

NINEPOINT-TEC PRIVATE CREDIT FUND

Managed by Ninepoint Partners LP



July 28, 2022

Dear Unitholder:

You are invited to attend the special meeting (the "**Meeting**") of Unitholders of Ninepoint-TEC Private Credit Fund ("**NTPC**") to be held on September 1, 2022 at 10:00 a.m. (Toronto time). In order to proactively deal with the public health impacts of COVID-19 and to mitigate risks to the health and safety of our communities, unitholders of NTPC ("**Unitholders**") and other stakeholders, NTPC will hold the Meeting in virtual format with participation electronically. Unitholders will not be able to attend the Meeting in person. To participate in the Meeting, Unitholders will need to visit www.virtualshareholdermeeting.com/TEC2022, on September 1, 2022 at 10:00 a.m. (Toronto time) and log-in using the 16-digit control number included in their proxy form. Guests will be able to attend the Meeting through the live webcast only, by joining the webcast as a guest at www.virtualshareholdermeeting.com/TEC2022. At the virtual Meeting, Unitholders will be able to attend, vote or ask questions during the Meeting. Guests may listen to the Meeting but will not be able to vote or ask questions. The matters to be addressed at the Meeting are set out in the attached Notice of Special Meeting of Unitholders dated July 28, 2022 (the "**Notice**").

The Meeting is being held to consider, and if deemed advisable, authorize by resolution of the Unitholders (the "**Resolution**"), the restructuring of NTPC (the "**Restructuring**") that will occur by:

- a) offering Unitholders a choice through the mechanics set out in the Management Information Circular to participate in a new fund, Ninepoint-TEC Private Credit Fund II ("**NTPCII**") or remain in NTPC, which will be undertaking an orderly liquidation and subsequent termination (NTPC, in such wind-down mode, is referred to as the "**Liquidating Fund**" and, together with NTPCII, the "**Funds**" and each, a "**Fund**")
- b) for Unitholders that will be participating in NTPCII, all classes of units of NTPC ("**Units**") will be converted into corresponding classes of units of NTPCII and the assets of NTPC attributable to such units will be transferred to NTPCII;
- c) for Unitholders that will be continuing in the Liquidating Fund, the Liquidating Fund will undertake an orderly liquidation and subsequent termination; and
- d) NTPCII will operate with materially the same investment strategy, objectives and other terms as currently govern NTPC, but with certain changes to liquidity and redemption features that are consistent with current industry practices and better aligned with investors who can bear the higher risks associated with illiquid private credit investments (including changing redemption frequency to quarterly, implementing aggregate quarterly limits on cash redemptions and providing for the potential issuance of redemption notes), calculation and payment of performance fees and operating expenses and certain other changes as described herein.

Ninepoint Partners LP, the Manager of NTPC (the “**Manager**”) believes that all Unitholders will benefit from the Restructuring because it will allow Unitholders to choose to participate in the Fund that best aligns with their particular interests.

Unitholders that are looking to exit their full positions in NTPC as soon as liquidity becomes available (the “**Liquidating Unitholders**”) may prefer to remain in the Liquidating Fund, as it will be managed by the Manager to provide liquidity through the orderly wind-up and liquidation of the remaining assets of the Liquidating Fund. Unitholders that desire to continue to gain exposure to NTPC’s investment strategy and objectives (the “**Continuing Unitholders**”) will likely prefer to move to NTPCII, as it will be managed by the Manager as a going concern with liquidity features that are consistent with current industry practices and better aligned with investors who can bear the higher risks associated with illiquid private credit investments. Unitholders may not choose to participate in both Funds. The entirety of a Unitholder’s existing NTPC units will either be converted into units of NTPCII or will remain in the Liquidating Fund.

All costs of the Restructuring, including with respect to the Meeting and the formation of NTPCII, will be borne solely by the Manager.

MECHANICS OF RESTRUCTURING

Participation in NTPCII

Unitholders that wish to participate in NTPCII and become Continuing Unitholders will be deemed to have elected to convert their existing NTPC Units to units of NTPCII, provided that they do not have any partial or full Outstanding Redemption Requests (as defined below) and do not submit a redemption request at any time prior to the Withdrawal Deadline (as defined below).

