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**MANAGEMENT INFORMATION CIRCULAR  
IN RESPECT OF  
SPECIAL MEETINGS OF SECURITYHOLDERS OF**

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SCOTIA CANAM INDEX FUND  
SCOTIA INTERNATIONAL EQUITY INDEX FUND  
SCOTIA NASDAQ INDEX FUND

(each, a “**Fund**” and collectively, the “**Funds**”)

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**MEETINGS TO BE HELD VIRTUALLY ON OCTOBER 28, 2021  
10:00 a.m. (Toronto time)**

September 27, 2021

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# MANAGEMENT INFORMATION CIRCULAR

## MANAGEMENT SOLICITATION

This Management Information Circular (the “**Information Circular**”) is provided by 1832 Asset Management L.P. (“**1832**” or the “**Manager**”), in its capacity as manager and trustee of the Funds, in connection with the solicitation of proxies by the Manager on behalf of the Funds, to be used at the special meetings (the “**Meetings**” or, individually, a “**Meeting**”) of securityholders of the Funds.

The Meetings will be held concurrently on October 28, 2021 solely as virtual (online) meetings via live audio webcast commencing at **10:00 a.m.** (Toronto time) (after first registering through the link <https://meet.secureonlinevote.com> beginning 30 minutes before the Meetings commence).

Although the Meetings are scheduled to be held at the same time for purposes of convenience, securityholders of each Fund will vote separately.

Directors, officers or employees of the Manager may also solicit proxies by telephone, e-mail, internet, facsimile or other personal contact. The Manager may also employ professional soliciting agents on commercially reasonable terms to assist them with the solicitation of proxies. All of the costs of the solicitation in respect of each Fund will be borne by the Manager.

Pursuant to exemptive relief, the Manager has opted to use a notice-and-access procedure (the “**Notice-and-Access Procedure**”) to reduce the volume of paper in the materials distributed for the Meetings. The Manager is sending proxy-related materials using the Notice-and-Access Procedure directly to securityholders, which includes registered securityholders and beneficial securityholders whose securities are held by an intermediary.

The Board of Directors of 1832 Asset Management G.P. Inc. (the “**General Partner**”), on behalf of the Manager, has fixed the close of business on September 9, 2021 (the “**Record Date**”) for the purpose of determining which securityholders are entitled to receive notice of, and to vote at, the Meetings.

**In light of the dangers associated with the coronavirus pandemic (COVID-19), the Manager wishes to mitigate risk to the health and safety of securityholders, employees and other stakeholders. For that reason, the Manager is holding the Meetings solely as virtual meetings which will be conducted by way of live audio webcast. Securityholders will not be able to attend the Meetings in person, but virtual participation is encouraged.** All securityholders of the Funds and duly appointed proxyholders, regardless of geographic location, will have an equal opportunity to participate at the Meetings and engage with the Manager as well as other investors in real time. **Even if you currently plan to virtually participate in the Meetings, you should consider voting your securities of the Funds in advance so that your vote will be counted in the event you experience any technical difficulties.**

Participants will need an Internet-connected device such as a desktop computer, laptop, tablet or smartphone in order to access the virtual meeting platform and participate in the Meetings. The virtual meeting platform will be fully supported across popular web browsers and devices running the most current version of applicable software plugins. Securityholders and duly appointed proxyholders participating in the Meetings must remain connected to the Internet at all times during the Meetings in order to vote when voting commences. It is a securityholder’s or a duly appointed proxyholder’s responsibility to ensure Internet connectivity for the duration of the Meetings.

To attend the Meetings and submit questions in real time, securityholders of the Funds and duly appointed proxyholders must go to <https://meet.secureonlinevote.com> and enter their 12-digit control number located on their form of proxy. Upon successful registration, a personalized meeting link will be displayed (if registering in advance of the date of the Meetings) or a “Join Meeting” button will appear (if registering on the date of the Meetings). The Meetings are hosted on the Zoom teleconferencing platform. To participate in the Meetings, securityholders must install the Zoom client software application on their smartphone, tablet or computer. Attendees will be prompted to install Zoom when they click on the personalized link or “Join Meeting” button. It is recommended that attendees join the virtual Meetings at least 30 minutes before the Meetings start in order to allow ample time to check into the Meetings.

Registered securityholders and duly appointed proxyholders should note that voting at the applicable Meeting will revoke any previously submitted proxy.

## VOTING PROCEDURES AND PROXIES

### Appointment and Revocation of Proxies

The persons named in the form of proxy sent to securityholders are representatives of management of the Manager and are directors and/or officers of the general partner of the Manager. **A securityholder has the right to appoint a person or company who need not be a securityholder of a Fund to represent the securityholder at the applicable Meeting, other than the person designated in the provided form of proxy, to attend and act on behalf of the securityholder at the applicable Meeting, and may do so by inserting such person’s name in the blank space provided in the form of proxy.**

To be valid, a proxy must be dated, signed and completed by the securityholder or the securityholder’s attorney authorized in writing. In order to be voted at the Meeting, a proxy must be received by mail or by hand-delivery at Proxy Processing Department, 402-1380 Rodick Rd, Markham, Ontario, L3R 9Z9, not later than 48 hours (excluding Saturdays, Sundays and holidays) prior to the commencement of the Meeting or any adjournment or postponement thereof. An addressed postage-paid envelope has been provided for your use. Alternatively, you may either fax your proxy to 1-888-496-1548 by such time, in which event you should ensure that all pages of your proxy are returned or the proxy may be completed online by the specified time at [www.SecureOnlineVote.com](http://www.SecureOnlineVote.com), in which case the paper form should not be returned.

A securityholder of a Fund who has given a proxy may revoke the proxy: (a) by depositing an instrument in writing executed by the securityholder or by his, her or its attorney authorized in writing either to the above-noted address at any time up to and including the last business day preceding the day of the Meeting, or any adjournment or postponement thereof, or with the Chairman of the Meeting prior to the commencement of the Meeting on the day of the Meeting, or any adjournment or postponement thereof; (b) by personally attending the Meeting and voting his, her or its securities; or (c) in any other manner permitted by law.

## Voting of Proxies

The management representatives designated in the form of proxy provided to you will vote the securities in respect of which they are appointed by proxy on any ballot that may be called for in accordance with the instructions of the securityholder as indicated on the proxy and, if the securityholder gives an instruction with respect to any matter to be acted upon, the securities will be voted accordingly. **Where no instruction is given with respect to how to vote, the proxy will confer discretionary authority to be voted IN FAVOUR of each matter for which no instruction has been given.**

The proxy that was mailed to you confers discretionary authority upon the persons named therein with respect to amendments or variations to the matters identified in the Notice of Special Meetings and Notice of Availability of Proxy Materials dated September 27, 2021 and with respect to other matters which may properly come before the Meetings in respect of which the proxy is granted or any adjournments or postponements of such Meetings. As of the date hereof, the Manager knows of no such amendments, variations or other matters to come before the Meetings. In the event that other matters come before a Meeting, the management representatives designated in the provided form of proxy intend to vote in accordance with their best judgement pursuant to the discretionary authority conferred by such proxy with respect to such matters.

## PURPOSE OF THE MEETINGS

The purpose of the Meetings is to consider and, if advisable:

1. for securityholders of Scotia CanAm Index Fund (the “**Terminating Fund**”), to approve the merger (the “**Merger**”) of the Terminating Fund into Scotia U.S. Equity Index Fund (the “**Continuing Fund**”);
2. for securityholders of Scotia International Equity Index Fund, to approve a change to the investment objective of such Fund (the “**International Index Fund Objective Change**”);
3. for securityholders of Scotia Nasdaq Index Fund, to approve a change to the investment objective of such Fund (the “**Nasdaq Index Fund Objective Change**”) and together with the International Index Fund Objective Change, the “**Investment Objective Changes**”); and
4. to transact such other business as may properly come before a Meeting or any adjournment or postponement thereof.

