securities of TXT will become holders of a lesser number of Class A Shares and Preferred Shares of Premium Global.

BENEFITS OF THE MERGER PROPOSAL

The mergers are expected to be beneficial to Shareholders of SBN and Unitholders and Preferred Securityholders of TXT for the following reasons:

- Premium Global’s investable universe is much broader than SBN and TXT’s current universe. An expanded investment universe will provide holders of Class A Shares of SBN and Capital Units of TXT potential for capital appreciation and an increase in yield. Holders of Preferred Shares and Preferred Securities will also benefit from the Merger Proposal from an increase in the net asset value of the Class A Shares which will provide greater asset coverage for the Preferred Shares and Preferred Securities as well as the potential for capital appreciation and increase in yield.
- Shareholders of SBN and Unitholders and Preferred Securityholders of TXT will be provided with an opportunity to invest in a Continuing Fund with a more diversified portfolio, improved operational efficiencies and enhanced economic viability. The mergers are expected to eliminate the duplicative administrative and regulatory costs of operating SBN and TXT as separate investment funds. Such costs are borne by both SBN and TXT and, therefore, indirectly by securityholders;
- The mergers are expected to reduce operational costs on a per security basis and correspondingly improve returns by spreading fixed costs such as transfer agent fees, audit fees, legal fees, exchange listing fees, printing fees and mailing and reporting costs over a greater number of securities thereby reducing the management expense ratio currently borne securityholders;
- The Continuing Fund is expected to have a greater number of securities outstanding and a larger number of securityholders than either of SBN or TXT. The larger net asset value (“NAV”) of the Continuing Fund should enhance its ability to utilize its existing non-capital and capital tax losses which the Manager believes will be available to be applied against future gains and income, as a result of which it is expected that distributions on the Class A Shares and Preferred Shares of the Continuing Fund should consist primarily of return of capital for the foreseeable future; and
- Shareholders of SBN and Unitholders and Preferred Securityholders of TXT who do not wish to participate in the mergers and receive Class A Shares and Preferred Shares of Premium Global will have the opportunity to retract their securities prior to the implementation of the mergers.

As the Merger Proposal involves amendments to the articles of incorporation of SBN, holders of Class A Shares and Preferred Shares of SBN will have the right to dissent in accordance with the *Business Corporations Act* (Ontario). See “*Rights of Dissent*”.

DETAILS OF THE MERGER PROPOSAL

Implementation Matters

If the Merger Proposal is approved by Shareholders of SBN and Unitholders and Preferred Securityholders of TXT, it is expected that the merger with respect to TXT will become effective on or about

September 9, 2024, and the merger with respect to SBN will become effective on or about September 13, 2024 (each, an “Effective Date”). The mergers are conditional upon receipt of all regulatory and stock exchange approvals.

If the mergers are approved, the following steps will be taken to implement the Merger Proposal:

- On the Effective Date, SBN and TXT will transfer all or substantially all of their portfolio assets to Premium Global in consideration for the issuance by Premium Global to SBN and TXT of a number of Class A Shares and Preferred Shares of Premium Global determined based on Exchange Ratios (as defined below) established as of the close of trading on the business day immediately preceding the Effective Dates;
- The Exchange Ratios will be calculated based on the relative NAV of the Class A Shares and Preferred Shares of SBN and of Premium Global, and the relative NAV of the Capital Units and Preferred Securities of TXT and of Premium Global;
- Immediately following the transfer of the net assets of SBN and TXT to Premium Global and the issuance of Class A Shares and Preferred Shares of Premium Global to SBN and TXT, all Class A Shares and Preferred Shares of SBN and all Capital Units and Preferred Securities of TXT will be automatically redeemed or repaid, as the case may be, and each securityholder of SBN and TXT will receive that number of Class A Shares and Preferred Shares of Premium Global equal to the number of securities held multiplied by the applicable Exchange Ratio. As a result, (a) holders of Class A Shares of SBN will become holders of Class A Shares of Premium Global, (b) holders of Preferred Shares of SBN will become holders of Class A Shares and a lesser number of Preferred Shares of Premium Global, (c) holders of Capital Units of TXT will become holders of Class A Shares of Premium Global, and (d) holders of Preferred Securities of TXT will become holders of Class A Shares and a lesser number of Preferred Shares of Premium Global.

The exchange ratios (“Exchange Ratios”) at which Class A Shares and Preferred Shares of SBN and at which Capital Units and Preferred Securities of TXT will be exchanged for Class A Shares and Preferred Shares of Premium Global will be based on the relative NAV of the funds and the redemption price of the Preferred Shares and principal amount of the Preferred Securities and will be announced by press release following the Special Retraction Date. No fractional Class A Shares or Preferred Shares of Premium Global or cash in lieu thereof will be issued or paid under the mergers and the number of such shares to be issued will be rounded down to the nearest whole share.

With respect to holders of Preferred Shares of SBN who will become holders of Class A Shares of Premium Global and a lesser number of Preferred Shares of Premium Global, the number of Class A Shares and Preferred Shares of Premium Global will be determined based on the number of shares of SBN surrendered pursuant to the special retraction right. For example, the Manager would expect 100 Preferred Shares of SBN to be redeemed for approximately 43 Class A Shares of Premium Global and 68 Preferred Shares of Premium Global with a value initially equal to the value of the Preferred Shares of SBN so exchanged. The exact number of such shares to be issued shall be announced by press release following the Special Retraction Date.

With respect to holders of Preferred Securities of TXT who will become holders of Class A Shares of Premium Global and a lesser number of Preferred Shares of Premium Global, the number of Class A Shares and of Preferred Shares of Premium Global will be determined based on the number of Capital Units and Preferred Securities surrendered pursuant to the special retraction right. For example, the Manager would expect 100 Preferred Securities of TXT to be repaid with approximately 54 Class A Shares of Premium Global and 85 Preferred Shares of Premium Global with a value initially equal to the value of the Preferred Securities of TXT so exchanged. The exact number of shares shall be announced by press release following the Special Retraction Date.

As soon as possible following the mergers, SBN and TXT will be wound up and terminated. The Merger Proposal is subject to approval by Shareholders of SBN and Unitholders and Preferred Securityholders of TXT and other required regulatory approvals. There is no assurance that the conditions to the implementation of the mergers will be satisfied on a timely basis, if at all. In such event, SBN and TXT will not merge with Premium Global but will continue as separate funds and may be subsequently terminated.

The mergers are proposed to be effected on a taxable basis. As a result, the mergers may have tax consequences for Shareholders of SBN and Unitholders and Preferred Securityholders of TXT. As described under “Canadian Federal Income Tax Considerations”, Shareholders of SBN and Unitholders and Preferred Securityholders of TXT will realize any accrued capital gain or loss on their Class A Shares and Preferred Shares of SBN and Capital Units and Preferred Securities of TXT as a result of the mergers. However, implementing the mergers on a taxable basis should result in the ongoing ability of the Continuing Fund to utilize its existing non-capital and capital tax losses which should benefit shareholders of the Continuing Fund going forward. For this and the other factors set forth below under “Recommendation of the Board of Directors”, the Board of Directors of the Manager has determined that the Merger Proposal is in the best interests of the Funds.

PREMIUM GLOBAL INCOME SPLIT CORP.

Premium Global (formerly World Financial Split Corp.) is a mutual fund corporation incorporated under the laws of the Province of Ontario on December 5, 2003. The principal office of Premium Global and Mulvihill is located at 121 King Street West, Suite 2600, P.O. Box 113, Toronto, Ontario.

For further information relating to the management of Premium Global, see “Appendix C — Additional Information Regarding Management of Premium Global”.

Investment Objectives and Strategy

Premium Global’s investment objectives are: (a) to provide preferred shareholders with fixed cumulative preferential monthly cash distributions in an amount of \$0.0625 per preferred share, representing a yield on the \$10.00 original issue price of the Preferred Shares of 7.5% per annum; (b) to provide class A shareholders with monthly cash distributions targeted to be 12.0% per annum payable monthly on the net asset value per Class A Share; and (c) to return the issue price to holders of both Preferred Shares and Class A Shares at the time of redemption of such shares on the June 30, 2029 termination date.

Premium Global invests in a diversified portfolio of primarily large capitalization global equity securities actively selected by the Manager (the “Portfolio”). Premium Global may also invest up to 100% of its net assets in other public investment funds, including investment funds managed by the Manager. In addition, Premium Global will be exposed to securities traded in foreign currencies and may, in the Manager’s discretion, enter into currency hedging transactions to reduce the effects of changes in the value of foreign currencies relative to the value of the Canadian dollar.

Premium Global writes covered call options to enhance the income generated by the Portfolio and to reduce volatility. In addition, Premium Global writes cash covered put options in respect of securities in which it is permitted to invest. Premium Global uses a quantitative, technical based methodology that identifies appropriate times to write and/or close out option positions compared to continuously writing and rolling options every thirty days. This proprietary process has been developed by the Manager over many years through various market cycles. The Manager believes that in a flat or downward trending market, a portfolio that is subject to covered option writing will generally provide higher relative returns and lower volatility than one on which no options are written. However, in a rising market, the use of options may have the effect of limiting or reducing the total returns of Premium Global since the premiums associated with writing covered options may be outweighed by the foregone opportunity of remaining fully invested in the securities comprising the Portfolio. Premium Global may purchase put options and call options and utilize options on the VIX Index to provide downside protection for Premium Global’s Portfolio and hedge against Portfolio volatility. Premium Global may use derivatives as permitted by the Canadian securities regulators for hedging or non-hedging purposes.

Premium Global may, from time to time, hold all or a portion of its assets in cash equivalents. Premium Global may also, from time to time, utilize such cash equivalents to provide cover in respect of the writing of cash covered put options, which is intended to generate additional returns and to reduce the net cost of acquiring the securities subject to the put options.

SHARE CAPITAL OF PREMIUM GLOBAL

Authorized Capital

Premium Global is authorized to issue an unlimited number of Preferred Shares, an unlimited number of Class A Shares, Class B Shares, Class C Shares and Class J Shares. No Class B Shares or Class C Shares are outstanding.

Description of Units

While the Preferred Shares and Class A Shares are offered separately, they are generally issued on the basis that there will be one Class A Share outstanding for every Preferred Share outstanding (together notionally considered a “Unit”).

Preferred Shares

Distributions

Preferred Shareholders are entitled to receive fixed, cumulative preferential monthly cash distributions of \$0.0625 per share to yield 7.50% per annum on the issue price of the Preferred Shares on the last day of each month. Such distributions may consist of ordinary dividends, capital gains dividends or non-taxable returns of capital or any combination thereof.

Redemptions

All Preferred Shares outstanding on the Redemption Date will be redeemed by Premium Global on such date. The “Redemption Date” of Premium Global is the Potential Redemption Date that is determined by the Board of Directors of the Corporation as the date on which all of the then outstanding shares of any class or series of shares of the Corporation shall be redeemed. The current “Potential Redemption Date” is June 30, 2029 and, thereafter, the day that is the fifth year anniversary date of the immediately preceding potential date of redemption. The redemption price payable by Premium Global for each Preferred Share outstanding on that date will be equal to the lesser of (a) \$10.00 and (b) the NAV of Premium Global on that date divided by the number of Preferred Shares then outstanding.