Unitholders who wish to become Continuing Unitholders, but have pending redemption requests in respect of NTPC Units that were suspended or cancelled and subsequently reinstated (collectively, the “Outstanding Redemption Requests”), must fully withdraw their Outstanding Redemption Requests by August 26, 2022 at 4:00 p.m. (the “Withdrawal Deadline”) in order to have their existing NTPC units converted to units of NTPCII. To withdraw their Outstanding Redemption Requests, Unitholders must contact their dealer/advisor and request that they fax the Unitholder’s withdrawal instructions to one of the following fax numbers: 416-643-3616; 416-643-3655 or 1-855-884-0493. The instructions should contain the account number and fund number, along with the dealer representative code as a reference. Dealers/ advisors withdrawing a number of Outstanding Redemption Requests may send an excel spreadsheet containing the account number and fund number and dealer representative code to URKDealerRelations@cibcmellon.com and clientrelations.RK@cibcmellon.com.

On the effective date of the Restructuring, anticipated to be on or about September 30, 2022 (the “Effective Date”) Continuing Unitholders will have their units of NTPC converted into the corresponding class of units of NTPCII on a 1:1 ratio.

The units of NTPCII will be qualified investments for Tax Deferred Plans (as defined herein) for purposes of the *Income Tax Act* (Canada) (the “Tax Act”), provided that NTPCII qualifies as a mutual fund trust for the purposes of the Tax Act.

Participation in the Liquidating Fund

Liquidating Unitholders must have a full or partial Outstanding Redemption Request by the Withdrawal Deadline.

Unitholders who have Outstanding Redemption Requests, whether in respect of a full or partial redemption of their Units, and wish to become Liquidating Unitholders, do not need to take any action.

Unitholders who do not have Outstanding Redemption Requests, but wish to become Liquidating Unitholders, must submit a redemption request for their Units before the Withdrawal Deadline.

Following the Effective Date, Liquidating Unitholders will continue to hold 100% of the Units of NTPC that they held prior to the Effective Date by remaining in the Liquidating Fund. All Liquidating Unitholders will receive distribution of assets in cash on the same schedule *pro rata* as part of the orderly wind-down and liquidation of the Liquidating Fund, expected to be provided in quarterly increments, beginning on or about December 30, 2022.

Unitholders may not choose to participate in both Funds. The entirety of a Unitholder's existing NTPC units will either be converted into units of NTPCII or will remain in the Liquidating Fund.

The below table outlines what action a Unitholder is required to take depending on whether it wishes to become a Liquidating Unitholder or Continuing Unitholder on the Effective Date.

Unitholder	Participate in the Liquidating Fund / Become a Liquidating Unitholder	Participate in NTPCII / Become a Continuing Unitholder
Has Outstanding Redemption Request	No action required	Withdraw Outstanding Redemption Requests through their dealer/advisor by August 26, 2022 at 4:00 pm
Does not have Outstanding Redemption Request	Submit redemption request through their dealer/advisor by August 26, 2022 at 4:00 pm	No action required. NTPC Units will be automatically converted to the corresponding classes of units of NTPCII.

The Liquidating Unitholders' Units of the Liquidating Fund after the Effective Date will cease to be qualified investments for Tax Deferred Plans (as defined in NTPC's offering memorandum) as of December 31, 2022 for purposes of the Tax Act.

The current suspension of redemptions will be terminated by the Manager on the Effective Date, subject to the ability of Unitholders to submit or withdraw redemption requests through their dealer/advisor prior to the Withdrawal Deadline. After the Effective Date, the Continuing Unitholders may submit subscriptions or redemption requests to NTPCII subject to the provisions of NTPCII described in the accompanying management information circular dated July 28, 2022 (the "Circular") and the offering memorandum of NTPCII (the "Offering Memorandum").

For greater certainty, Unitholders may vote for the Restructuring and have their investment liquidated in the Liquidating Fund, as described above and in the Circular. If the Restructuring is not approved by the requisite number of Unitholders or the Manager determines in its sole discretion not to proceed with the Restructuring, NTPC will be liquidated and wound down according to the terms set out in the NTPC's offering memorandum and further described in the accompanying Circular.