This Information Circular contains details about the Merger and the Investment Objective Changes. The full text of each of the resolutions to be considered at each Meeting is contained in the attached Schedule A to this Information Circular for the Terminating Fund, Schedule B to this Information Circular for the Scotia International Equity Index Fund and Schedule C to this Information Circular for the Scotia Nasdaq Index Fund. The Manager encourages securityholders to read the details of the proposed Merger and the proposed Investment Objective Changes, as applicable, carefully. If approved by the securityholders, and if the necessary regulatory approvals are obtained, the Merger and the Investment Objective Changes will become effective on or about November 8, 2021, or such later dates as may be determined by the Manager (in each case, the “**Effective Date**”). All securityholders are encouraged to review the details in this Information Circular that pertain to the Fund that they own before voting.

## **DESCRIPTION OF THE PROPOSED MERGER OF SCOTIA CANAM INDEX FUND**

### **Reasons for the Proposed Merger**

The proposed Merger is the result of the Manager's ongoing review of its fund line-up and is believed to be in the best interests of securityholders of the Terminating Fund for the following reasons:

1. the Merger will provide economies of scale by eliminating duplicative administrative and regulatory costs of operating the Terminating Fund and the Continuing Fund as separate mutual funds;
2. the Terminating Fund has been closed to new and additional purchases since July 24, 2015. The Merger will allow securityholders of the Terminating Fund to resume pre-authorized contributions and/or lump sum purchases in the Continuing Fund;
3. the management fees and fixed administration fees of the Terminating Fund and Continuing Fund are currently the same. If the Merger is approved and implemented, securityholders of the Terminating Fund will benefit from a proposed fixed administration fee reduction of the Continuing Fund from 0.17% to 0.16%;
4. the Merger will be effected on a tax-deferred basis for securityholders;
5. the Terminating Fund will be merged into the Continuing Fund that also tracks the performance of a U.S. equity index and possesses the same risk rating and portfolio manager as the Terminating Fund; and
6. the Merger will result in a more simplified index product line-up that is easier for investors to understand.

### **Securityholder and Regulatory Approval Required**

Securityholders of the Terminating Fund are being asked to approve the Merger. See "Purpose of the Meetings" above.

The Manager is of the view that the Merger will result in a material change (within the meaning of applicable securities laws) for the Terminating Fund but will not result in a material change for the Continuing Fund. This is primarily because the NAV of the Continuing Fund is larger than the NAV of the Terminating Fund. As a result, only the securityholders of the Terminating Fund will be asked to approve the proposed Merger.

Any securityholder of the Terminating Fund who do not wish to participate in the Merger may redeem or switch his or her securities, at any time up to the close of business on the business day prior to the Effective Date. Immediately following completion of the Merger, securityholders of the Terminating Fund will be able to redeem or switch out of the securities of the Continuing Fund that they acquire upon the Merger.

The Merger is subject to regulatory approval because a reasonable person may not consider the Terminating Fund and the Continuing Fund to have substantially similar fundamental investment objectives.

## Comparison of Terminating Fund and Continuing Fund

Administratively, the Terminating Fund and the Continuing Fund operate in the same manner in all respects, except that the Terminating Fund has been closed to new purchases since July 24, 2015. The Terminating Fund and the Continuing Fund value their securities each business day and are available for redemption on each business day.

Set out below is a description of certain features which are common to the Terminating Fund and the Continuing Fund. A comparison of other key fund attributes, including fundamental investment objectives, fee structures, and investment performance for the Terminating Fund and the Continuing Fund is set out in tables further below.

Attribute	Description
<b>Registered Plan Eligibility</b>	<p>Provided that the Terminating Fund or Continuing Fund qualifies at all relevant times as a “mutual fund trust” or a “registered investment” (each within the meaning of the <i>Income Tax Act</i> (Canada) (the “<b>Tax Act</b>”), units of such fund are qualified investments under the Tax Act for a registered retirement savings plan (“<b>RRSP</b>”), registered retirement income fund (“<b>RRIF</b>”), registered education savings plan (“<b>RESP</b>”), deferred profit sharing plan, registered disability savings plan (“<b>RDSP</b>”), life income fund, locked-in retirement income fund, locked-in retirement savings plan, prescribed registered retirement income fund, tax-free savings account (“<b>TFSA</b>”) (collectively, the “<b>Registered Plans</b>”). Please see “Certain Canadian Federal Income Tax Considerations relating to the Merger” for more details.</p>
<b>Distribution Policies</b>	<p>The Terminating Fund has the same distribution policy as its Continuing Fund. Each Fund distributes, in each taxation year of the Fund, sufficient net income and net realized capital gains so that it will not have any liability for income tax under Part I of the Tax Act. Distributions will be paid or payable by December 31 of each year or at such other times as may be determined by the Manager.</p>
<b>Valuation Procedures</b>	<p>Each Fund usually calculates the net asset value per unit (“<b>NAVPU</b>”) of each series of each Fund following the close of trading on the Toronto Stock Exchange (the “<b>TSX</b>”) on each day that the TSX is open for trading. In unusual circumstances, the Fund may suspend the calculation of the NAVPU, subject to any necessary regulatory approval.</p> <p>The NAVPU of each series of a Fund is calculated by dividing (i) the current market value of the proportionate share of the assets allocated to the series, less the liabilities of the series and the proportionate share of the common expenses allocated to the series, by (ii) the total number of outstanding units in that series at such time. Securities which trade on a public stock exchange are usually valued at their closing price on that exchange. However, if the price is not a true reflection of the value of the security, the Fund will use another method to determine its value. This method is called fair value pricing and it will be used when a security’s value is affected by events which occur after the closing of the market where the security is principally traded. Fair value pricing may also be used in other circumstances.</p>

<b>Sales Charges</b>	<p>Each Fund is “no-load”, which means that there are no sales commissions payable when units of the Funds are bought, sold or switched.</p> <p>A short-term trading fee of 2% of the amount sold or switched may be charged if units of a Fund are sold or switched within 31 days of buying them.</p>
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*Investment Objectives and Strategies*

Below is a comparison of the portfolio advisors, investment objectives and investment strategies of the Terminating Fund and the Continuing Fund.

<b>Fund</b>	<b>Scotia CanAm Index Fund (Terminating Fund)</b>	<b>Scotia U.S. Equity Index Fund (Continuing Fund)</b>
Portfolio Advisor	The Manager	The Manager
Sub-Advisor(s)	State Street Global Advisors, Ltd.  Montreal, Quebec	State Street Global Advisors, Ltd.  Montreal, Quebec
Investment Objective	Scotia CanAm Index Fund’s objective is long-term capital growth by tracking the performance of a generally recognized U.S. equity index. The fund currently tracks the Standard & Poor’s 500 (the “ <b>S&amp;P 500</b> ”) Index. It invests primarily in futures contracts that are linked to the performance of the index and in cash, Government of Canada treasury bills and other short-term debt instruments guaranteed by the Government of Canada.	Scotia U.S. Equity Index Fund’s objective is long-term capital growth by tracking the performance of a generally recognized U.S. equity index. It invests primarily in the stocks that are included in the index.
Primary Investment Strategies	The portfolio advisor aims to track the performance of the S&P 500 Index as closely as possible by using futures contracts that are linked to the performance of the S&P 500 Index. It invests the balance of its assets in cash and money market instruments. It will only use derivatives as permitted by securities regulations.	<p>The Scotia U.S. Equity Index Fund currently seeks to achieve its investment objective by tracking the performance of the Solactive GBS United States 500 CAD Index (the “<b>Index</b>”).</p> <p>The portfolio advisor aims to track the performance of the Index as closely as possible by:</p> <ul style="list-style-type: none"> <li>● investing in the stocks that are included in the Index in substantially the same proportion as they are weighted in the Index, either directly or indirectly through other mutual funds and/or exchange-traded funds;</li> </ul>