Notice of redemption will be given to participants in the CDS Clearing and Depository Services Inc. book-based system (“CDS” and “CDS Participants” respectively) holding Preferred Shares on behalf of the beneficial owners thereof at least 30 days prior to the Redemption Date.

Retraction Privileges

Preferred Shares may be surrendered at any time for retraction to Computershare Investor Services Inc., Premium Global’s registrar and transfer agent, but will be retracted only on a monthly Valuation Date (as defined below). Preferred Shares surrendered for retraction by a shareholder at least ten business days prior to the last day of a month (a “Valuation Date”) will be retracted on such Valuation Date and the shareholder will receive payment on or before the tenth business day following such Valuation Date (the “Retraction Payment Date”).

Except as noted below, holders of Preferred Shares whose shares are surrendered for retraction will be entitled to receive a retraction price per share (the “Preferred Share Retraction Price”) equal to the lesser of: (A) the sum of (1) 96% of the lesser of (I) NAV per Unit as of the applicable Valuation Date less the cost to Premium Global of purchasing a Class A Share in the market for cancellation at any time after the applicable Valuation Date and prior to the applicable Retraction Payment Date and (II) \$10.00 and (2) any accrued and unpaid dividends thereon; and (B) the sum of (1) 96% of the lesser of (I) the Unit Market Price (as defined below) as of the applicable Valuation Date less the cost to Premium Global of purchasing a Class A Share in the market for cancellation at any time after the applicable Valuation Date and prior to the applicable Retraction Payment Date and (II) \$10.00 and (2) any accrued and unpaid dividends thereon. For purposes of the calculation noted above, the cost to Premium Global of purchasing a Class A Share in the market for cancellation may include the purchase price of such Class A Share, commissions and such other costs, if any, related to the liquidation of any part of the Portfolio to fund such purchase.

The “Unit Market Price” is the sum of the Class A Market Price (as defined below) and the Preferred Market Price.

The “Preferred Market Price” is the weighted average trading price of the Preferred Shares on the principal stock exchange on which the Preferred Shares are listed (or, if the Preferred Shares are not listed on any stock exchange, on the principal market on which the Preferred Shares are quoted for trading) for the 10 trading days immediately preceding the applicable Valuation Date.

The “Class A Market Price” is the weighted average trading price of the Class A Shares on the principal stock exchange on which the Class A Shares are listed (or, if the Class A Shares are not listed on any stock exchange, on the principal market on which the Class A Shares are quoted for trading) for the 10 trading days immediately preceding the applicable Valuation Date.

Preferred Shareholders also have an annual retraction right under which they may concurrently retract one Preferred Share and one Class A Share on the Valuation Date in June each year. The price paid by Premium Global for such a concurrent retraction will be equal to the NAV per Unit on that date.

Premium Global may, but is not obligated to, require the Recirculation Agent (as defined below) to use commercially reasonable efforts to find purchasers for any Preferred Shares tendered for retraction prior to the relevant Retraction Payment Date pursuant to the Recirculation Agreement (as defined below). In such event, the amount to be paid to the holder of the Preferred Shares on the Retraction Payment Date will be an amount equal to the proceeds of the sale of the Preferred Shares less any applicable commission. Such amount will not be less than the Preferred Share Retraction Price described above.

Subject to Premium Global’s right to require the Recirculation Agent to use commercially reasonable efforts to find purchasers for any Preferred Shares tendered for retraction prior to the relevant Retraction Payment Date, any and all Preferred Shares which have been surrendered to Premium Global for retraction are deemed to be outstanding until (but not after) the close of business on the relevant Retraction Payment Date, unless not retracted, in which event such Preferred Shares will remain outstanding.

The retraction right must be exercised by providing written notice within the notice periods prescribed and in the manner described under “Book-Entry Only System”. Such surrender will be irrevocable upon the delivery of notice to CDS through a CDS Participant, except with respect to those Preferred Shares not paid for by Premium Global on the relevant Retraction Payment Date.

If any Preferred Shares are tendered for retraction and are not resold, Premium Global has directed the Recirculation Agent to purchase for cancellation on behalf of Premium Global that number of Class A Shares which equals the number of Preferred Shares so retracted. Any Class A Shares so purchased for cancellation will be purchased in the market.

Resale of Preferred Shares Tendered for Retraction

Premium Global has entered into an agreement (a “Recirculation Agreement”) with RBC Dominion Securities Inc. (the “Recirculation Agent”) whereby the Recirculation Agent has agreed to use commercially reasonable efforts to find purchasers for any Preferred Shares tendered for retraction prior to the relevant Retraction Payment Date. Premium Global is not obligated to require the Recirculation Agent to seek such purchasers but may elect to do so. In the event that a purchaser for such Preferred Shares is found in this manner, the amount to be paid to the holder of the Preferred Shares on the relevant Retraction Payment Date will be an amount equal to the proceeds of the sale of the Preferred Shares less any applicable commission. Such amount will not be less than the applicable Preferred Share Retraction Price described above.

Priority

The Preferred Shares rank in priority to the Class A Shares and the Class J Shares with respect to the payment of distributions and the repayment of capital on the dissolution, liquidation or winding up of Premium Global.

Class A Shares

Distributions

One of Premium Global’s investment objectives is to provide holders of Class A Shares with monthly cash distributions targeted to be 12% per annum based on the initial \$8.00 net asset value per Class A Share. Such distributions may consist of ordinary dividends, capital gains dividends or non-taxable returns of capital or any such combination. There can be no assurance that Premium Global will be able to pay distributions to the Class A Shareholders.

No distributions will be paid on the Class A Shares if the distributions on the Preferred Shares are in arrears.

In the event that Premium Global realizes capital gains, Premium Global may, at its discretion make a special year end capital gains distribution in certain circumstances, including where Premium Global has net realized capital gains, in Class A Shares and/or cash. Any capital gains distribution payable in Class A Shares will increase the aggregate adjusted cost base to Class A Shareholders of such shares. Immediately following payment of such a distribution in Class A Shares, the number of Class A Shares outstanding will be such that the number of Class A Shares outstanding after such distribution will be equal to the number of Class A Shares outstanding immediately prior to such distribution.

Redemptions

Premium Global will redeem all Class A Shares that are outstanding on the Redemption Date. The redemption price payable by Premium Global for a Class A Share on that date will be equal to the greater of (a) the NAV per Unit on that date minus \$10.00; and (b) nil.

Notice of redemption will be given to CDS Participants holding Class A Shares on behalf of the beneficial owners thereof at least 30 days prior to the Redemption Date.

Retraction Privileges

Class A Shares may be surrendered at any time for retraction to Computershare Investor Services Inc., Premium Global's registrar and transfer agent, but will be retracted only on a monthly Valuation Date. Class A Shares surrendered for retraction by a shareholder at least ten business days prior to the monthly Valuation Date will be retracted on such Valuation Date and the shareholder will receive payment on or before the Retraction Payment Date.

Except as noted below, holders of Class A Shares whose shares are surrendered for retraction will be entitled to receive a retraction price per share (the "Class A Share Retraction Price") equal to the lesser of: (A) the sum of (1) 96% of the difference between (I) the NAV per Unit as of the applicable Valuation Date and (II) the cost to Premium Global of purchasing a Preferred Share in the market for cancellation at any time after the applicable Valuation Date and prior to the applicable Retraction Payment Date and (2) any accrued and unpaid dividends thereon; and (B) the sum of (1) 96% of the difference between (I) the Unit Market Price as of the applicable Valuation Date and (II) the cost to Premium Global of purchasing a Preferred Share in the market for cancellation at any time after the applicable Valuation Date and prior to the applicable Retraction Payment Date and (2) any accrued and unpaid dividends thereon. For purposes of the calculation noted above, the cost to Premium Global of purchasing a Preferred Share in the market for cancellation may include the purchase price of such Preferred Share, commissions and such other costs, if any, related to the liquidation of any part of the Portfolio to fund such purchase.

Class A Shareholders also have an annual retraction right under which they may concurrently retract one Preferred Share and one Class A Share on the Valuation Date in June each year. The price paid by Premium Global for such a concurrent retraction will be equal to the NAV per Unit.

Premium Global may, but is not obligated to, require the Recirculation Agent to use commercially reasonable efforts to find purchasers for any Class A Shares tendered for retraction prior to the relevant Retraction Payment Date pursuant to the Recirculation Agreement. In such event, the amount to be paid to the holder of the Class A Shares on the Retraction Payment Date will be an amount equal to the proceeds of the sale of the Class A Shares less any applicable commission. Such amount will not be less than the Class A Share Retraction Price described above.

Subject to Premium Global's right to require the Recirculation Agent to use commercially reasonable efforts to find purchasers for any Class A Shares tendered for retraction prior to the relevant Retraction Payment Date, any and all Class A Shares which have been surrendered to Premium Global for retraction are deemed to be outstanding until (but not after) the close of business on the relevant Retraction Payment Date, unless not retracted thereon, in which event such Class A Shares will remain outstanding.

The retraction right must be exercised by providing written notice within the notice periods prescribed and in the manner described below under “Book-Entry Only System”. Such surrender will be irrevocable upon the delivery of notice to CDS through a CDS Participant, except with respect to those Class A Shares that are not paid for by Premium Global on the relevant Retraction Payment Date.

If any Class A Shares are tendered for retraction and are not resold, Premium Global has directed the Recirculation Agent to purchase for cancellation on behalf of Premium Global that number of Preferred Shares which equals the number of Class A Shares so retracted. Any Preferred Shares so purchased for cancellation will be purchased in the market.

Resale of Class A Shares Tendered for Retraction

Pursuant to the terms of the Recirculation Agreement, the Recirculation Agent will use commercially reasonable efforts to find purchasers for any Class A Shares tendered for retraction prior to the relevant Retraction Payment Date. Premium Global is not obligated to require the Recirculation Agent to seek such purchasers but may elect to do so. In the event that a purchaser for such Class A Shares is found in this manner, the amount to be paid to the holder of the Class A Shares on the relevant Retraction Payment Date will be an amount equal to the proceeds of the sale of the Class A Shares less any applicable commission. Such amount will not be less than the applicable Class A Share Retraction Price described above.

Priority

The Class A Shares rank subordinate to the Preferred Shares but in priority to the Class J Shares with respect to the payment of distributions and the repayment of capital on the dissolution, liquidation or winding up of Premium Global.

Suspension of Retractions or Redemptions

Premium Global may suspend the redemption or retraction of the Preferred Shares or the Class A Shares or the payment of redemption or retraction proceeds: (a) during any period when normal trading in securities owned by Premium Global is suspended on the Toronto or New York stock exchanges (provided more than 50% of the total assets of Premium Global, by dollar value, trade on one of such suspended markets) and if those securities are not traded on any other exchange that represents a reasonably practical alternative for Premium Global to execute trades in such securities; or (b) for any period not exceeding 120 days during which Mulvihill determines that conditions exist which render impractical the sale of assets of Premium Global or which impair the ability of Premium Global to determine the value of its assets, only with the prior approval of the securities regulatory authorities. The suspension may apply to all requests for retraction received prior to the suspension but as to which payment has not been made, as well as to all requests received while the suspension is in effect. All Preferred Shareholders or Class A Shares making such requests shall be advised by Mulvihill of the suspension and that the retraction will be effected at a price determined on the first applicable Valuation Date following the termination of the suspension. All such shareholders shall have and shall be advised that they have the right to withdraw their requests for retraction. The suspension shall terminate in any event on the first 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 Premium Global, any declaration of suspension made by Mulvihill shall be conclusive.