OTHER AMENDMENTS TO LIQUIDATING FUND

NTPC is governed by an amended and restated trust agreement dated June 1, 2015, as amended on May 6, 2019 (the "NTPC Trust Agreement") that also governs two other funds managed by the Manager. The trustee of NTPC is CIBC Mellon Trust Company (the "Trustee"). In order to implement the Restructuring, the Trustee and the Manager will amend the Trust Agreement, solely as it applies to the Liquidating Fund, such that the investment objective and strategy of the Liquidating Fund will be changed

to provide for an orderly liquidation and wind down. As the Liquidating Fund receives cash, it will be paid out to all Liquidating Unitholders *pro rata* in quarterly increments, beginning on December 30, 2022. Unitholders will receive distributions in cash of the assets of the Liquidating Fund for their Units at the net asset value per Unit on each quarter-end. There will be no new subscriptions and no cash distributions after the Effective Date. All distributions will be reinvested in units of the Liquidating Fund at the net asset value per unit on the distribution date. On the Effective Date, a *pro rata* portion of the assets net of liabilities of NTPC attributable to Continuing Unitholders will be transferred to NTPCII, while the *pro rata* portion of the assets net of liabilities attributable to Liquidating Unitholders will remain in the Liquidating Fund. Each Fund will participate in each investment in proportion to the aggregate net asset value of the NTPC Units held by its unitholders on the Effective Date compared to all NTPC Unitholders. The management fees of the Liquidating Fund will be reduced by 15 basis points on April 1, 2023 and further reduced by another 15 basis points on October 1, 2023.

NTPCII

NTPCII will be established and governed by a trust agreement (the “**Trust Agreement**”) between the Manager and the Trustee as the trustee of NTPCII. The Trust Agreement will be substantially in the same form, with substantially the same provisions, as the NTPC Trust Agreement, except for the changes as noted in this Circular and such other changes that are necessary or desirable, in the opinion of the Manager to facilitate and implement the Restructuring and to make the terms of NTPCII consistent with current industry practices and better aligned with investors who can bear the higher risks associated with illiquid private credit investments, including without limitation, changes to the provisions attaching to the units and the operation, administration and related administration fees of NTPCII, all as more fully described in the accompanying Circular and Offering Memorandum. All classes of units of NTPC held by Continuing Unitholders will be converted into classes of units of NTPCII with substantially the same features.

REQUIRED APPROVALS AND MANAGER RECOMMENDATION

The board of directors of Ninepoint Partners GP Inc., the general partner of the Manager (the “Board”), has determined that the Restructuring is in the best interest of the Unitholders, NTPC, the Liquidating Fund and NTPCII. The Independent Review Committee of NTPC (the “IRC”) reviewed the proposed Restructuring and the process to be followed in connection with the Restructuring, and has advised the Manager that, in the IRC’s opinion, the Restructuring achieves a fair and reasonable result for NTPC and the Liquidating Fund. Accordingly, the Board unanimously recommends that Unitholders vote FOR the resolution approving the Restructuring, the wind-down and termination of NTPC through the Liquidating Fund, the transfer of a *pro rata* portion of investments held by NTPC to the Continuing Fund representing the Continuing Unitholders’ interests and the continuation of the Continuing Unitholders’ investments in NTPCII (the “Resolution”). The full text of the Resolution is set forth in Schedule “B” of the Circular.

In order to become effective, the Resolution must be approved by the majority of the votes cast by the Class A Unitholders, Class A1 Unitholders, Class D Unitholders, Class E Unitholders, Class F Unitholders, Class F1 Unitholders, Class FD Unitholders, Class FT Unitholders, Class I Unitholders, Class I1 Unitholders and Class T Unitholders, voting together as a single class, represented by proxy at the Meeting, or any adjournment or postponement thereof. If approved, the Restructuring is expected to be implemented on or about September 30, 2022, or such other date as the Manager may determine in its sole discretion. If the Restructuring is not approved, NTPC will be terminated and the Unitholders will receive distributions in cash of the assets of NTPC for their Units as the assets of NTPC are liquidated.

If the Restructuring is approved, Continuing Unitholders’ units of NTPC will be converted to units of NTPCII on a 1:1 basis and Liquidating Unitholders will receive distributions in cash of the assets of the Liquidating Fund for their Units quarterly as the assets of the Liquidating Fund are liquidated, as described above and in the accompanying Circular.

Attached is the Notice of the Meeting and the Circular that contains important information relating to the Restructuring. You are urged to read the Circular carefully and consult your financial, legal and tax

advisors with respect to how to vote. In particular, the Circular describes among other things, the details of the Restructuring, the benefits that the Manager believes the Restructuring will have, the tax consequences and material risks of the Restructuring, how Unitholders may exercise their voting rights and where Unitholders can find additional information. For more details on the tax consequences of the Restructuring, see “*Tax Considerations Regarding the Restructuring*” in the Circular.