		<ul style="list-style-type: none"> <li>• keeping the portfolio as fully invested as possible; and</li> <li>• minimizing transaction costs.</li> </ul> <p>The portfolio advisor may use derivatives such as options, futures, forward contracts and swaps to gain exposure to the Index, and will only use derivatives as permitted by securities regulations.</p>
<p>Common investment strategies of the Funds</p>	<p>Each Fund can invest up to 100% of its assets in foreign securities.</p> <p>Each Fund may participate in repurchase, reverse repurchase and securities lending transactions to achieve the fund's overall investment objectives and to enhance the fund's returns.</p> <p>Each Fund may also engage in short selling on the conditions permitted by Canadian securities rules. In determining whether securities of a particular issuer should be sold short, the portfolio advisor utilizes the same analysis that is described above for deciding whether to purchase the securities. Where the analysis generally produces a favourable outlook, the issuer is a candidate for purchase. Where the analysis produces an unfavourable outlook, the issuer is a candidate for a short sale.</p>	

Terminating Fund and Continuing Fund

The Terminating Fund and Continuing Fund currently track different underlying indexes, but the underlying indexes are substantially similar and track the performance of 500 large companies listed on stock exchanges in the United States. The primary difference between the investment objectives of the Terminating Fund and the Continuing Fund is the method of tracking the underlying index of the applicable Fund. While the Terminating Fund currently tracks the performance of the S&P 500 by investing primarily in futures contracts that are linked to the performance of the S&P 500 Index and in cash, the Continuing Fund currently tracks the performance of the Solactive GBS United States 500 CAD Index by primarily investing directly in the stocks that are included in the index. As a result of the foregoing differences, the Manager believes that a reasonable person would **not** consider the fundamental investment objectives of these Funds to be substantially similar.

*Fee Structures*

Continuing Fund – Fixed Administration Fees

If the Merger receives the required approvals and is implemented, the fixed administration fees of Series A, Series D and Series F of the Continuing Fund will be lowered from 0.17% to 0.16% on the Effective Date of the Merger. Accordingly, the aggregate management and fixed administration fees payable by the Continuing Fund are expected to be reduced for Series A, Series D and Series F as a result of the Merger. The fees with respect to Series I will not be impacted as a result of the Merger.

Terminating Fund and Continuing Fund

As a result of the Merger, securityholders of the Terminating Fund will receive securities of the same series of the Continuing Fund. Such series of the Continuing Fund will have a management fee and fixed

administration fee that is the same or lower than the management fee and the fixed administration fee charged in respect of the corresponding series of the Terminating Fund.

Currently, while the fixed administration fees of Series A and Series F of the Continuing Fund is the same as the fixed administration fees charged to the corresponding series of the Terminating Fund, as described above, the fixed administration fees of Series A and Series F of the Continuing Fund will be lowered from 0.17% to 0.16% if the Merger is approved and implemented. The fixed administration fees of Series D of the Continuing Fund will also be lowered from 0.17% to 0.16% on the Effective Date of the Merger if the Merger is approved and implemented.

Accordingly, it is the Manager’s view that a reasonable person would consider the fee structures of the Terminating Fund and Continuing Fund to be substantially similar at the time of the Merger.

Abbreviations used in the tables below have the following meanings:

- “FAF” means a fixed administration fee;
- “MER” means a post-absorption management expense ratio; and
- “MF” means a management fee.

Scotia CanAm Index Fund (Terminating Fund)					Scotia U.S. Equity Index Fund (Continuing Fund)				
Series	MF	FAF	MF + FAF	MER	Series to be Received	MF	FAF	MF + FAF	MER
Series A	0.80%	0.17%	0.97%	1.10%	Series A	0.80%	0.16%*	0.96%	1.08%±
Series F	0.40%	0.17%	0.57%	0.66%	Series F	0.40%	0.16%*	0.56%	0.64%±

\*This fee will be effective on the Effective Date of the Merger. Currently, and up to the Effective Date of the Merger, this fee is 0.17%.

±This MER is as of December 31, 2020 and does not reflect the proposed reduction in the fixed administration fee which will be effective on the date of the Merger.

#### *Fund Sizes and Annual Returns*

At the close of business on August 31, 2021 the net asset value of the Terminating Fund was \$104,403,089, and the net asset value of the Continuing Fund was \$964,592,170.

The table below shows the total annual returns for each series of the Terminating Fund and the equivalent series of the Continuing Fund for the for the past five years, ending December 31:

Fund	Series	2020	2019	2018	2017	2016
Scotia CanAm Index Fund (Terminating Fund)	A	14.6%	23.4%	2.0%	11.6%	7.7%
	F	15.1%	23.9%	2.4%	12.1%	8.2%
Scotia U.S. Equity Index Fund (Continuing Fund)	A	14.5%	23.3%	2.4%	12.2%	7.3%
	F	15.0%	23.9%	3.0%	12.7%	7.8%

#### *Risk Rating Profiles*

The risk rating of the Terminating Fund and Continuing Fund is currently rated as “Medium to High”. Therefore, securityholders of the Terminating Fund will not be exposed to a higher risk profile following the Merger.

## **Pre-Authorized Contributions and Automatic Withdrawal Plans**

As described above, effective July 24, 2015, the Terminating Fund was closed to new purchases, including purchases through pre-authorized contribution plans. Following the Merger, pre-authorized contribution plans and automatic withdrawal plans will be available to securityholders if they wish to enroll in comparable plans with respect to the Continuing Fund. Securityholders who wish to enroll in pre-authorized contributions or automatic withdrawal plans following the Merger should contact their advisor or registered dealer.

## **Procedures for the Merger**

Subject to obtaining approval of the securityholders of the Terminating Fund at the applicable Meeting, and all necessary regulatory approvals, the proposed Merger of the Terminating Fund into the Continuing Fund will proceed as set out in this Information Circular.

The portfolio advisor of the Continuing Fund is reviewing the investment portfolio of the Terminating Fund. In those instances where a portfolio security held by the Terminating Fund is not compatible with the investment portfolio of the Continuing Fund, the security will be sold by the Terminating Fund prior to the Merger.

Securityholders will continue to have the right to switch or redeem securities of the Terminating Fund up to the close of business on the business day prior to the Effective Date. Requests to switch or redeem securities of the Terminating Fund received after the close of business on the business day prior to the Effective Date will be rejected and securityholders will need to submit a new request to switch or redeem securities of the Continuing Fund.

Immediately following the close of business on the Effective Date, the Terminating Fund will transfer all of its net assets (after providing for the payment to satisfy its liabilities) to the Continuing Fund. The Terminating Fund will receive, in exchange, securities of the relevant series of the Continuing Fund, the aggregate value of which is equal to the aggregate net asset value (the “NAV”) of the Terminating Fund transferred to the Continuing Fund, in each case calculated as of the close of business on the Effective Date. The expiry of any unused tax losses will not affect NAV per security of the Terminating Fund. Please see “Certain Canadian Federal Income Tax Considerations Relating to the Merger” for more details.

Immediately thereafter, the Terminating Fund will cause all of its securities to be redeemed in exchange for securities of the Continuing Fund. This will result in each securityholder of the Terminating Fund receiving securities of the same series of the Continuing Fund with a value equal to the NAV of the securities of the Terminating Fund that were held by such securityholder.

The Merger will be implemented as a “qualifying exchange” as defined in the Tax Act. Accordingly, the disposition of units of the Terminating Fund in connection with the Merger is intended to be effected on a tax-deferred “rollover” basis for securityholders of the Terminating Fund. However, as a result, existing net capital loss and non-capital loss carryforwards in the Terminating Fund and in the Continuing Fund will not be available to the Continuing Fund after the Merger. For further information regarding the tax implications of the Merger please see “Certain Canadian Federal Income Tax Considerations Relating to the Merger”, below.

Subsequent to completion of the Merger, the Terminating Fund will be wound up and terminated.

Should the Merger receive the requisite securityholder approval, it is proposed that the Effective Date will be on or about November 8, 2021, or such later date as may be determined by the Manager, subject to

obtaining regulatory approval. The Manager may, in its discretion, and without prior notice, postpone implementing the Merger until a later date where it considers such postponement to be advantageous. The Manager may also elect not to proceed with or delay the Merger, at any time, with notice to securityholders by way of press release, where it considers such decision to be in the best interests of securityholders of the Terminating Fund and/or the Continuing Fund.