Purchase for Cancellation

Subject to applicable law, Premium Global may at any time or times purchase Preferred Shares and Class A Shares for cancellation at prices per Unit not exceeding the NAV per Unit on the applicable Valuation Date immediately prior to such purchase.

Class J Shares

The holders of Class J Shares are not entitled to receive dividends. The holders of the Class J Shares are entitled to one vote per share. The Class J Shares are redeemable and retractable at a price of \$1.00 per share.

The Class J Shares rank subordinate to both the Preferred Shares and the Class A Shares with respect to distributions on the dissolution, liquidation or winding-up of Premium Global.

A trust established for the benefit of the holders from time to time of the Preferred Shares and the Class A Shares is the owner of record of all of the issued and outstanding Class J Shares. The Class J Shares have been escrowed with Computershare Trust Company of Canada pursuant to an escrow agreement dated February 17, 2004.

Book-Entry Only System

Registration of interests in and transfers of the Preferred Shares and the Class A Shares are made only through a book entry only system administered by CDS. Preferred Shares and Class A Shares must be purchased, transferred and surrendered for retraction or redemption through a CDS Participant. All rights of an owner of Preferred Shares or Class A Shares must be exercised through, and all payments or other property to which such owner is entitled will be made or delivered by CDS or the CDS Participant through which the owner holds such Preferred Shares or Class A Shares. Upon purchase of any Preferred Shares or Class A Shares, the owner will receive only the customary confirmation. References herein to a holder of Preferred Shares or Class A Shares means, unless the context otherwise requires, the owner of the beneficial interest in such shares.

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

An owner of Preferred Shares or Class A Shares who wishes to exercise retraction privileges must do so by causing a CDS Participant to deliver to CDS (at its office in the City of Toronto) on behalf of the owner a written notice of the owner's intention to retract shares, no later than 5:00 p.m. (EST) on the relevant notice date. An owner who wishes to retract Preferred Shares or Class A Shares should ensure that the CDS Participant is provided with notice (the "Retraction Notice") of the owner's intention to exercise the owner's retraction privilege sufficiently in advance of the relevant notice date to permit the CDS Participant to deliver notice to CDS by the required time. The Retraction Notice will be available from a CDS Participant or Computershare Investor Services Inc. Any expense associated with the preparation and delivery of Retraction Notices will be borne by the owner exercising the retraction privilege.

By causing a CDS Participant to deliver to CDS a notice of the owner's intention to retract Preferred Shares or Class A Shares, an owner shall be deemed to have irrevocably surrendered such Preferred Shares or Class A Shares for retraction and appointed such CDS Participant to act as the owner's exclusive settlement agent with respect to the exercise of the retraction privilege and the receipt of payment in connection with the settlement of obligations arising from such exercise.

Any Retraction Notice that CDS determines to be incomplete, not in proper form or not duly executed shall for all purposes be void and of no effect and the retraction privilege to which it relates shall be considered for all purposes not to have been exercised. A failure by a CDS Participant to exercise retraction privileges or to give effect to the settlement thereof in accordance with the owner's instructions will not give rise to any obligations or liability on the part of Premium Global to the CDS Participant or to the owner.

Premium Global has the option to terminate registration of the Preferred Shares or the Class A Shares through the book-entry only system in which case certificates for the Preferred Shares or the Class A Shares in fully registered form would be issued to beneficial owners of such shares or to their nominees.

RECOMMENDATION OF THE BOARD OF DIRECTORS

The Board of Directors of SBN and the Manager have determined that the Merger Proposal is in the best interests of SBN and TXT, and the Shareholders of SBN and Unitholders and Preferred Securityholders of TXT. Furthermore, as required by NI 81-107 — *Independent Review Committee for Investment Funds*, SBN and TXT's independent review committees have reviewed the Merger Proposal and have provided a positive recommendation in respect of the Merger Proposal on the basis that they achieve a fair and reasonable result

for SBN and TXT. Accordingly, the Board of Directors of SBN and the Manager recommend that Shareholders of SBN and Unitholders and Preferred Securityholders of TXT vote in favour of the resolutions to be considered at the Meeting.

In arriving at this determination, consideration was given to the following factors:

- Premium Global's investable universe is much broader than SBN and TXT's current universe. An expanded investment universe will provide holders of Class A Shares of SBN and Capital Units of TXT potential for capital appreciation and an increase in yield. Holders of Preferred Shares and Preferred Securities will also benefit from the Merger Proposal from an increase in the net asset value of the Class A Shares which will provide greater asset coverage for the Preferred Shares and Preferred Securities, as well as the potential for capital appreciation and increase in yield.
- Shareholders of SBN and Unitholders and Preferred Securityholders of TXT will be provided with an opportunity to invest in a Continuing Fund with a more diversified portfolio, improved operational efficiencies and enhanced economic viability. The mergers are expected to eliminate the duplicative administrative and regulatory costs of operating SBN and TXT as separate investment funds. Such costs are borne by both SBN and TXT and, therefore, indirectly by securityholders;
- The mergers are expected to reduce operational costs on a per security basis and correspondingly improve returns by spreading fixed costs such as transfer agent fees, audit fees, legal fees, exchange listing fees, printing fees and mailing and reporting costs over a greater number of securities thereby reducing the management expense ratio currently borne securityholders;
- The Continuing Fund is expected to have a greater number of securities outstanding and a larger number of securityholders than either of SBN or TXT. The larger net asset value ("NAV") of the Continuing Fund should enhance its ability to utilize its existing non-capital and capital tax losses which the Manager believes will be available to be applied against future gains and income, as a result of which it is expected that distributions on the Class A Shares and Preferred Shares of the Continuing Fund should consist primarily of return of capital for the foreseeable future; and
- Shareholders of SBN and Unitholders and Preferred Securityholders of TXT who do not wish to participate in the mergers and receive Class A Shares and Preferred Shares of Premium Global will have the opportunity to retract their securities prior to the implementation of the mergers.

CONDITIONS TO IMPLEMENTING THE MERGER PROPOSAL

The Merger Proposal will not be implemented with respect to SBN or TXT unless it is approved by the holders of the Class A Shares and Preferred Shares of SBN and Unitholders and Preferred Securityholders of TXT, and all required regulatory and stock exchange approvals are obtained. In order to become effective, the Merger Proposal must be approved by a two-thirds majority of the holders of Class A Shares and Preferred Shares of SBN and Unitholders and Preferred Securityholders of TXT, as the case may be, present in person or represented by proxy at the applicable Meeting of SBN and TXT.

There can be no assurance that the conditions precedent to implementing the Merger Proposal will be satisfied on a timely basis, if at all. If the requisite securityholder approval for the Merger Proposal is not obtained or if any other required approval is not obtained, the Merger Proposal will not be implemented.

EXPENSES OF THE MERGER PROPOSAL

Whether or not the Merger Proposal is approved, all costs and expenses incurred in connection with the calling and holding of the Meetings will be borne by the Manager.

TERMINATION OF THE MERGER PROPOSAL

The Merger Proposal may, at any time before or after the holding of the Meetings (but prior to amending the articles of incorporation of SBN or the entering into of any amendments to Trust Agreement and Trust Indenture of TXT to give effect to the Merger Proposal) be terminated by the Manager without further notice to, or action on the part of, securityholders if the Manager determines in its sole judgement that it would be inadvisable for SBN or TXT to proceed.

INTERESTS OF MANAGEMENT AND OTHERS IN THE MERGER PROPOSAL

Mulvihill is the manager and investment manager of the Funds. Mulvihill receives a fee for providing management and investment management services from the Funds as described in “Appendix C — Additional Information Regarding Management of the Fund”. If the Merger Proposal is approved, Mulvihill will be entitled to a fee at an annual rate of 0.10% of the NAV of Premium Global for its services as manager and 1.0% of the NAV of Premium Global for its services as investment manager of Premium Global. Fees payable to Mulvihill are calculated and payable monthly in arrears and subject to applicable taxes.

CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Osler, Hoskin & Harcourt LLP, counsel to SBN, TXT and Premium Global, the following is a summary of the principal Canadian federal income tax considerations relating to the resolutions that are generally applicable to Shareholders of SBN or Unitholders or Preferred Securityholders of TXT who, at all relevant times, for purposes of the Tax Act, are resident or are deemed to be resident in Canada, hold their shares, units and Preferred Securities as capital property, have not with respect to their shares, units or Preferred Securities entered into a derivative forward agreement as defined in the Tax Act and deal at arm’s length with and are not affiliated with SBN and TXT. Certain holders whose securities might not otherwise qualify as capital property may be entitled to make the irrevocable election in the circumstances permitted by subsection 39(4) of the Tax Act to deem such securities (and all other Canadian securities owned by the holder) to be capital property. Holders considering making such an election should consult their own tax advisors.

This summary is based on the current provisions of the Tax Act, all specific proposals to amend the Tax Act and regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the “Tax Proposals”) and counsel’s understanding of the current administrative policies and assessing practices of Canada Revenue Agency (“CRA”) published in writing prior to the date hereof. This summary is not exhaustive of all possible Canadian federal income tax considerations and, except as mentioned above, does not anticipate any changes in the relevant laws, whether by judicial, governmental or legislative action or decision, nor any changes in the administrative policies or assessing practices of CRA, nor does it take into account provincial, territorial or foreign tax considerations, which may differ significantly from those discussed herein. This summary also relies on advice from SBN and TXT relating to certain factual matters.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any unitholder, and no representations with respect to the income tax consequences to any particular unitholder are made. Accordingly, unitholders should consult their own tax advisors for advice with respect to the tax consequences to them of the Merger Proposal.

Proposed Amendments to the Capital Gains Inclusion Rate and the Capital Losses Deduction Rate

Tax Proposals released on June 10, 2024 (the “June 10 Tax Amendments”) propose to generally increase the proportion of a capital gain that would be included in income as a taxable capital gain, or the proportion of a capital loss that would constitute an allowable capital loss, from one-half to two-thirds for any capital gains or losses realized on or after June 25, 2024. The one-half inclusion of capital gains will continue to apply to individuals (other than most types of trusts) up to a maximum of \$250,000 of net capital gains per year.

If the June 10 Tax Amendments are enacted as proposed, the tax consequences described below will, in some respects, be different. The below summary only generally describes, and is not exhaustive of all possible, Canadian federal income tax considerations arising from the June 10 Tax Amendments as they relate to capital gains (or losses) of trusts and their unitholders and of corporations and their shareholders. Accordingly, investors are advised to consult their own tax advisors regarding the implications of the June 10 Tax Amendments with respect to their particular circumstances.