If you are in doubt as to how to deal with the matters described in the Circular, you should consult your financial advisor, or, if you wish, please contact our investor relations team at Ninepoint by contacting (416) 943-6706 or (866) 299-9906 or invest@ninepoint.com.

VOTING

If you are a registered Unitholder (i.e., your name appears on the register of the Units maintained by or on behalf of NTPC), we encourage you to complete, sign, date and return the accompanying form of proxy (the “**Form of Proxy**”) so that your Units can be voted at the Meeting (or at any adjournments or postponements thereof) in accordance with your instructions. All voting must be made by returning a completed Form of Proxy in a manner described below by no later than 4:00 p.m. (Toronto time) on August 30, 2022.

Beneficial holders of Units of NTPC (collectively “**Beneficial Holders**” and each a “**Beneficial Holder**”) should note that only proxies deposited by Unitholders whose names appear on the records of NTPC as the registered holders of units, or if such Units are held in an account managed on a discretionary basis, by a discretionary advisor can be recognized and acted upon at the Meeting. Units held in accounts overseen by discretionary account managers can only be voted upon the instructions of the discretionary account manager. The discretionary account manager will receive one Form of Proxy for all Units of NTPC administered by such manager on a discretionary basis. **A registered Unitholder or discretionary account manager receiving a Form of Proxy cannot use that form to vote Units directly at the Meeting. Rather, the Form of Proxy must be returned to Broadridge Financial Solutions, Inc. (“Broadridge”) well in advance of the Meeting to have the Units voted. In addition, a registered Unitholder or discretionary manager may vote their Units at the Meeting by logging on with their 16-digit control number. Broadridge will tabulate the results of all proxies received.**

To be effective, the Form of Proxy must be submitted to Broadridge in one of the following manners by no later than 4:00 p.m. (Toronto time) on August 30, 2022 (the “**Proxy Deadline**”). Broadridge must receive the completed Form of Proxy prior to the Proxy Deadline. Notwithstanding the foregoing, the Chair of the Meeting has the discretion to accept proxies received after such deadline.

VOTE BY INTERNET	VOTE BY MAIL	VOTE BY TELEPHONE
To vote by Internet, visit www.proxyvote.com or scan the QR Code to access the website. You will need your 16-digit control number located on the form of proxy. Vote cut-off is 04:00 PM AUGUST 30, 2022.	Return the completed, signed and dated form of proxy by mail in the business reply envelope to: Data Processing Centre, P.O. Box 3700 STN Industrial Park, Markham, ON L3R 9Z9	You may enter your vote instruction by telephone at 1-800-474-7493 (English) or 1-800-474-7501 (French) . You will need your 16-digit control number located on the form of proxy.

In the event that NTPC is required to adjourn the Meeting because a quorum of Unitholders was not met, any reconvened meeting following such adjourned Meeting will be held for the same purposes set out in the Notice on September 1, 2022 via live audio webcast available online using www.virtualshareholdermeeting.com/TEC2022 and the same 16-digit control number located on the Form of Proxy, beginning at 10:30 a.m. (Toronto time). At the adjourned meeting, the business of the Meeting will be transacted by those Unitholders represented by proxy.

The Manager may, in its sole discretion, decide to postpone the Meeting. Any such postponed meeting will be held within 14 days of the date of the Meeting. The notice of postponement of the Meeting will be communicated to the Unitholders before the commencement of the Meeting and will set out the date and time of the postponed meeting.

(Signed) "John Wilson"

John Wilson

Co-Chief Executive Officer and Managing Partner

Ninepoint Partners LP, Manager of Ninepoint-TEC

Private Credit Fund

NINEPOINT-TEC PRIVATE CREDIT FUND

Managed by Ninepoint Partners LP



**NOTICE OF SPECIAL MEETING OF UNITHOLDERS
(to be held on Thursday, September 1, 2022)**

and

MANAGEMENT INFORMATION CIRCULAR

July 28, 2022

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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 that they relate to NTPC, the Liquidating Fund, NTPCII or the Manager. Forward-looking statements are not historical facts but reflect the current expectations of the Manager regarding future results or events. Such forward-looking statements reflect the Manager’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 the offering memorandum of NTPCII (the “**Offering Memorandum**”) accompanying the Circular and have been reproduced in Schedule “C” to the Circular. Some additional risks relating to the restructuring of NTPC and/or the Liquidating Fund have been included in the Circular under the heading *Risk Factors*. Although the forward-looking statements contained in the Circular are based upon assumptions that NTPC and the Manager believe to be reasonable, the Manager cannot 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 Unitholders with information about the Restructuring, the Liquidating Fund and NTPCII and may not be appropriate for other purposes. None of NTPC, the Liquidating Fund, NTPCII nor the Manager assume any obligation to update or revise forward-looking statements to reflect new events or circumstances, except as required by law.