If the Merger is not approved or the meeting of securityholders of the Terminating Fund does not achieve quorum, the Manager will consider other alternatives for the Terminating Fund.

### **Costs Paid by the Manager**

No sales charges, redemption fees or other fees or commissions will be payable by securityholders in connection with the Merger or with respect to any portfolio rebalancing in the Terminating Fund arising in connection with the Merger. All costs and expenses specifically associated with the Merger will be borne by the Manager.

### **ADDITIONAL INFORMATION ABOUT THE CONTINUING FUND**

The Fund Facts of the Continuing Fund were sent to securityholders of the Terminating Fund as part of the proxy-related materials. These documents are being provided for informational purposes only and not with the intention of soliciting subscriptions of the Continuing Fund.

**Additional information about the Continuing Fund, including the most recent simplified prospectus, annual information form, management report of fund performance, unaudited interim financial reports and audited annual financial statements, is included in documents filed by the Continuing Fund with the securities commissions or similar authorities in Canada. Copies of these documents are available on SEDAR at [www.sedar.com](http://www.sedar.com) and may be obtained upon request without charge by calling the Manager's toll free telephone number at 1-800-268-9269 for English, or 1-800-387-5004 for French, by visiting the Manager's website at [www.scotiafunds.com](http://www.scotiafunds.com) or by writing to 1832 Asset Management L.P., c/o Statements and Document Production, 28<sup>th</sup> Floor, 1 Adelaide Street East, Toronto, Ontario, M5C 2V9.**

### **IRC POSITIVE RECOMMENDATION RELATING TO THE MERGER**

The Independent Review Committee (“IRC”) was appointed for the Funds in accordance with National Instrument 81-107 – *Independent Review Committee for Investment Funds* (“NI 81-107”). The members of the IRC are Stephen J. Griggs (Chair), Steve Donald, Simon Hitzig, Heather A.T. Hunter and Jennifer L. Witterick, each of whom is independent of the Manager. The Manager referred the Merger to the IRC for review with respect to any actual, potential or perceived conflicts of interest arising from the Merger. The IRC has reviewed the Merger and has provided a positive recommendation to the Manager on the basis that, in the IRC’s opinion after reasonable inquiry, the Merger, if implemented, would achieve a fair and reasonable result for the Terminating Fund and the Continuing Fund.

### **RECOMMENDATION OF THE MANAGER**

**The Manager believes the Merger is in the best interests of securityholders of the Terminating Fund and therefore recommends that securityholders of the Terminating Fund vote IN FAVOUR of the Merger.**

## **CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS RELATING TO THE MERGER**

The following is a general summary of the principal Canadian federal income tax considerations relating to the Merger to (i) a securityholder of the Terminating Fund who, at all relevant times, for purposes of the Tax Act, is resident in Canada, deals at arm's length and is not affiliated with the Terminating Fund and Continuing Fund, and holds units of the Terminating Fund and Continuing Fund as capital property; and (ii) the Terminating Fund and the Continuing Fund. Generally, units of the Terminating Fund will be considered to be capital property to a holder provided that the holder does not hold such units in the course of carrying on a business of buying and selling securities and has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade. Certain persons who might not otherwise be considered to hold their units of the Terminating Fund as capital property may, in certain circumstances, be entitled to have those units, and every other "Canadian security" (as defined in the Tax Act) owned or subsequently acquired by the holder, including units of the Continuing Fund to be received as a consequence of the Merger, treated as capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act.

This summary does not apply to a securityholder (i) that is a "financial institution" as defined in the Tax Act for purposes of the "mark-to-market" rules, (ii) that is a "specified financial institution" as defined in the Tax Act, (iii) an interest in which would be a "tax shelter investment" as defined in the Tax Act, (iv) that makes the functional currency reporting election in accordance with the provisions of the Tax Act in that regard, or (v) who has entered or will enter into a "derivative forward agreement" as that term is defined in the Tax Act with respect to the units of either the Terminating Fund or the Continuing Fund.

This summary is based on the facts set out in this Circular and the assumption that each of the Terminating Fund and the Continuing Fund will, at all relevant times, qualify as a "unit trust" and as a "mutual fund trust" for purposes of the Tax Act. This summary is also based on the assumptions that (i) the Terminating Fund is not affiliated with the Continuing Fund for purposes of the Tax Act, and (ii) the Terminating Fund will not become a "majority-interest beneficiary" of the Continuing Fund for purposes of the "loss restriction event" rules in the Tax Act. The Manager does not anticipate that the Terminating Fund will become a "majority-interest beneficiary" of the Continuing Fund for purposes of such rules, although no assurances can be given in that regard.

This summary is based on the current provisions of the Tax Act, the Regulations thereunder (the "**Tax Regulations**"), all specific proposals to amend the Tax Act and Tax Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Tax Proposals**") and an understanding of the current published administrative policies and assessing practices of the Canada Revenue Agency ("**CRA**"). The summary does not take into account the tax laws of any province or territory of Canada or of any foreign jurisdiction. Except for the Tax Proposals, the summary does not take into account or anticipate any changes in law whether by legislative, governmental or judicial action or decision, or any changes in administrative policies or assessing practices of the CRA.

This summary is general in nature only and is not intended to be, nor should it be treated as, legal or tax advice. It is not exhaustive of all possible federal income tax considerations. This summary does not address foreign, provincial or territorial income tax considerations, which may differ from the federal income tax considerations. Investors are advised to consult their own tax advisors about their specific circumstances.

The Merger of the Terminating Fund and the Continuing Fund is intended to be, and this summary assumes that it will be, a "qualifying exchange" under the Tax Act.

## **Tax Considerations for the Securityholders of the Terminating Fund**

If approved, the Merger will be effected on a tax-deferred “rollover” basis. The disposition by a securityholder of the units of the Terminating Fund in exchange for the units of the Continuing Fund will generally not result in the realization of a capital gain or capital loss for such securityholder. A securityholder will be deemed to acquire the units of the Continuing Fund under the Merger at a cost equal to the “cost amount” (as such term is defined in the Tax Act) of his or her units of the Terminating Fund. In computing a holder’s adjusted cost base of the units of the Continuing Fund, the holder must average the cost of any such units acquired under the Merger with the adjusted cost base of any units of the Continuing Fund then held by the holder as capital property.

## **Tax Status of the Merger**

The Continuing Fund will file a joint election with the Terminating Fund electing that the Merger takes place on a tax-deferred basis to the Terminating Fund. In order for the Merger to take place on a tax-deferred basis, each of the Terminating Fund and the Continuing Fund must qualify as a mutual fund trust for purposes of the Tax Act on the Effective Date of the Merger.

The taxation year of the Terminating Fund and the Continuing Fund during which the Merger occur (the “Stub Year”) will be deemed to end on the Effective Date of the Merger, resulting in such taxation year being shorter in length than normal.

## **Tax Considerations for the Terminating Fund**

To the extent necessary, the Terminating Fund will distribute to its securityholders a sufficient amount of its net income and net realized capital gains (including any net realized capital gains realized on the disposition by the Terminating Fund of any assets prior to the Merger) for the Stub Year to ensure that it will not be required to pay any non-refundable income tax under Part I of the Tax Act for the Stub Year. The Manager currently anticipates that the Terminating Fund will be required to make a distribution of net income but not realized capital gains for the Stub Year.

For income tax purposes, on the Effective Date of the Merger, but prior to the end of the Stub Year, the Terminating Fund will be deemed to dispose of each of its assets for deemed proceeds specified in the Tax Act.