Tax Consequences to SBN and TXT

On the disposition by SBN and TXT of substantially all of their net assets to Premium Global, SBN or TXT, as applicable, will, in respect of such assets held as capital property, realize a capital gain (or capital loss) in the amount by which the proceeds of disposition of such assets exceed (or are less than) the aggregate of the

adjusted cost base to SBN or TXT, as applicable, of such assets and any reasonable costs of disposition. The proceeds of disposition of such assets to SBN or TXT, as applicable, will equal the then fair market value of the Class A Shares and Preferred Shares of Premium Global received as consideration therefor. The Manager believes that SBN and TXT should have sufficient tax losses to offset any such capital gains, and that this situation is unlikely to change before the Merger is implemented and completed.

Premium Global will acquire the assets of SBN and TXT at a cost equal to the then NAV of the Class A Shares and Preferred Shares of Premium Global issued to SBN or TXT, as applicable, as consideration therefor (which the Manager expects to be representative of the fair market value of such Class A Shares and Preferred Shares at the time of issuance).

Tax Consequences to Unitholders of TXT

TXT will distribute income and net realized capital gains (including any gains arising on the transfer of its assets to Premium Global) for the taxation year in which the Merger is implemented. Amounts considered to be paid or payable to a Unitholder of TXT out of the income or net taxable capital gains of TXT will be included in computing the income of such Unitholder of TXT.

A Unitholder of TXT will be considered to dispose of Capital Units of TXT upon the automatic redemption of such units for proceeds consisting of Class A Shares of Premium Global, and will be considered to realize a capital gain (or capital loss) in the amount by which the then fair market value of the Class A Shares of Premium Global received by such Unitholder of TXT exceeds (or is less than) the aggregate of such Unitholder's adjusted cost base of its Capital Units of TXT, as applicable, taking into account distributions of income and net taxable capital gains on Capital Units, and any reasonable costs of disposition.

The aggregate cost for tax purposes to a Unitholder of TXT receiving Class A Shares of Premium Global as proceeds on the automatic redemption of Capital Units of TXT will be the fair market value of such Class A Shares of Premium Global at the time the Merger is implemented.

Where a Unitholder of TXT has received a return of capital distribution from TXT in respect of a Capital Unit of TXT, the adjusted cost base of such Capital Unit of TXT will have been reduced by the amount of such distribution. To the extent that the adjusted cost base of such Capital Unit of TXT would otherwise be less than zero, a capital gain equal to the negative amount will have been deemed to have been realized by such Unitholder of TXT, and the adjusted cost base of such Capital Unit of TXT will have been increased by the amount of such deemed capital gain.

Subject to the June 10 Tax Amendments, Unitholders of TXT must include one-half of any capital gain in income and may deduct one-half of any capital loss realized against taxable capital gains subject to and in accordance with detailed rules in the Tax Act.

Tax Consequences to Preferred Securityholders of TXT

A Preferred Securityholder will generally be required to include, in computing income for the taxation year in which the Merger is implemented, all interest on the Preferred Securities that is received or receivable (depending on the method regularly followed by the Preferred Securityholder in computing income) by the Preferred Securityholder in that taxation year, except to the extent that the interest was included in the Preferred Securityholder's income for a preceding taxation year.

A Preferred Securityholder of TXT will be considered to dispose of Preferred Securities of TXT upon the automatic redemption of such securities for proceeds consisting of Class A Shares and Preferred Shares of Premium Global. A disposition of a Preferred Security by a Preferred Securityholder will generally result in the Preferred Securityholder realizing a capital gain (or capital loss) equal to the amount by which the proceeds of disposition are greater (or less) than the aggregate of the Preferred Securityholder's adjusted cost base thereof and any reasonable costs of disposition. Upon such a disposition of a Preferred Security, interest accrued to the date of disposition will be included in computing the income of the Preferred Securityholder, except to the extent such amount was otherwise included in the income of such Preferred Securityholder, and will be excluded in computing such Preferred Securityholder's proceeds of disposition of the Preferred Security.

The aggregate cost for tax purposes to a Preferred Securityholder of TXT receiving Class A Shares and Preferred Shares of Premium Global as proceeds on the automatic redemption of the Preferred Securities of TXT will be the fair market value of such Class A Shares and Preferred Shares of Premium Global at the time the Merger is implemented.

Subject to the June 10 Tax Amendments, Preferred Securityholders of TXT must include one-half of any capital gain in income and may deduct one-half of any capital loss realized against taxable capital gains subject to and in accordance with detailed rules in the Tax Act.

Tax Consequences to Shareholders of SBN

Shareholders of SBN must include in income dividends, other than capital gains dividends, received from SBN for the taxation year in which the Merger is implemented. The amount of any capital gains dividend received by a Shareholder from SBN for the taxation year in which the Merger is implemented will be considered to be a capital gain of the Shareholder from the disposition of capital property in such taxation year.

A Shareholder will be considered to dispose of Class A Shares or Preferred Shares of SBN, as applicable, upon the automatic redemption of such shares for proceeds consisting of Class A Shares and/or Preferred Shares of Premium Global, and will be considered to realize a capital gain (or capital loss) in the amount by which the then fair market value of the Class A Shares and/or Preferred Shares of Premium Global received by such Shareholder exceeds (or is less than) the aggregate of such Shareholder's adjusted cost base of their Class A Shares or Preferred Shares of SBN, as applicable, taking into account any reasonable costs of disposition.

The aggregate cost for tax purposes to a Shareholder receiving Class A Shares and/or Preferred Shares of Premium Global as proceeds on the automatic redemption of Class A Shares or Preferred Shares of SBN, as applicable, will be the fair market value of such Class A Shares and/or Preferred Shares of Premium Global at the time the Merger is implemented.

Where a Shareholder of SBN has received a return of capital from SBN in respect of its Class A Shares, the adjusted cost base of such Class A Shares will have been reduced by the amount of such return of capital. To the extent that the adjusted cost base of a Class A Share would otherwise be less than zero, a capital gain equal to the negative amount will have been deemed to have been realized by the Shareholder, and the adjusted cost base of such Class A Share will have been increased by the amount of such deemed capital gain.

Subject to the June 10 Tax Amendments, a Shareholder must include one-half of any capital gain in income and may deduct one-half of any capital loss realized against taxable capital gains subject to and in accordance with detailed rules in the Tax Act.

Eligibility for Investment

Provided that Premium Global continues to qualify at all times as a mutual fund corporation within the meaning of the Tax Act or if the Class A Shares or the Preferred Shares of Premium Global are listed on a designated stock exchange (which currently includes the TSX), the Class A Shares and Preferred Shares of Premium Global will be qualified investments for trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered disability savings plans, registered education savings plans, tax-free savings accounts, and first-home savings accounts.

However, if the Class A Shares and Preferred Shares of Premium Global are a "prohibited investment" for a registered retirement savings plan, registered retirement income fund, registered disability savings plan, registered education savings plan, tax-free savings account, or first-home savings accounts, the holder of the tax-free savings account, first-home savings accounts or registered disability savings plan, subscriber of the registered education savings plan or annuitant of the registered retirement savings plan or registered retirement income fund (any such holder, subscriber or annuitant, a "controlling individual") will be subject to a penalty tax as set out in the Tax Act. An investment in Class A Shares or Preferred Shares of Premium Global will not generally be a "prohibited investment" unless the controlling individual does not deal at arm's length with Premium Global for purposes of the Tax Act or if the controlling individual has a significant interest (within the meaning of the Tax Act) in Premium Global. Controlling individuals should consult their own tax advisors

to ensure that their Class A Shares or Preferred Shares of Premium Global would not be a “prohibited investment” in their particular circumstances.

RISK FACTORS

An investment in Premium Global may be deemed to be speculative and involves significant risks. The following are certain considerations relating to an investment in Premium Global.

Performance of Premium Global’s Portfolio

Net Asset Value will vary as the value of the securities in the Portfolio varies. At any time, the issuers in the Portfolio may decide to decrease or discontinue the payment of distributions on their securities. Premium Global has no control over the factors that affect the issuers in the Portfolio, including factors such as fluctuations in interest rates, changes in management or strategic direction, achievement of strategic goals, mergers, acquisitions and divestitures, and changes in its dividend and distribution policies. An investment in the Preferred Shares or Class A Shares does not constitute an investment in the securities of the issuers in the Portfolio. Holders of Preferred Shares and Class A Shares will not own the securities held by Premium Global and will not have any voting or other rights with respect to such securities.

No Assurances of Achieving Investment Objectives

There is no assurance that Premium Global will be able to achieve its distribution and Portfolio preservation objectives or that the Portfolio will earn any return or will return an amount in excess of the issue price of the Class A Shares or that Premium Global will achieve its objective of returning the issue price to Preferred Shareholders and Class A Shareholders on the June 30, 2029 (the “Termination Date”).

There is no assurance that Premium Global will be able to pay distributions. The funds available for distribution to Preferred Shareholders or Class A Shareholders will vary according to, among other things, the dividends paid on all of the securities comprising the Portfolio, the level of option premiums received and the value of the securities comprising the Portfolio. Since the dividends received by Premium Global will not be sufficient to meet the objectives of Premium Global in respect of the payment of distributions, Premium Global will depend on the receipt of option premiums and the realization of capital gains to meet those objectives. Although many investors and financial market professionals price options based on the Black-Scholes Model, in practice, actual option premiums are determined in the marketplace and there is no assurance that the premiums predicted by such a pricing model can be attained.

Sensitivity to Interest Rates

As Premium Global is targeting quarterly distributions representing a yield on the issue price of the Preferred Shares of 7.5% per annum and at least 12% per annum on the Class A Shares, the market price of the Preferred Shares and Class A Shares may be affected by the level of interest rates prevailing from time to time. In addition, any decrease in the NAV of Premium Global resulting from an increase in interest rates may also negatively affect the market price of the Preferred Shares or Class A Shares. Preferred Shareholders or Class A Shareholders who wish to redeem or sell their Preferred Shares or Class A Shares prior to the Termination Date will therefore be exposed to the risk that NAV per Unit or the market price of the Preferred Shares or Class A Shares will be negatively affected by interest rate fluctuations.

Fluctuations in Net Asset Value

Net Asset Value and the funds available for distribution will vary according, among other things, to the value of the Portfolio securities acquired by Premium Global, the dividends paid and interest earned thereon, the volatility of such securities and the levels of option premiums received. Fluctuations in the market values of the Portfolio securities in which Premium Global invests may occur for a number of reasons beyond the control of the Manager or Premium Global. Although many investors and financial market professionals price options based on the Black-Scholes Model, in practice, actual option premiums are determined based on market factors including interest rate levels, and there is no assurance that the premiums predicted by such a pricing model can be attained. Preferred Shares or Class A Shares may trade in the market at a premium or

discount to the NAV per Unit and there can be no guarantee that Preferred Shares or Class A Shares will trade at prices that reflect their NAV.

Reliance on the Manager

Mulvihill manages Premium Global's Portfolio in a manner consistent with the investment objectives, investment strategies and investment restrictions of Premium Global. The officers of Mulvihill who are primarily responsible for the management of the Portfolio have extensive experience in managing investment portfolios, but there is no certainty that they will continue to be employees of Mulvihill until the Termination Date.

Significant Retractions

The Class A Shares and the Preferred Shares are retractable annually for a price based on NAV per Unit (which represents the value that Premium Global is able to obtain in the market when it sells Portfolio securities to fund the retraction) and monthly based on market price. The purpose of the retraction right is to prevent the Class A Shares and the Preferred Shares from trading at a substantial discount to their market value and to provide shareholders with the right to realize their investment without any trading discount to such value. While the retraction right provides shareholders the option of liquidity, there can be no assurance that it will reduce trading discounts. If a significant number of Class A Shares and Preferred Shares are retracted, the trading liquidity of the Class A Shares and the Preferred Shares could be significantly reduced. In addition, the expenses of Premium Global would be spread among fewer Class A Shares and Preferred Shares, potentially resulting in lower NAV per Unit.

Greater Volatility of the Class A Shares

An investment in the Class A Shares is a leveraged investment because the Preferred Shares have priority in payment of any distributions or any proceeds from the winding up of Premium Global. This leverage amplifies the potential return to Class A Share investors in so far as returns in excess of the amounts payable to holders of Preferred Shares accrue first to the benefit of the holders of Class A Shares. Conversely, any losses incurred on Premium Global's Portfolio first accrue to the detriment of the holders of Class A Shares since the Preferred Shares rank prior to the Class A Shares in respect of distributions and proceeds upon the winding up of Premium Global.

Use of Options and Other Derivative Instruments

Premium Global is subject to the full risk of its investment position in the securities comprising its Portfolio, including those securities that are subject to outstanding call options and those securities underlying put options written by Premium Global, should the market price of such securities decline. In addition, Premium Global will not participate in any gain on the securities that are subject to outstanding call options above the strike price of such options.

There is no assurance that a liquid exchange or over-the-counter market will exist to permit Premium Global to write covered call options or cash covered put options or purchase cash secured put options on desired terms or to close out option positions should it desire to do so. The ability of Premium Global to close out its positions may also be affected by exchange imposed daily trading limits on options or the lack of a liquid over-the-counter market. If Premium Global is unable to repurchase a call option which is in-the-money, it will be unable to realize its profits or limit its losses until such time as the option becomes exercisable or expires. In addition, upon the exercise of a put option, Premium Global will be obligated to acquire a security at a strike price which may exceed the then current market value of such security.

Where Premium Global has purchased call options and entered into other derivative transactions there is also the risk that the counterparty (whether a clearing corporation in the case of exchange-traded instruments, or other third party in the case of over-the-counter instruments) may be unable to meet its obligations under the transaction and may default on such obligations, which could prevent Fund from reducing a loss or making a profit.

Foreign Currency Exposure

As the Portfolio will include securities and options denominated in U.S. dollars or other foreign currencies, the NAV of Premium Global and the value of the dividends and option premiums received by Premium Global will be affected by fluctuations in the value of the U.S. dollar or other foreign currencies relative to the Canadian dollar.

Securities Lending

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

Fund of Funds Investment Risk

Premium Global may invest directly in, or obtain exposure to, exchange traded funds or other public investment funds as part of its investment strategy. Premium Global will be subject to the risks of the underlying funds. Also, if an underlying fund suspends redemptions, Premium Global will be unable to accurately value part of its portfolio and may be unable to redeem its units in such fund.

Tax Changes

There can be no assurance that changes will not be made to the tax rules affecting the taxation of Premium Global or Premium Global's investments, or that such tax rules will not be administered in a way that is less advantageous to Premium Global or its shareholders.

Tax Proposals released on April 16, 2024 as part of the Federal Budget (the "April 2024 Proposed Amendments") would, for taxation years beginning after 2024, deem certain corporations not to be "mutual fund corporations" after a time at which (i) a person or partnership, or any combination of persons or partnerships that do not deal with each other at arm's length (known in the April 2024 Proposed Amendments as "specified persons") own, in the aggregate, shares of the capital stock of the corporation having a fair market value of more than 10% of the fair market value of all of the issued and outstanding shares of the capital stock of the corporation; and (ii) the corporation is controlled by or for the benefit of one or more specified persons. Having regard to the structure of Premium Global, and the intention of the proposed amendments as described in materials accompanying the April 2024 Proposed Amendments, Premium Global does not believe that it would cease to be a mutual fund corporation as a result of their application. Premium Global will continue to monitor the progress of the April 2024 Proposed Amendments to assess the impact, if any, that these proposed amendments could have on Premium Global.

Tax Treatment of Proceeds of Disposition and Option Premiums

In determining its income for tax purposes, Premium Global will treat option premiums received on the writing of covered call options and cash covered put options and any losses sustained on closing out options as capital gains or capital losses, as the case may be, in accordance with its understanding of CRA's published administrative and assessing practices. Gains or losses realized upon the disposition of shares, including the disposition of shares held in the Portfolio upon exercise of a call option will be treated as capital gains or losses. The CRA's practice is not to grant an advance income tax ruling on the characterization of items as capital gains or income and no advance ruling has been requested or obtained.

If, contrary to CRA's published administrative practices, some or all of the transactions undertaken by Premium Global in respect of options and shares were treated as income rather than capital gains, after-tax returns to Preferred Shareholders and Class A Shareholders could be reduced and Premium Global could be subject to non refundable income tax from such transactions and be subject to penalty taxes in respect of excessive capital gains dividend elections.

Recent Global Market Conditions

Global financial markets have experienced substantial volatility in recent years. Significant sources of this volatility have included the revaluation of assets on the balance sheets of international financial

institutions resulting in a reduction in liquidity among financial institutions and generally reduced availability of credit, substantial intervention by central banks as well as global governments in financial markets, low or no economic growth in various markets and economies, substantial changes in currency valuations and commodity prices and an increased rate of inflation. Further, continued concerns about global health risks or epidemics/pandemics, developments in the Middle East, North Korea, Ukraine and Russia, strained trade relations between and trade barriers instituted by the U.S. and a number of other countries (including Canada), matters related to the United Kingdom's withdrawal from the EU, tightening monetary policy in the U.S., and matters related to the U.S. government debt limits, may adversely impact the global equity markets, which may adversely affect the prospects of Premium Global and the value of Premium Global. A substantial drop in the markets in which Premium Global invests could be expected to have a negative effect on the value of the shares of Premium Global.

The outbreak of the respiratory disease designated as a novel coronavirus in December 2019 has caused substantial volatility in global financial markets. The impact of this novel coronavirus pandemic, and other epidemics and pandemics that may arise in the future, may be short term or may last for an extended period of time, and in either case may result in a substantial economic downturn or recession.

Cyber Security Risk

Cyber security risk is the risk of harm, loss and liability resulting from a breach or failure of information technology systems. Breaches or failures of information technology systems ("Cyber Security Events") can result from deliberate attacks or unintentional events and may arise from external or internal sources. Deliberate cyber attacks include gaining unauthorized access to digital systems (through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data, equipment or systems, or causing operational disruption. Deliberate cyber attacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e., efforts to make network services unavailable to intended users).

The primary risk to Premium Global from the occurrence of Cyber Security Events include disruption in operations, reputational damage, disclosure of confidential information, regulatory penalties, additional compliance costs associated with corrective measures, and/or financial loss. Premium Global's third party service providers (e.g., custodian, administrator, transfer agent) or the issuers that Premium Global invests in may also be subject to a Cyber Security Event which could adversely affect Premium Global and its operations. Premium Global cannot control the cyber security plans and systems put in place by its service providers or any other third party whose operations may affect Premium Global or its shareholders and they could be adversely affected as a result.

Credit Risk

Premium Global is subject to the credit risk that its counterparty (whether a clearing corporation, in the case of exchange traded instruments, or other third party, in the case of over-the-counter instruments) may be unable to meet its obligations. Premium Global manages these risks through the use of various risk limits and trading strategies.

Premium Global is also exposed to counterparty credit risk on derivative financial instruments. The counterparty credit risk for derivative financial instruments is managed by dealing with counterparties that have a credit rating that is not below the level of approved credit ratings as set out in NI 81-102.

Liquidity Risk

Liquidity risk is the possibility that investments in Premium Global cannot be readily converted into cash when required. To manage this risk, Premium Global invests the majority of its assets in investments that are traded in an active market and which can be easily disposed. In addition, Premium Global aims to retain sufficient cash and short-term investments to maintain liquidity and to meet its obligations when due.

VOTING SECURITIES AND PRINCIPAL SHAREHOLDERS

As of December 31, 2023, the number of Class A Shares and Preferred Shares of SBN, and Capital Units and Preferred Securities of TXT were as follows:

<u>Class of Securities</u>	<u>Number Outstanding</u>
SBN Class A Shares	412,473
SBN Preferred Shares	412,473
TXT Capital Units	499,532
TXT Preferred Securities	499,532

As of June 30, 2024, to the knowledge of the directors and officers of SBN and TXT, no person owned of record more than 10% of the outstanding Class A Shares or Preferred Shares of SBN or Capital Units or Preferred Securities of TXT other than CDS & Co., the nominee of CDS, which holds all of the securities as registered owner for various brokers and other persons on behalf of their clients and others. The names of the beneficial owners of such shares are not known to SBN or TXT.

GENERAL PROXY INFORMATION

Circular

This Circular is furnished in connection with the solicitation of proxies by the Manager to be used at the Meeting or at any adjournment thereof. The Meeting will be held virtually on August 30, 2024 at 9:30 a.m. (Toronto time) for the purposes set forth in the notice of special meeting (the “Notice”) accompanying this Circular. Solicitation of proxies will be by mail, and may be supplemented by telephone or other personal contact by representatives or agents of SBN and TXT.

Proxy Information, Record Date, Voting Rights and Quorum

To be used at the Meeting, a proxy must be deposited with Broadridge by delivery to P.O. Box 3700 STN Industrial Park, Markham ON L3R 9Z9 at any time up to 5:00 p.m. (Toronto time) on August 28, 2024 or with the Chairman of the Meeting prior to the commencement of the Meeting on the day of the Meeting or the day of any adjournment of the Meeting.

Only Shareholders of SBN and Unitholders and Preferred Securityholders of TXT of record at the close of business on July 26, 2024 will be entitled to receive notice of a Meeting and to vote in respect of the matters to be voted at the Meeting or any adjournment thereof.

With respect to each matter properly before the Meeting, a securityholder shall be entitled to one vote for each Class A Share or Preferred Share of SBN or Capital Unit or Preferred Security of TXT registered in the name of such securityholder. **In order to become effective, the Merger Proposal must be approved by a two-thirds majority of the Shareholders of SBN and Unitholders and Preferred Securityholders of TXT, each voting separately as a class.**

A quorum at the Meeting will consist of two or more Shareholders of SBN and two or more Unitholders and Preferred Securityholders of TXT present in person or represented by proxy holding not less than 10% of the outstanding Class A Shares or Preferred Shares of SBN and Capital Units or Preferred Securities of TXT. If the quorum requirement is not satisfied within one-half hour of the scheduled time for the Meeting, then the Meeting will be adjourned by the Chairman of the Meeting. If adjourned, the Meeting will be rescheduled to 9:30 a.m. (Toronto time) on September 4, 2024 for SBN and September 13, 2024 for TXT. At the adjourned meetings, the business of the Meeting will be transacted by those Shareholders of SBN and Unitholders and Preferred Securityholders of TXT present in person or represented by proxy.