The Terminating Fund will be required to recognize for tax purposes any unrealized accrued losses on any of its assets. Such losses may effectively be applied by the Terminating Fund to increase the proceeds of disposition of other assets of the Terminating Fund being transferred to the Continuing Fund which have unrealized gains by specifying an elected amount in respect of such assets in excess of their cost amount, which will have the effect of increasing the tax cost of such assets to the Continuing Fund. The Terminating Fund may also elect to realize capital gains to the extent that the Terminating Fund is entitled to a refund of taxes otherwise payable in the Stub Year in respect of such capital gains pursuant to the Tax Act and to the extent the Terminating Fund is able to offset such capital gains by using its capital loss carryforwards. Any unused loss carryforwards of the Terminating Fund, including any losses arising from the deemed realization described above, will expire at the end of the Stub Year and will not be available to be deducted against taxable income, including taxable capital gains, arising after the Merger.

It is expected that the Terminating Fund will have \$39,721,561 in net capital loss carryforwards and no non-capital losses at the time of its Merger. If the Terminating Fund had unamortized issue expenses incurred by the Terminating Fund at any time before the Merger, such expenses would not be available to

be deducted against income and gains in future taxation years of the Continuing Fund. It is expected that the Terminating Fund will not have any unamortized issue expenses at the time of the Merger.

Units of the Continuing Fund acquired by the Terminating Fund in the course of the Merger will be deemed to have been acquired by the Terminating Fund at a cost of nil, and will be deemed to have been disposed of for proceeds of disposition equal to nil, and accordingly the Terminating Fund will not be considered to realize a gain or income in respect of the disposition of such units of the Continuing Fund in the course of the Merger.

### **Tax Considerations for the Continuing Fund**

To the extent necessary, the Continuing Fund will distribute to its securityholders a sufficient amount of its net income and net realized capital gains (including any net realized capital gains realized on the disposition by the Continuing Fund of any assets prior to the Merger) for the Stub Year to ensure that it will not be required to pay any non-refundable income tax under Part I of the Tax Act for the Stub Year. The Manager currently anticipates that the Continuing Fund will be required to make a distribution of net income but not realized capital gains for the Stub Year.

For income tax purposes, on the Effective Date of the Merger, but prior to the end of the Stub Year, the Continuing Fund will be deemed to dispose of each asset for proceeds of disposition equal to the lesser of the fair market value of the asset at that time and the Continuing Fund's cost amount of the asset at that time, subject to the designation described below. Accordingly, the Continuing Fund will be required to recognize for tax purposes any unrealized accrued losses. Such losses may be applied by the Continuing Fund to increase the tax cost of other assets of the Continuing Fund which have unrealized gains by making a designation. The Continuing Fund also intends to utilize this designation and to elect to realize capital gains to the extent that the Continuing Fund is entitled to a refund of taxes otherwise payable in the Stub Year in respect of such capital gains pursuant to the Tax Act and to the extent the Continuing Fund is able to offset such capital gains by using its loss carryforwards. Any accumulated loss carryforwards of the Continuing Fund, as well as any losses arising from the deemed realization described above, will expire at the end of the Stub Year, and will not be available to be deducted against taxable income, including taxable capital gains, arising after the Merger. It is expected that the Continuing Fund will have \$17,355,220 in net capital loss carryforwards and no non-capital losses at the time of its Merger.

Because of the joint election referred to above, the Continuing Fund will be deemed to have acquired each asset of the Terminating Fund from the Terminating Fund at a deemed cost specified in the Tax Act, which amount may be less than fair market value. Consequently, the tax cost of the assets acquired by the Continuing Fund from the Terminating Fund may be less than the fair market value of such assets (such shortfall being the "**Unrealized Merger Gain**"). Immediately following the Merger, the Continuing Fund may also have other assets that have a tax cost to the Continuing Fund that is less than the fair market value of such assets (the "**Existing Unrealized Gain**"). The Unrealized Merger Gain and the Existing Unrealized Gain, when realized by the Continuing Fund, will be made payable to its securityholders (including, where applicable, former holders of units of the Terminating Fund), and ultimately will be taxable in their hands. The Manager currently anticipates that there will be no Unrealized Merger Gain acquired by the Continuing Fund.

For the purpose of determining the adjusted cost base to the Continuing Fund of each asset held as capital property, following the acquisition of assets from the Terminating Fund, the deemed cost of each newly-acquired asset will be averaged with the adjusted cost base of all other identical assets owned by the Continuing Fund as capital property immediately before that time.

In each calendar year in which a taxation year of the Continuing Fund ends, the Continuing Fund will distribute a sufficient amount of its net income and net realized capital gains for such year to securityholders of the Continuing Fund so that no income tax will be payable by the Continuing Fund under Part I of the Tax Act (taking into account any capital gains refunds to which the Continuing Fund is entitled in respect of the year).

### **Eligibility for Registered Plans**

Provided that the Continuing Fund qualifies at all relevant times as a “mutual fund trust” or a “registered investment” (each within the meaning of the Tax Act), units of the Continuing Fund will be qualified investments under the Tax Act for Registered Plans.

Provided that the annuitant, holder or subscriber of a RRSP, RRIF, TFSA, RDSP or RESP (i) deals at arm’s length with the Continuing Fund and (ii) does not hold a “significant interest” (as defined in the Tax Act) in the Continuing Fund, the units of the Continuing Fund will not be a prohibited investment for a trust governed by a RRSP, RRIF, TFSA, RDSP or RESP.

Investors should consult with their tax advisors regarding whether an investment in the Continuing Fund will be a prohibited investment for their RRSP, RRIF, TFSA, RDSP or RESP.

### **Tax Consequences of Investing in the Continuing Fund**

Please refer to the Continuing Fund’s simplified prospectus and the annual information form dated May 21, 2021, as amended, for a description of the income tax consequences of acquiring, holding and disposing of units, as applicable, of the Continuing Fund. Copies of these documents are available on SEDAR at [www.sedar.com](http://www.sedar.com) and may be obtained upon request without charge by calling the Manager’s toll free telephone number at 1-800-268-9269 for English, or 1-800-387-5004 for French, by visiting the Manager’s website at [www.scotiafunds.com](http://www.scotiafunds.com) or by writing to 1832 Asset Management L.P., c/o Statements and Document Production, 28<sup>th</sup> Floor, 1 Adelaide Street East, Toronto, Ontario, M5C 2V9.

**DESCRIPTION OF THE INVESTMENT OBJECTIVE CHANGE OF SCOTIA  
INTERNATIONAL EQUITY INDEX FUND**

**Introduction**

The Manager is seeking approval from securityholders of the Scotia International Equity Index Fund to change the investment objective of the Fund as set out below, effective on or about November 8, 2021 (the “**International Index Fund Objective Change**”). As a consequence of approving the International Index Fund Objective Change, the investment strategies of the Fund will change as described below, and the Fund’s current reference index will change to the Solactive GBS Developed Markets ex North America Large & Mid Cap CAD Index.

**Proposed Changes**

Set out below in the chart is the existing investment objectives of the Scotia International Equity Index Fund, the proposed new investment objective and the reason for the proposed investment objective change of the Fund.

<b>Existing Investment Objective</b>	The Fund’s current objective is long-term capital growth by tracking the performance of generally recognized indexes of established international stock markets. It invests primarily in futures contracts that are linked to the performance of the indexes, and in cash and money market instruments.
<b>Proposed New Investment Objective</b>	The Fund’s objective is long-term capital growth by tracking the performance of a generally recognized international equity index. It invests primarily in the stocks that are included in the index.
<b>Reason for the Proposed Change</b>	The Manager believes that the proposed change to the investment objective will benefit securityholders because by moving away from futures-based index tracking to tracking through direct investments through full replication or optimization, the fund will be more suitable for purchase by both registered and non-registered investors. The ability to sell the Fund to new investors is expected to increase sales and improve the viability and scale of the Fund over the long-term. Additionally, tracking the performance of an index through direct investment in a representative basket of securities is generally expected to improve the Fund’s tracking error when compared to the current approach of tracking the performance of an index through the use of futures contracts.