Appointment of Proxy Holders

Shareholders of SBN and Unitholders and Preferred Securityholders of TXT who are unable to be present at the Meeting may still vote through the use of proxies. If you are a Shareholder of SBN and a

Unitholder or Preferred Securityholder of TXT, you should complete, execute and return the enclosed proxy form. By completing and returning the enclosed proxy form, you can participate in the Meeting through the person or persons named on the form. Please indicate the way you wish to vote and your vote will be cast accordingly. **If you do not indicate a preference, the Class A Shares and Preferred Shares of SBN or Capital Units and Preferred Securities of TXT represented by the enclosed proxy form, if the same is executed in favour of the management appointees named in the proxy form and deposited as provided in the Notice, will be voted in favour of all matters identified in such Notice.**

Discretionary Authority of Proxies

The proxy form confers discretionary authority upon the management appointees named therein with respect to such matters, including without limitation, amendment or variation to the resolutions, as, though not specifically set forth in the Notice, may properly come before the Meeting. Management does not know of any such matter that may be presented for consideration at the Meeting. However, if such a matter is presented, the proxy will be voted on the matter in accordance with the best judgment of the management appointees named in the proxy form.

On any ballot that may be called for at the Meeting, all Class A Shares, Preferred Shares, Capital Units or Preferred Securities in respect of which the management appointees named in the accompanying proxy form have been appointed to act will be voted in accordance with the specification of the securityholder signing the proxy form. If no specification is made, the Class A Shares, Preferred Shares, Capital Units or Preferred Securities will be voted in favour of all matters identified in the Notice.

Alternate Proxy

A Shareholder of SBN and a Unitholder or Preferred Securityholder of TXT has the right to appoint a person or company to represent them at the Meeting other than the management appointees designated on the accompanying proxy form by crossing out the printed names and inserting the name of the person he or she wishes to act as proxy in the blank space provided, or by completing another proxy form. Proxy forms that appoint persons other than the management appointees whose names are printed on the form should be submitted to Broadridge and the person so appointed should be notified. A person acting as proxy need not be a securityholder.

On any ballot that may be called for at the Meeting, all Class A Shares and Preferred Shares of SBN or Capital Units and Preferred Securities of TXT in respect of which the person named in a proxy form has been appointed to act shall be voted or withheld from voting in accordance with the instructions of the securityholder. If the securityholder specifies a choice with respect to any matter to be acted upon, the securities will be voted accordingly. If no specification is made, the Class A Shares and Preferred Shares of SBN or Capital Units and Preferred Securities of TXT may be voted in accordance with the best judgment of the person named in the proxy form. Furthermore, the person named in the proxy form will have discretionary authority with respect to any amendments to the matters set forth in the Notice and with respect to any other matters that may properly come before the Meeting, and such securities will be voted on such amendments and other matters in accordance with the best judgment of the person named in the proxy form.

Revocation of Proxies

If the accompanying form of proxy is executed and returned, the proxy may nevertheless be revoked by an instrument in writing executed by the securityholder or his or her attorney authorized in writing, as well as in any other manner permitted by law. Any instrument revoking a proxy must either be deposited (a) at the registered office of Broadridge no later than 5:00 p.m. (Toronto time) on the day before the day of the Meeting or (b) with the Chairman of the Meeting on the day of the Meetings or any adjournment thereof. If the instrument of revocation is deposited with the Chairman on the day of the Meetings or any adjournment thereof, the instrument will not be effective with respect to any matter on which a vote has already been cast pursuant to that proxy.

Solicitation of Proxies

The cost of this solicitation of proxies will be borne by the Manager. The Manager will reimburse brokers, custodians, nominees and fiduciaries for the proper charges and expenses incurred in forwarding this Circular

and related materials to Beneficial Holders (as defined below). In addition to solicitation by mail, officers and directors of the Manager or its agents may, without additional compensation, solicit proxies personally or by telephone.

Beneficial Holders and Shareholders

The information set forth in this section is of significant importance to beneficial Shareholders (“Beneficial Holders”). All of the Class A Shares and Preferred Shares of SBN and Capital Units and Preferred Securities of TXT are held in book-entry form in the name of CDS & Co., the nominee of CDS, and not in the name of Beneficial Holders. Beneficial Holders should note that only proxies deposited by securityholders whose names appear on the records of SBN and TXT as the registered holders of securities can be recognized and acted upon at the Meeting. Class A Shares and Preferred Shares of SBN and Capital Units and Preferred Securities of TXT held by brokers, dealers or their nominees through CDS & Co. can only be voted upon the instructions of the Beneficial Holder. Without specific instructions, CDS & Co. and brokers, dealers and their nominees are prohibited from voting securities for their clients. SBN and TXT do not know for whose benefit the Class A Shares and Preferred Shares of SBN and Capital Units and Preferred Securities of TXT registered in the name of CDS & Co. are held. Therefore, Beneficial Holders cannot be recognized at the Meeting for purposes of voting their Class A Shares and Preferred Shares of SBN and Capital Units and Preferred Securities of TXT in person or by way of proxy unless they comply with the procedure described below.

Applicable regulatory policy requires brokers, dealers and other intermediaries to seek voting instructions from Beneficial Holders in advance of the Meetings. Every intermediary has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Holders in order to ensure that securities are voted at the Meetings. Often, the form of proxy supplied to a Beneficial Holder by its intermediary is identical to that provided to registered Shareholders. However, its purpose is limited to instructing the registered securityholders how to vote on behalf of the Beneficial Holders. The majority of intermediaries now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“Broadridge”). Broadridge typically prepares a voting instruction form that it mails to the Beneficial Holders and asks Beneficial Holders to complete and return directly to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of securities to be represented at the Meeting. **A Beneficial Holder receiving a voting instruction form cannot use that form to vote Class A Shares and Preferred Shares of SBN and Capital Units and Preferred Securities of TXT directly at the Meeting. Rather, the voting instruction form must be returned to Broadridge well in advance of the Meeting to have such securities voted.**

If you are a Beneficial Holder and wish to vote in person at the Meeting, please contact your broker, dealer or other intermediary well in advance of the Meeting to determine how you can do so. Voting instruction forms sent by Broadridge may be completed by telephone or through the internet at www.proxyvote.com.

If you are a Shareholder of SBN or a Unitholder or Preferred Securityholder of TXT and wish to vote in favour of the Merger Proposal, you should submit a form of proxy voting in favour of the Merger Proposal well in advance of the 5:00 p.m. (Toronto time) deadline on August 28, 2024 for the deposit of proxies.

RIGHTS OF DISSENT FOR S SPLIT CORP. SHAREHOLDERS

Pursuant to the provisions of Section 185 of the *Business Corporations Act* (Ontario) (the “OBCA”), any holder of Preferred Shares or Class A Shares is entitled to dissent and be paid the fair value of such Shares if the Shareholder objects to the Special Resolution and the Special Resolution becomes effective. A Shareholder may dissent only with respect to all of the Class A Shares and Preferred Shares held by the Shareholder on behalf of any one beneficial owner and registered in the Shareholder’s name. However, a Shareholder is not entitled to dissent from the Special Resolution with respect to any Class A Shares and Preferred Shares beneficially owned by one owner if the Shareholder votes any such Shares beneficially owned by that owner in favour of the Special Resolution.

In order to dissent a Shareholder must send a written objection to the Special Resolution (an “Objection Notice”) to SBN on or before the date of the Meeting. A vote against the Special Resolution or an abstention in respect thereof does not constitute such an Objection Notice for the purposes of subsection 185(6) of the

OBCA, but a Shareholder need not vote his or her Shares against the Special Resolution in order to dissent in respect of the Special Resolution. Similarly, the revocation of a proxy conferring authority on the proxy holder to vote in favour of the Special Resolution does not constitute an Objection Notice in respect of the Special Resolution, but any such proxy granted by a Shareholder who intends to dissent should be validly revoked (see “*General Proxy Information — Revocation of Proxies*”) in order to prevent the proxy holder from voting such Shares in favour of the Special Resolution and thereby disentitling the Shareholder from the right to dissent. Within 10 days following the date of the Meeting, SBN will deliver to each Shareholder who has filed an Objection Notice in respect of the Special Resolution, at the address specified for such purpose in such Shareholder’s Objection Notice, a notice stating that the Special Resolution has been adopted (the “Fund Notice”). A Fund Notice is not required to be sent to any Shareholder who voted for the Special Resolution or who has withdrawn an Objection Notice.

Within 20 days after receipt by a Shareholder of the Fund Notice or, if no Fund Notice is received by the dissenting Shareholder, within 20 days after such Shareholder learns that the Special Resolution has been adopted, the dissenting Shareholder is required to send a written notice to the Fund, at the address set forth in the preceding paragraph, containing the Shareholder’s name and address, the number of Class A Shares and/or Preferred Shares held in respect of which such Shareholder dissents and a demand for payment of the fair value of such Shares (the “Demand for Payment”). If applicable, within 30 days thereafter, the Shareholder must send the share certificates representing such Shares to SBN. Such share certificates will be endorsed by SBN with a notice that the holder is a dissenting Shareholder and will be returned to the dissenting Shareholder. A Shareholder who fails to forward share certificates within the time required loses any right to make a claim for payment of the fair value of such Shareholder’s Shares.

On sending a Demand for Payment to SBN, a dissenting Shareholder ceases to have any rights as a Shareholder except the right to be paid the fair value of his or her Shares unless the dissenting Shareholder withdraws the Demand for Payment before SBN sends an Offer to Pay as described below or the Special Resolution does not become effective, in which case such Shareholder’s rights are reinstated as of the date such Demand for Payment was sent. If a Shareholder fails to comply with each of the steps required to dissent effectively, the rights, privileges, restrictions and conditions attaching to such Shareholder’s Shares will be amended in accordance with the Special Resolution.

Not later than seven days after the later of the day on which the action approved by the Special Resolution becomes effective and the date SBN receives the Demand for Payment, SBN will send to each dissenting Shareholder a written offer (the “Offer to Pay”) to pay for the Class A Shares and Preferred Shares which are the subject of the Objection Notice in an amount considered by the Board of Directors of SBN to be the fair value of such Shares as of the close of business on the day before the day on which the action approved by the Special Resolution becomes effective accompanied by a statement showing how the fair value was determined. Every Offer to Pay for Class A Shares and/or Preferred Shares shall be on the same terms.

Dissenting Shareholders who accept the Offer to Pay will be paid by SBN within ten days of acceptance by the dissenting Shareholders of such offer, provided share certificates representing the Shares held by such dissenting Shareholder have been delivered to SBN. The Offer to Pay lapses if SBN does not receive an acceptance of the Offer to Pay within 30 days after the date on which the Offer to Pay was made.

If SBN fails to make the Offer to Pay or a dissenting Shareholder fails to accept the Offer to Pay within the time limit prescribed therefor, SBN may apply under the OBCA to a court to fix a fair value for the Shares within 50 days after the day on which the action approved by the Special Resolution becomes effective or within such further period as the court may allow.

Upon any application to court by SBN, SBN shall notify each affected dissenting Shareholder of the date, place and consequences of the application and of such dissenting Shareholder’s right to appear and be heard in person or by counsel. If SBN fails to make such application, the dissenting Shareholder has the right to so apply within a further period of 20 days or within such further period as a court may allow. All dissenting Shareholders whose Class A Shares and Preferred Shares have not been purchased by SBN will be joined as parties to the application and will be bound by the decision of the court. The court may determine whether any person is a dissenting Shareholder who should be joined as a party and the court will fix a fair value for the Shares of all dissenting Shareholders.