The Manager currently anticipates changing the investment strategies of the Scotia International Equity Index Fund as follows:

<p><b>Existing Investment Strategies</b></p>	<p>The Fund currently tracks the performance of indexes of established stock markets in Europe, Australasia and the Far East. The portfolio advisor aims to track the performance of the indexes as closely as possible by primarily using futures contracts that are linked to the performance of these indexes. The Fund may also invest in securities that are included in the indexes, either directly or indirectly through other mutual funds and/or exchange-traded funds. It also invests in cash and money market instruments. This allows the Fund to cover its positions in the futures contracts. It will only use derivatives as permitted by securities regulations.</p>
<p><b>Proposed New Investment Strategies</b></p>	<p>The Fund seeks to achieve its investment objective by tracking the performance of the Solactive GBS Developed Markets ex North America Large &amp; Mid Cap CAD Index (the “<b>Solactive Index</b>”). The portfolio advisor aims to track the performance of the Solactive Index as closely as possible by:</p> <ul style="list-style-type: none"> <li>• investing in the stocks that are included in the Solactive Index in substantially the same proportion as they are weighted in the Solactive Index, either directly or indirectly through other mutual funds and/or exchange-traded funds;</li> <li>• keeping the portfolio as fully invested as possible; and</li> <li>• minimizing transaction costs.</li> </ul>

*Tax Considerations Relating to the International Index Fund Objective Change*

Please see “Certain Canadian Federal Income Tax Considerations Relating to the Investment Objective Changes” for more details.

*Fixed Administration Fee Reduction*

If the International Index Fund Objective Change receives the required approvals and is implemented, the fixed administration fees of Series A, Series D and Series F of the Scotia International Equity Index Fund will be lowered from 0.32% to 0.24% on the Effective Date of the investment objective change. The fees with respect to Series I will not be impacted as a result of the investment objective change.

## **IRC POSITIVE RECOMMENDATION RELATING TO THE INTERNATIONAL INDEX FUND OBJECTIVE CHANGE**

**The Manager referred the International Index Fund Objective Change to the IRC for review with respect to any actual, potential or perceived conflicts of interest arising from the International Index Fund Objective Change. The IRC has reviewed the International Index Fund Objective Change and has provided a positive recommendation to the Manager on the basis that, in the IRC's opinion after reasonable inquiry, the International Index Fund Objective Change, if implemented, would achieve a fair and reasonable result for the Scotia International Equity Index Fund.**

### **RECOMMENDATION OF THE MANAGER**

**The Manager recommends that securityholders of the Scotia International Equity Index Fund vote IN FAVOUR of the International Index Fund Objective Change.**

## DESCRIPTION OF THE INVESTMENT OBJECTIVE CHANGE OF SCOTIA NASDAQ INDEX FUND

### Introduction

The Manager is seeking approval from securityholders of the Scotia Nasdaq Index Fund to change the investment objective of the Fund as set out below, effective on or about November 8, 2021 (the “**Nasdaq Index Fund Objective Change**”). As a consequence of approving the Nasdaq Index Fund Objective Change, the investment strategies of the Fund will change as described below.

### Proposed Changes

Set out below in the chart is the existing investment objectives of the Scotia Nasdaq Index Fund, the proposed new investment objective and the reason for the proposed investment objective change of the Fund.

<b>Existing Investment Objective</b>	The Fund’s current objective is aggressive long-term capital growth by tracking the performance of the Nasdaq 100 Index. It invests primarily in derivatives that are linked to the performance of the Nasdaq 100 Index, and in cash and money market instruments.
<b>Proposed New Investment Objective</b>	The Fund’s objective is aggressive long-term capital growth by tracking the performance of the Nasdaq 100 Index. It invests primarily in the stocks that are included in the index.
<b>Reason for the Proposed Change</b>	The Manager believes that the proposed change to the investment objective will benefit securityholders because by moving away from futures-based index tracking to tracking through direct investments through full replication or optimization, the Fund will be more suitable for purchase by both registered and non-registered investors. The ability to sell the Fund to new investors is expected to increase sales and improve the viability and scale of the Fund over the long-term. Additionally, tracking the performance of an index through direct investment in a representative basket of securities is generally expected to improve the Fund’s tracking error when compared to the current approach of tracking the performance of an index through the use of futures contracts.

The Manager currently anticipates changing the investment strategies of the Scotia Nasdaq Index Fund as follows:

<p><b>Existing Investment Strategies</b></p>	<p>The Fund aims to track the performance of the Nasdaq 100 Index as closely as possible by primarily using derivatives such as options, futures, forward contracts and swaps that are linked to the performance of the Nasdaq 100 Index. The Fund may also invest in securities that are included in the index, either directly or indirectly through other mutual funds and/or exchange-traded funds.</p> <p>The Fund also invests in cash and money market instruments. This allows the Fund to cover its positions in the derivatives. It will only use derivatives as permitted by securities regulations.</p>
<p><b>Proposed New Investment Strategies</b></p>	<p>The Fund seeks to achieve its investment objective by tracking the performance of the Nasdaq 100 Index in Canadian dollars (the “<b>Nasdaq 100 Index</b>”).</p> <p>The portfolio advisor aims to track the performance of the Nasdaq 100 Index as closely as possible by:</p> <ul style="list-style-type: none"> <li>• investing in the stocks that are included in the Nasdaq 100 Index in substantially the same proportion as they are weighted in the Nasdaq 100 Index, either directly or indirectly through other mutual funds and/or exchange-traded funds;</li> <li>• keeping the portfolio as fully invested as possible; and</li> <li>• minimizing transaction costs.</li> </ul>

*Tax Consequences of the Nasdaq Index Fund Objective Change*

Please see “Certain Canadian Federal Income Tax Considerations Relating to the Investment Objective Changes” for more details.

*Fixed Administration Fee Reduction*

If the Nasdaq Index Fund Objective Change receives the required approvals and is implemented, the fixed administration fees of Series A, Series D and Series F of the Scotia Nasdaq Index Fund will be lowered from 0.23% to 0.22% on the Effective Date of the investment objective change.

## **IRC POSITIVE RECOMMENDATION RELATING TO THE NASDAQ INDEX FUND OBJECTIVE CHANGE**

**The Manager referred the Nasdaq Index Fund Objective Change to the IRC for review with respect to any actual, potential or perceived conflicts of interest arising from the Nasdaq Index Fund Objective Change. The IRC has reviewed the Nasdaq Index Fund Objective Change and has provided a positive recommendation to the Manager on the basis that, in the IRC's opinion after reasonable inquiry, the Nasdaq Index Fund Objective Change, if implemented, would achieve a fair and reasonable result for the Scotia Nasdaq Index Fund.**

### **RECOMMENDATION OF THE MANAGER**

**The Manager recommends that securityholders of the Scotia Nasdaq Index Fund vote IN FAVOUR of the Nasdaq Index Fund Objective Change.**

### **CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS RELATING TO THE INVESTMENT OBJECTIVE CHANGES**

The following is a general summary of the principal Canadian federal income tax considerations relating to the change of investment objectives by Scotia International Equity Index Fund and Scotia Nasdaq Index Fund (the “**IOC Funds**”) as described in this Circular. This summary is applicable to securityholders of the IOC Funds who, at all relevant times, for purposes of the Tax Act, are resident in Canada, deal at arm's length and are not affiliated with the IOC Fund, and hold their securities of the IOC Funds as capital property. Generally, securities of an IOC Fund will be considered to be capital property to a holder provided that the holder does not hold such securities in the course of carrying on a business of buying and selling securities and has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade. Certain persons who might not otherwise be considered to hold their units of an IOC Fund as capital property may, in certain circumstances, be entitled to have those units, and every other “Canadian security” (as defined in the Tax Act) owned or subsequently acquired by the holder, treated as capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act.

This summary does not apply to a securityholder (i) that is a “financial institution” as defined in the Tax Act for purposes of the “mark-to-market” rules, (ii) that is a “specified financial institution” as defined in the Tax Act, (iii) an interest in which would be a “tax shelter investment” as defined in the Tax Act, (iv) that makes the functional currency reporting election in accordance with the provisions of the Tax Act in that regard, or (v) who has entered or will enter into a “derivative forward agreement” as that term is defined in the Tax Act with respect to the units of an IOC Fund.

This summary is based on the facts set out in this Circular and the assumption that each of the IOC Funds will, at all relevant times, qualify as a “unit trust” and as a “mutual fund trust” for purposes of the Tax Act.

This summary is based on the current provisions of the Tax Act, the Regulations, the Tax Proposals and an understanding of the current published administrative policies and assessing practices of the CRA. The summary does not take into account the tax laws of any province or territory of Canada or of any foreign jurisdiction. Except for the Tax Proposals, the summary does not take into account or anticipate any changes in law whether by legislative, governmental or judicial action or decision, or any changes in administrative policies or assessing practices of the CRA.

This summary is general in nature only and is not intended to be, nor should it be treated as, legal or tax advice to any particular securityholder. It is not exhaustive of all possible federal income tax considerations. This summary does not address foreign, provincial or territorial income tax considerations, which may

differ from the federal income tax considerations. Accordingly, securityholders of the IOC Funds should consult with their own tax advisors for advice with respect to the tax consequences of the proposed change of investment objectives by the IOC Funds having regard to their own particular circumstances.

Implementing the change of investment objectives is expected to involve the sale of a material portion of the securities, including the futures contracts held in the portfolio of each of the IOC Funds. Such sales of securities by such IOC Fund will result in a gain (or loss) to it to the extent that the proceeds of disposition exceed (or are exceeded by) the cost amount of the securities and any reasonable costs of disposition. The tax treatment of gains and losses realized by each IOC Fund will depend on whether such gains or losses are treated as being on income or capital account. In determining its income for tax purposes, each IOC Fund will treat gains or losses realized on the disposition of portfolio securities (other than derivatives) held by it as capital gains and losses. In general, gains and losses realized by an IOC Fund from derivative transactions, which include future contracts, will be on income account except where such derivatives are used to hedge portfolio securities held on capital account provided there is sufficient linkage, subject to certain rules in the Tax Act that target certain “derivative forward agreements” (as such term is defined in the Tax Act). The Manager anticipates that, based on market prices as at August 31, 2021, approximately \$165,768 of losses would be realized by Scotia International Equity Index Fund and \$51,120,960 of income would be realized by Scotia Nasdaq Index Fund, as a result of these sales. The IOC Funds expect that these gains (or losses) would be treated on income account for tax purposes. Scotia Nasdaq Index Fund does not expect to have sufficient non-capital losses to offset any such realized gains. The actual amount of realized gains or losses, if any, may be materially different from the current expectation due to changes in the value of securities held by each of the IOC Funds between the date of this Circular and the time the sales occur.

An IOC Fund may make a distribution of any income and net realized capital gains (including those arising from the sales of portfolio holdings, as applicable) for the current year to reduce or eliminate ordinary income taxes payable by such IOC Fund. Securityholders will be subject to the same tax consequences on such distributions as on other ordinary year-end distributions made by such IOC Fund. These distributions, if reinvested, will increase the adjusted cost base of a securityholder's securities of an IOC Fund.

A securityholder who redeems securities of an IOC Fund in connection with the change of investment objectives will realize a capital gain (or capital loss) to the extent that the proceeds of redemption exceed (or are exceeded by) the aggregate of the securityholder's adjusted cost base of the securities redeemed and any reasonable costs of disposition. A securityholder who holds securities directly, rather than in a Registered Plan, must include one-half of the amount of any capital gain (a “**taxable capital gain**”) in income. One-half of a capital loss (an “**allowable capital loss**”) realized by a securityholder in a year will be deductible against taxable capital gains realized by the securityholder in that year. Allowable capital losses in excess of taxable capital gains realized in any year may, subject to certain limitations under the Tax Act, be carried back three years or forward indefinitely for deduction against taxable capital gains realized in those years.

## VOTING SECURITIES OF THE FUNDS

### Quorum Required

In respect of the matters to be considered by the Funds, in order for a Meeting to be duly constituted for the transaction of business by each Fund, at least two securityholders of the Fund must be present in person or by proxy, each being a securityholder entitled to vote at the applicable Meeting or a duly appointed proxyholder for an absent securityholder so entitled.

If within one-half hour from the time fixed for the holding of the Meetings, a quorum is not present in respect of any Fund, the Meeting for such Fund will be adjourned to a day not later than 14 days after the date of the Meeting (or if such day is not a business day, the first business day following that date) and in each case to such place and time as may be appointed by the Chairman. The Manager is not required to give notice of the adjourned meeting, other than by an announcement at the earlier meeting that is adjourned.

### Approval of Resolutions

A vote for the approval of the Merger will not be effective unless it is approved by a majority of the votes cast at the Meeting by or on behalf of securityholders of the Terminating Fund.

A vote for the approval of the investment objectives changes in respect of Scotia International Equity Index Fund and in respect of Scotia Nasdaq Index Fund will not be effective unless it is approved by a majority of the votes cast at the applicable Meeting by or on behalf of securityholders of the applicable Fund.

### Voting Securities and Principal Holders Thereof

Securityholders of a Fund are entitled to one vote for each whole security of the applicable Fund held. There are no votes attached to fractional securities. Only those persons included on the list of securityholders of a Fund as at the close of business on the Record Date will be entitled to vote at that Fund's Meeting.

As at August 31, 2021, the following were the number of issued and outstanding voting securities of each Fund. Each security of each series of the Fund has one vote per security.

Fund	Securities
Scotia CanAm Index Fund - Series A	5,455,265
Scotia CanAm Index Fund - Series F	53
Scotia International Equity Index Fund – Series A	3,290,328
Scotia International Equity Index Fund – Series F	10,827
Scotia International Equity Index Fund – Series D	35,486
Scotia International Equity Index Fund – Series I	0
Scotia Nasdaq Index Fund – Series A	77,887,807
Scotia Nasdaq Index Fund – Series F	248,737
Scotia Nasdaq Index Fund – Series D	1,114,096

As the Funds are mutual funds in continuous distribution, further securities of the Funds will have been issued (except for the Scotia CanAm Index Fund, which closed to new purchases effective July 24, 2015) and redeemed since those reflected in the table above and prior to and after the Record Date. At the date of the Meetings, the number of issued and outstanding securities will have changed accordingly.

To the knowledge of the senior officers of the Manager, as of the close of business on August 31, 2021, the following persons or companies beneficially owned, directly or indirectly, or exercised control or direction over, 10% or more of the voting rights attached to the securities of any of the series of the Funds entitled to be voted at the Meetings:

Fund	Series	Name of Security holder*	Number of Securities Held	Percentage of Series Held (%)
Scotia International Equity Index Fund	D	Individual A	4,504	12.7%
Scotia International Equity Index Fund	F	Individual B	1,322	12.2%
Scotia International Equity Index Fund	F	Individual C	2,204	20.4%
Scotia International Equity Index Fund	F	Individual D	5,950	55.0%

\*To protect the privacy of individual investors we have omitted the names of the individual investors. This information is available on request by contacting the Manager.

As at the close of business on August 31, 2021, the directors and executive officers of the General Partner and of the Manager owned less than 10% of the securities of each of the Funds.

The General Partner does not own for its account any securities of the Funds. As at the close of business on August 31, 2021, the Manager owned the following securities of the Funds:

Fund	Series	Number of Securities Held	Percentage of Series Held (%)
Scotia CanAm Index Fund	F	53	100.0

## MANAGEMENT OF THE FUNDS

Each Fund has entered into an amended and restated master management agreement (the “**Management Agreement**”) dated August 20, 2015, as amended from time to time, with the Manager, 1 Adelaide Street East, 28th Floor, Toronto, Ontario, M5C 2V9 pursuant to which the Manager provides or arranges for the provision of certain accounting, administrative, portfolio management and other services and facilities required for the day-to-day operation of each Fund. The Manager also acts as registrar and transfer agent for each Fund pursuant to the terms of the Management Agreement.