Provided that the Special Resolution becomes effective, a Shareholder who complies with each of the steps required to dissent effectively is entitled to be paid the fair value of the Class A Shares and Preferred Shares in respect of which such Shareholder has dissented. Such fair value as determined by the court may be more than, less than or equal to the consideration to be received under the Offer to Pay.

The foregoing is a summary only of the rights of dissenting Shareholders. Any Shareholder desiring to exercise a right to dissent should seek legal advice since failure to comply strictly with the provisions of section 185 of the OBCA may prejudice that right. Notwithstanding anything in this Circular, the Board of Directors of SBN may, at any time prior to the issuance of a Certificate of Amendment under the OBCA revoke the Special Resolution without further approval of Shareholders of SBN.

FORWARD-LOOKING STATEMENTS

Certain statements in this Circular are forward-looking statements, including those identified by the expressions “anticipate”, “believe”, “plan”, “estimate”, “expect”, “intend” and similar expressions to the extent they relate to SBN, TXT, Premium Global or Mulvihill. Forward-looking statements are not historical facts but reflect the current expectations of SBN, TXT, Premium Global or Mulvihill regarding future results or events. Such forward-looking statements reflect SBN, TXT, Premium Global or Mulvihill’s current beliefs and are based on information currently available to them. Forward-looking statements involve significant risks and uncertainties. A number of factors could cause actual results or events to differ materially from current expectations. Some of these risks, uncertainties and other factors are described under the heading “Risk Factors” in each annual information form of SBN, TXT and Premium Global dated March 27, 2024. Although the forward-looking statements contained in this Circular are based upon assumptions that SBN, TXT, Premium Global or Mulvihill believe to be reasonable, neither SBN, TXT, Premium Global nor Mulvihill can assure investors that actual results will be consistent with these forward-looking statements. The forward-looking statements contained herein were prepared for the purpose of providing securityholders with information about the Fund and may not be appropriate for other purposes. Neither SBN nor TXT nor Mulvihill assumes any obligation to update or revise them to reflect new events or circumstances, except as required by law.

DOCUMENTS INCORPORATED BY REFERENCE

Additional information relating to SBN, TXT, Premium Global and the risks associated with an investment therein are described in the respective annual information form for each of SBN, TXT and Premium Global, which are specifically incorporated by reference into, and form an integral part of, this Circular. Any statement contained herein or in a document incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Circular to the extent that a statement contained herein modifies or supersedes such statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Circular. Information on any website maintained by Mulvihill does not constitute a part of this Circular. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purpose that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

The annual information forms of each of SBN, TXT and Premium Global are available on SEDAR+ at www.sedarplus.com. Copies of these documents will be promptly provided by the Manager free of charge upon request. See “Additional Information”.

ADDITIONAL INFORMATION

Financial information about SBN, TXT and Premium Global are available in each of their most recently filed annual and interim financial statements and management report of fund performance. You can get a copy of these documents at no cost by calling toll-free at 1-800-725-7172 or by e-mail at info@mulvihill.com. These documents and other information about SBN, TXT and Premium Global such as information circulars and material contracts, are also available at www.sedarplus.com.

Approval by the Board of Directors

The Board of Directors of SBN and of the Manager have approved the contents and the sending of this Circular to the securityholders.

DATED as of the 24th day of July, 2024.

“John P. Mulvihill”

JOHN P. MULVIHILL
Chairman and President

APPENDIX A
S SPLIT CORP.
(“SBN”)

SPECIAL RESOLUTION OF THE HOLDERS OF CLASS A SHARES AND PREFERRED SHARES

BE IT RESOLVED THAT:

1. The merger (the “**Merger**”) of S Split Corp. (“**SBN**”) into Premium Global Income Split Corp. (“**Premium Global**”), with Premium Global as the continuing fund, substantially as described in the joint management information circular of SBN and Top 10 Split Trust dated July 24, 2024 (the “**Circular**”) including, without limitation, the transfer by SBN to Premium Global of substantially all of the portfolio assets of SBN in consideration for the issuance of Class A Shares and Preferred Shares of Premium Global, is hereby authorized and approved.
2. A special retraction right to permit holders of Class A Shares and Preferred Shares to redeem their shares on or about September 6, 2024 prior to the implementation of the Merger is hereby authorized and approved.
3. Any director or officer of SBN is hereby authorized and directed to take such action and negotiate, approve, execute and deliver all such certificates, documents, authorizations, agreements and instruments or other documentation, including articles of amendment, and to take any and all such further action as may be necessary or desirable in connection with or to implement the matters contemplated in this resolution or in the Circular.
4. Notwithstanding the provisions hereof, the board of directors of SBN, may revoke this resolution at any time prior to its implementation without further approval of holders of Class A Shares and Preferred Shares of SBN.

APPENDIX B
TOP 10 SPLIT TRUST
(“TXT”)

EXTRAORDINARY RESOLUTION OF THE HOLDERS OF CAPITAL UNITS AND PREFERRED SECURITIES

BE IT RESOLVED THAT:

1. The merger (the “**Merger**”) of Top 10 Split Trust (“**TXT**”) into Premium Global Income Split Corp. (“**Premium Global**”), with Premium Global as the continuing fund, substantially as described in the joint management information circular of TXT and S Split Corp. dated July 24, 2024 (the “**Circular**”) including, without limitation, the transfer by TXT to Premium Global of substantially all of the portfolio assets of TXT in consideration for the issuance of Class A Shares and Preferred Shares of Premium Global, is hereby authorized and approved.
2. A special retraction right to permit holders of Capital Units and Preferred Securities to redeem their securities on or about September 6, 2024 prior to the implementation of the Merger is hereby authorized and approved.
3. The directors and officers of Mulvihill Capital Management Inc. (the “**Manager**”) are hereby authorized and directed to amend TXT’s trust agreement and trust indenture in such manner as the Manager considers necessary or desirable in order to implement the matters contemplated in this resolution.
4. Any director or officer of the Manager is hereby authorized and directed, as manager of TXT, to take such action and negotiate, approve, execute and deliver all such certificates, documents, authorizations, agreements and instruments or other documentation and to take any and all such further action as may be necessary or desirable in connection with or to implement the matters contemplated in this resolution or in the Circular.
5. Notwithstanding the provisions hereof, the board of directors of the Manager, as manager of TXT, may revoke this resolution at any time prior to its implementation without further approval of holders of Capital Units and Preferred Securities of TXT.

APPENDIX C

ADDITIONAL INFORMATION REGARDING MANAGEMENT OF PREMIUM GLOBAL INCOME SPLIT CORP. (THE “FUND”)

The Manager, Mulvihill was incorporated in 1984 by The Canada Trust Company under the name CT Investment Counsel Inc. (“CTIC”) to manage the institutional pension fund business of The Canada Trust Company. In 1985, The Canada Trust Company and The Canada Permanent Trust Company amalgamated resulting in all of the pension assets managed by The Canada Permanent Trust Company being transferred to CTIC management. In addition, the investment professionals of The Canada Permanent Trust Company joined the CTIC team.

In February 1995, John P. Mulvihill purchased 100% of CTIC from The Canada Trust Company and changed CTIC’s name to Mulvihill Capital Management Inc. Mulvihill became the manager of the Fund on September 1, 2010 as successor by amalgamation with Mulvihill Fund Services Inc. On October 3, 2011, Mulvihill announced a name change to Strathbridge Asset Management Inc. Subsequently, in connection with the amalgamation of Strathbridge Asset Management Inc. with Mulvihill, Mulvico Investments One Inc. and 1337438 B.C. Ltd. under the *Business Corporations Act* (British Columbia) on January 1, 2022, Strathbridge Asset Management Inc. changed its name to Mulvihill.

Pursuant to a management agreement made between the Fund and Mulvihill dated January 27, 2004, as amended on November 6, 2009 (the “Management Agreement”), Mulvihill is the Manager of the Fund and, as such, is responsible for providing or arranging for required administrative services to the Fund including: authorizing the payment of operating expenses incurred on behalf of the Fund; preparing financial statements, financial and accounting information as required by the Fund; ensuring that shareholders are provided with interim and semi-annual financial statements and other reports as are required by applicable law; ensuring that the Fund complies with regulatory requirements and applicable stock exchange listing requirements; preparing the Fund’s reports to shareholders and the Canadian securities regulatory authorities; determining the amount of dividends to be paid by the Fund; and negotiating contractual agreements with third-party providers of services, including registrars, transfer agents, auditors and printers.

Mulvihill shall exercise the powers and discharge the duties of its office honestly, in good faith and in the best interests of shareholders, and shall exercise the degree of care, diligence and skill that a reasonably prudent manager would exercise in similar circumstances.

Mulvihill may resign as Manager of the Fund upon 60 days’ notice to shareholders and the Fund or such lesser notice as the Fund may accept. If Mulvihill resigns it may appoint its successor, but its successor must be approved by shareholders unless it is an affiliate of Mulvihill. If Mulvihill commits certain events of bankruptcy or insolvency or is in material breach or default of its obligations under the Management Agreement and such breach or default has not been cured within 30 days after notice of the same has been given to Mulvihill, the Fund shall give notice to shareholders and the shareholders may remove Mulvihill and appoint a successor manager. Except as described above, Mulvihill cannot be terminated as manager of the Fund.

Mulvihill is entitled to fees as Manager for its services under the Management Agreement and will be reimbursed for all reasonable costs and expenses incurred by Mulvihill on behalf of the Fund. In addition, Mulvihill and each of its directors, officers, employees and agents will be 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 Mulvihill or any of its officers, directors, employees or agents in the exercise of its duties as manager, except those resulting from Mulvihill’s wilful misconduct, bad faith, negligence or breach of its obligations under the Management Agreement.

The management services of Mulvihill under the Management Agreement are not exclusive and nothing in the Management Agreement prevents Mulvihill from providing similar management services to other investment funds and other clients (whether or not their investment objectives and policies are similar to those of the Fund) or from engaging in other activities.

Directors and Officers of the Manager

The name and municipality of residence and principal occupation of each of the directors and officers of Mulvihill are as follows:

<u>Name and Municipality of Residence</u>	<u>Principal Occupation</u>
John P. Mulvihill Toronto, Ontario	Chairman, Chief Executive Officer, Ultimate Designated Person, Secretary and Director
John P. Mulvihill Jr. Toronto, Ontario	President and Director
John D. Germain Toronto, Ontario	Senior Vice-President, Chief Financial Officer and Director
Peggy Shiu Toronto, Ontario	Vice-President and Chief Compliance Officer
Jack Way Georgetown, Ontario	Vice-President – Portfolio Manager
Jeff Dobson Simcoe, Ontario	Vice-President – Portfolio Manager

Each of the officers and directors listed above has held their position with Mulvihill or an affiliate during the five years preceding the date hereof.

The Investment Manager

Mulvihill manages the Fund's investment portfolio in a manner consistent with the investment objectives, strategy and criteria of the Fund pursuant to an investment management agreement made between the Fund and Mulvihill dated January 27, 2004 (the "Investment Management Agreement").