The initial term of the Manager in respect of each Fund is approximately five years and is automatically renewed for a further five years unless terminated in accordance with the provisions of the Management Agreement. The Management Agreement may be terminated at any time by the Manager on 90 days’ written notice, by a Fund on 90 days’ written notice to the Manager, or by a Fund at any time if bankruptcy or insolvency or other proceedings relating to the Manager are commenced and such proceedings are not stayed within 60 days.

As at August 31, 2021, the names and province of residence of each executive officer of the Manager are as follows:

Neal Kerr	Gregory Joseph	Dan Donnelly	Simon Mielniczuk
Ontario, Canada	Ontario, Canada	Ontario, Canada	Ontario, Canada

As at August 31, 2021, the names and province of residence of each executive officer and director of 1832 Asset Management G.P. Inc., the general partner of the Manager are as follows:

John Pereira  
Ontario, Canada

Neal Kerr  
Ontario, Canada

Gregory Joseph  
Ontario, Canada

Raquel Costa  
Ontario, Canada

Todd Flick  
Ontario, Canada

Craig Gilchrist  
Ontario, Canada

Anil Mohan  
Ontario, Canada

Jim Morris  
Ontario, Canada

Anna Tung  
Ontario, Canada

Simon Mielniczuk  
Ontario, Canada

Since the start of the Funds' most recently completed financial year, neither the Manager, the General Partner, their executive officers and directors, nor their respective affiliates, associates and subsidiaries, as applicable, were indebted to the Funds or were involved in any transaction or arrangement with the Funds other than as set out herein.

### **MANAGEMENT FEES AND OTHER PAYMENTS**

The trustee of the Funds has not received any remuneration in its capacity as such.

The management fees (including GST/HST), paid by each Fund to the Manager and its affiliates (as applicable) since the Funds' most recently completed fiscal year ending December 31, 2020, until August 31, 2021 are set out below:

<b>Name of Fund</b>	<b>Management Fees</b>
Scotia CanAm Index Fund	\$568,357
Scotia International Equity Index Fund	\$219,731
Scotia Nasdaq Index Fund	\$4,203,856

### **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

With the exception of the Management Agreement and except as disclosed above, no informed person of the Manager, or any associate or affiliate of any informed person has or has had a material interest, direct or indirect, in any transaction since the commencement of the Funds' most recently completed financial year or in any proposed transaction which has or would materially affect the Funds. The Manager will continue to provide management services to the Continuing Fund after the Merger. See "Fee Structures" above for information on compensation paid to the Manager with respect to the Continuing Fund.

### **AUDITOR**

The auditor of each Fund is PricewaterhouseCoopers LLP of Toronto, Ontario.

**APPROVAL**

The contents of this Information Circular and its distribution to securityholders of the Funds have been approved by the board of directors of the Manager, as trustee and manager of the Funds.

Dated at Toronto, Ontario, this 27<sup>th</sup> day of September, 2021.

**1832 ASSET MANAGEMENT G.P. INC., as general partner on behalf of 1832 ASSET MANAGEMENT L.P.**

By: “Neal Kerr”  
Neal Kerr  
President

By: “Gregory Joseph”  
Gregory Joseph  
Chief Financial Officer

## SCHEDULE A

### Resolution of Scotia CanAm Index Fund

#### (the “Terminating Fund”)

**WHEREAS** it is desirable and in the interests of the Terminating Fund that it merge with Scotia U.S. Equity Index Fund (the “**Continuing Fund**”);

**AND WHEREAS** terms that are defined in the Management Information Circular dated September 27, 2021 (the “**Circular**”) are used in this Resolution with the meaning attributed to them in the Circular;

#### **RESOLVED THAT:**

1. the merger of the Terminating Fund with the Continuing Fund (the “**Merger**”) as described in the Circular be hereby authorized and approved;
2. the Manager is hereby authorized to take all necessary steps required to carry out the Merger including, without limitation, to:
  - (a) transfer all of the assets of the Terminating Fund (other than such assets as are necessary to satisfy its liabilities) to the Continuing Fund in exchange for securities of the Continuing Fund;
  - (b) ensure that the Terminating Fund will receive securities of the Continuing Fund, the aggregate value of which will be equal to the net asset value (“**NAV**”) of the Terminating Fund immediately prior to the transfer of its assets to the Continuing Fund;
  - (c) redeem and cancel the securityholders’ securities of the Terminating Fund and distribute the securities of the Continuing Fund received by the Terminating Fund to securityholders of the Terminating Fund as redemption proceeds;
  - (d) ensure that each securityholder of the Terminating Fund receives securities of the Continuing Fund, the aggregate value of which is equal to the NAV of the securities of the Terminating Fund previously held by the securityholder as of the close of business on the Effective Date; and
  - (e) as soon as reasonably possible following the Merger, terminate the Terminating Fund;
3. any officer or director of the Manager is hereby authorized and directed on behalf of the Terminating Fund to execute and deliver all such documents and do all such acts and things, including the filing of any applications for regulatory relief, as may be necessary or desirable to implement this Resolution, including without limitation the execution of any amendments to the constating documents or management agreement of the Terminating Fund; and
4. the Manager shall have the right to revoke or delay the implementation of this Resolution for any reason whatsoever in its sole and absolute discretion without further approval of the securityholders of the Terminating Fund if it considers such course of action to be in the best interests of the Terminating Fund, the Continuing Fund or their respective securityholders.

## **SCHEDULE B**

### **Resolution of Scotia International Equity Index Fund**

#### **(the “Fund”)**

**WHEREAS** it is desirable and in the interests of the Fund to change the investment objective of the Fund as described in the management information circular dated September 27, 2021 (the “**Circular**”) and as hereinafter provided;

**AND WHEREAS** terms that are defined in the Circular are used in this Resolution with the meaning attributed to them in the Circular;

#### **RESOLVED THAT**

1. the change of the investment objective of the Fund to substantially the following is hereby approved:

The fund’s objective is long-term capital growth by tracking the performance of a generally recognized international equity index. It invests primarily in the stocks that are included in the index.

#### **(the “Proposed Objective Change”)**

2. all matters ancillary to, or necessary or desirable, for the implementation of the Proposed Objective Change, including but not limited to changes to the Fund’s investment strategies, are hereby authorized and approved;
3. any officer or director of the Manager is hereby authorized and directed on behalf of the Fund to execute and deliver all such documents and do all such acts and things as may be necessary or desirable to implement this Resolution; and
4. notwithstanding that this Resolution has been passed by securityholders, the Manager is hereby authorized to delay, modify or terminate implementation of the Proposed Objective Change or make such other changes contemplated by this Resolution if the Manager determines in its sole discretion that it would be necessary or desirable.

## **SCHEDULE C**

### **Resolution of Scotia Nasdaq Index Fund**

#### **(the “Fund”)**

**WHEREAS** it is desirable and in the interests of the Fund to change the investment objective of the Fund as described in the management information circular dated September 27, 2021 (the “**Circular**”) and as hereinafter provided;

**AND WHEREAS** terms that are defined in the Circular are used in this Resolution with the meaning attributed to them in the Circular;

#### **RESOLVED THAT**

1. the change of the investment objective of the Fund to substantially the following is hereby approved:

The fund’s objective is aggressive long-term capital growth by tracking the performance of the Nasdaq 100 Index. It invests primarily in the stocks that are included in the index.

#### **(the “Proposed Objective Change”)**

2. all matters ancillary to, or necessary or desirable, for the implementation of the Proposed Objective Change, including but not limited to changes to the Fund’s investment strategies, are hereby authorized and approved;
3. any officer or director of the Manager is hereby authorized and directed on behalf of the Fund to execute and deliver all such documents and do all such acts and things as may be necessary or desirable to implement this Resolution; and
4. notwithstanding that this Resolution has been passed by securityholders, the Manager is hereby authorized to delay, modify or terminate implementation of the Proposed Objective Change or make such other changes contemplated by this Resolution if the Manager determines in its sole discretion that it would be necessary or desirable.