All the individuals on the team responsible for investment management at Mulvihill have significant experience in managing investment portfolios. The officers of Mulvihill who are primarily responsible for the management of the Fund's portfolio are John P. Mulvihill, John P. Mulvihill Jr. and John D. Germain. Also assisting in the management of the portfolio are Jeff Dobson, Jack Way and Jeff Thompson.

John P. Mulvihill, Chairman, Chief Executive Officer, Secretary and Director of Mulvihill, is the senior portfolio manager of Mulvihill and has over 52 years of investment management experience. Prior to purchasing CTIC from The Canada Trust Company in 1995, Mr. Mulvihill had been Chairman of CTIC since 1988. At CTIC he had primary responsibility for the asset allocation and portfolio management of CTIC's pension and mutual fund assets.

John P. Mulvihill Jr., President and Director of Mulvihill, has been with Mulvihill since April 2008. John's primary focus is on the development and implementation of the firm's various investment strategies while also assisting with product and business development.

John D. Germain, Senior Vice-President, Chief Financial Officer and Director of Mulvihill, has been with Mulvihill since March 1997 and is responsible for the overall portfolio management with over 31 years of investment management experience. Prior to joining Mulvihill, he had been employed at Merrill Lynch Canada Inc. since 1992.

Jeff Dobson, Vice-President, joined Mulvihill in April 2001 after nearly 16 years at Scotia Capital. He brings extensive experience in portfolio management, especially in the use of equity options. His most recent position prior to joining Mulvihill involved managing a portfolio comprised of equity options, their underlying stocks, as well as equity index derivatives.

Peggy Shiu, Vice-President and Chief Compliance Officer, has been with Mulvihill since April 1995.

Jack Way, Vice-President, has been with Mulvihill since August 1998 and brings an extensive background in asset management with over 52 years of experience as an investment manager during which he spent considerable time working in the U.S. market.

Jeff Thompson, Portfolio Manager, has been with Mulvihill since 1990 primarily working in the fixed income group. Since 2008 he has worked extensively on trading equity options and foreign currency hedging.

Investment Management Agreement

The services provided by Mulvihill pursuant to the Investment Management Agreement include making all investment decisions for the Portfolio and the writing, purchase and sale of all option contracts in accordance with the investment objectives, strategy and restrictions of the Fund. Decisions as to the purchase and sale of securities and as to the execution of all portfolio and other transactions will be made by Mulvihill. In the purchase and sale of securities for the Fund and the trading of option contracts, Mulvihill will seek to obtain overall services and prompt execution of orders on favourable terms.

Under the Investment Management Agreement, Mulvihill is required to act at all times on a basis which is fair and reasonable to the Fund, to act honestly and in good faith with a view to the best interests of the shareholders of the Fund and to exercise the degree of care, diligence and skill that a reasonably prudent portfolio manager would exercise in comparable circumstances. The Investment Management Agreement provides that Mulvihill shall not be liable in any way for any default, failure or defect in any of the securities of the Fund, nor shall it be liable if it has satisfied the duties and standard of care, diligence and skill set forth above. Mulvihill will, however, incur liability in cases of wilful misconduct, bad faith, negligence or breach of its obligations under the Investment Management Agreement.

The Investment Management Agreement, unless terminated as described below, will continue in effect until the Termination Date. The Fund may terminate the Investment Management Agreement only if Mulvihill has committed certain events of bankruptcy or insolvency or is in material breach or default of the provisions and such breach has not been cured within 30 days after notice has been given to Mulvihill by the Fund.

Except as set out below, Mulvihill may not terminate the Investment Management Agreement or assign the same except to an affiliate of Mulvihill, without approval of the shareholders of the Fund. Mulvihill may terminate the Investment Management Agreement if the Fund is in material breach or default of the provisions thereof and such breach or default has not been cured within 30 days of notice of the same to the Fund or if there is a material change in the fundamental investment objectives, strategy or criteria of the Fund.

Mulvihill is entitled to fees for its services as Investment Manager under the Investment Management Agreement and will be reimbursed for all reasonable costs and expenses incurred by Mulvihill on behalf of the Fund. In addition, Mulvihill and each of its directors, officers, employees and agents will be 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 Mulvihill or any of its officers, directors, employees or agents in the exercise of its duties as investment manager of the Fund, except those resulting from Mulvihill's wilful misconduct, bad faith, negligence or breach of its obligations under the Investment Management Agreement and provided the Fund has reasonable grounds to believe the action or inaction that gave rise to such claim was in the best interests of the Fund.

Fees and Expenses

Management and Investment Management Fees

Mulvihill is entitled to a fee at an annual rate of 0.10% of the NAV of the Fund for its services as manager and 1.0% of the NAV of the Fund for its services as investment manager of the Fund. Fees payable to Mulvihill are calculated and payable monthly in arrears and subject to applicable taxes.

Operating Expenses

The Fund pays for all expenses incurred in connection with the operation and administration of the Fund. It is expected that these expenses will include, without limitation: (a) mailing and printing expenses for periodic reports to shareholders; (b) fees payable to the Transfer Agent; (c) fees payable to members of the IRC of the Fund; (d) fees payable to the auditor and legal advisors of the Fund; (e) regulatory filing, stock exchange and licensing fees; (f) website maintenance costs; (g) shareholder communication costs, including costs associated with marketing, and (h) expenditures incurred upon the termination of the Fund. Such

expenses will also include expenses of any action, suit or other proceedings in which or in relation to which Mulvihill is entitled to an indemnity by the Fund. The Fund will also be responsible for all commissions and other costs of securities transactions and any extraordinary expenses which may be incurred by it from time to time.

Independent Review Committee

Under NI 81-107, all publicly offered investment funds, including the Fund, are required to establish an independent review committee (the “IRC”) to whom the manager of the fund must refer all conflict of interest matters for review or approval. NI 81-107 also imposes obligations upon the manager to establish written policies and procedures for dealing with conflict of interest matters, maintain records in respect of those matters and provide assistance to the IRC in carrying out its functions. The IRC is required to conduct regular assessments and provide reports to the Manager and securityholders in respect of its activities.

The members of the IRC of the Fund are Peter Gillin, Robert G. Bertram and Robert Bell. The aggregate compensation paid by the Fund to the members of the IRC for the year ended December 31, 2023 was \$11,297.

Directors and Officers of the Fund

The following are the names, municipalities of residence, positions and principal occupations of the directors and officers of the Fund:

<u>Name and Municipality of Residence</u>	<u>Position with the Fund</u>	<u>Principal Occupation</u>
John P. Mulvihill Toronto, Ontario	Chairman, Chief Executive Officer, Secretary and Director	Chairman, Chief Executive Officer, Secretary and Director, Mulvihill
John D. Germain Toronto, Ontario	Senior Vice-President, Chief Financial Officer and Director	Senior Vice-President, Chief Financial Officer and Director, Mulvihill
Peter Gillin ⁽¹⁾⁽²⁾ Toronto, Ontario	Director, IRC Member	Corporate Director
Robert G. Bertram ⁽¹⁾⁽²⁾ Aurora, Ontario	Director, IRC Member	Corporate Director
Robert Bell ⁽¹⁾⁽²⁾ Toronto, Ontario	Director, IRC Member	Corporate Director

(1) Independent director.

(2) Member of the Audit Committee

During the past five years all of the directors and officers have held the principal occupations noted opposite their respective names, or other occupations with their current employer or a predecessor company. The independent directors of the Fund are paid an annual fee of \$5,000 and a fee for each board meeting attended of \$300.

Each of the directors, other than Mr. Germain, Mr. Bertram, Mr. Gillin and Mr. Bell, has served as a director of the Fund since its initial public offering. Mr. Bertram was elected a director on January 1, 2009, Mr. Germain was elected a director on September 1, 2010, Mr. Gillin was elected a director on January 18, 2021 and Mr. Bell was elected on August 26, 2022. Each of the directors has been elected to serve until the next annual meeting of shareholders or until his successor is appointed.

The Board of Directors of the Fund is responsible for the overall stewardship of the Fund’s business and affairs. Mulvihill administers, either directly or indirectly through third-party service organizations, all functions associated with the operations of the Fund pursuant to the Management Agreement. Under this agreement, the Manager is responsible for certain day to day operations of the Fund including the payment of distributions on its shares and attending to the retraction or redemption of its shares in accordance with their terms.

The Board consists of five directors, three of whom are independent of the Fund. The Board believes that the number of directors is appropriate for the Fund and only directors independent of the Fund are compensated. Amounts paid as compensation are reviewed for adequacy to ensure that they realistically reflect

the responsibilities and risk involved in being an effective director. Individual directors may engage an outside advisor at the expense of the Fund in appropriate circumstances subject to the approval of the Board.

To assist the Board in its monitoring of the Fund's financial reporting and disclosure, the Board established a committee of the Board known as the Audit Committee. The Audit Committee consists of three members, all of whom are independent of the Fund. The responsibilities of the Audit Committee include, but are not limited to, review of the annual financial statements and the annual audit performed by the external auditor, oversight of management's reporting on internal control and oversight of the Fund's compliance with tax and securities laws and regulations. The Audit Committee has direct communication channels with the external auditors of the Fund which it may use to discuss and review specific issues as appropriate.

The Board is responsible for establishing the Fund's approach to governance issues and, together with the Investment Manager, is establishing a best practices governance procedure. The Fund maintains an investor relations line and website to respond to inquiries from shareholders.

Mulvihill has adopted policies, procedures and guidelines concerning the governance of the Fund and to ensure the proper management of the Fund. These policies, procedures and guidelines aim to monitor and manage the business, risks and internal conflicts of interest relating to the Fund, and to ensure compliance with regulatory and corporate requirements.

In addition, Mulvihill has an asset mix committee consisting of the following: John P. Mulvihill, John Germain, Jack Way, Peggy Shiu and John P. Mulvihill, Jr. The investment process for the Fund begins at the asset mix committee. Members of this committee meet monthly to examine macro-economic variables and relationships among dominant economic factors. This process culminates in an outlook for the various capital markets around the world and provides the fundamental basis for Mulvihill's long-term market outlook. These views are integrated into the investment decision making process at the portfolio management level. The asset mix committee of Mulvihill oversees investment decisions made by the portfolio managers of the Fund and reports to John P. Mulvihill.

The Fund may use derivatives as permitted by the policies of Canadian securities authorities and consistent with the investment objectives and restrictions of the Fund and with the investment policies set by the asset mix committee of Mulvihill. Policies, procedures and guidelines regarding investing in derivatives, including objectives and goals for derivatives trading and the risk management procedures applicable to such trading are reviewed by Mulvihill on a regular basis. If the Fund uses derivatives, it will hold enough assets to cover any obligations it has under the derivative contracts. The exposure of the Fund to derivatives is monitored daily by senior management.

Mulvihill also employs certain risk assessment tools including mark to market valuing of securities, reporting and monitoring of securities exposure and reconciliations of security transactions.

Because shareholders may only retract their Preferred Shares or Class A Shares on notice for payment not more frequently than monthly, they cannot engage in short-term trading of the Fund's securities with the Fund and the Fund has no policies and procedures in relation to such activities.

Auditors

The auditors of the Fund are Deloitte LLP, Bay Adelaide Centre, East Tower, 8 Adelaide Street West, Suite 200, Toronto, Ontario, M5H 0A9.