**NOTICE OF THE SPECIAL MEETING
OF CLASS A UNITHOLDERS, CLASS A1 UNITHOLDERS, CLASS D UNITHOLDERS, CLASS E
UNITHOLDERS CLASS F UNITHOLDERS, CLASS F1 UNITHOLDERS, CLASS FD UNITHOLDERS,
CLASS FT UNITHOLDERS, CLASS I UNITHOLDERS, CLASS I1 UNITHOLDERS AND CLASS T
UNITHOLDERS OF
NINEPOINT-TEC PRIVATE CREDIT FUND**

TAKE NOTICE that a special meeting (the “**Meeting**”) to be held on Thursday, September 1, 2022 at 10:00 am. (Toronto time) of holders of (a) Class A units (the “**Class A Units**”) of Ninepoint-TEC Private Credit Fund (“**NTPC**”) (the “**Class A Unitholders**”); (b) Class A1 units (the “**Class A1 Units**”) of NTPC (the “**Class A1 Unitholders**”); (c) Class D units (the “**Class D Units**”) of NTPC (the “**Class D Unitholders**”); (d) Class E units (the “**Class E Units**”) of NTPC (the “**Class E Unitholders**”) (e) Class F units (the “**Class F Units**”) of NTPC (the “**Class F Unitholders**”); (f) Class F1 units (the “**Class F1 Units**”) of NTPC (the “**Class F1 Unitholders**”); (g) Class FD units (the “**Class FD Units**”) of NTPC (the “**Class FD Unitholders**”); (h) Class FT units (the “**Class FT Units**”) of NTPC (the “**Class FT Unitholders**”) (i) Class I1 units (the “**Class I1 Units**”) of NTPC (the “**Class I1 Unitholders**”); and (j) Class T units (the “**Class T Units**”) of NTPC (the “**Class T Unitholders**”) will be held in virtual- format via live audio webcast available online at www.virtualshareholdermeeting.com/TEC2022. NTPC also offers Class I units (the “**Class I Units**”, and, together with Class A Units, Class A1 Units, Class D Units, Class E Units, Class F Units, Class F1 Units, Class FD Units, Class FT Units, Class I1 Units and Class T Units, the “**Units**”) which are held by Ninepoint Alternative Income Fund (the “**Class I Unitholder**”, and, together with Class A Unitholders, Class A1 Unitholders, Class D Unitholders, Class E Unitholders, Class F Unitholders, Class F1 Unitholders, Class FD Unitholders, Class FT Unitholders, Class I1 Unitholders and Class T Unitholders, the “**Unitholders**”). Ninepoint Alternative Income Fund, as the only holder of Class I Units, will not be voting on the matters set forth herein.

Purpose of the Meeting

The purpose of the Meeting is as follows:

1. to consider and, if thought appropriate, approve, without variation, a resolution (the “**Resolution**”) in the form attached as Schedule “**B**” to the accompanying management information circular dated July 28, 2022 (the “**Circular**”) authorizing and approving the restructuring of NTPC (the “**Restructuring**”), to occur by (a) offering Unitholders a choice to participate in a new fund, Ninepoint-TEC Private Credit Fund II (“**NTPCII**”) or remain in NTPC, which will be undertaking an orderly liquidation and subsequent termination (NTPC, in such wind-down mode, is referred to as the “**Liquidating Fund**” and, together with NTPCII, the “**Funds**” and each, a “**Fund**”) (b) for Unitholders that will be participating in NTPCII, all classes of Units of NTPC will be converted into corresponding classes of units of NTPCII and the assets of NTPC net of liabilities attributable to such units will be transferred to NTPCII (c) for Unitholders that will be continuing in the Liquidating Fund, the Fund will undertake an orderly liquidation and subsequent termination of the Liquidating Fund in the manner described in the Circular; and
2. to transact such other business as may properly come before the Meeting, or any adjournment or postponement thereof.

Details of the matters to be voted on at the Meeting or any adjournment(s) or postponement(s) thereof are more fully described in the accompanying Circular.

If Unitholders approve the Restructuring, it is proposed that the Restructuring take effect after the close of business on or about September 30, 2022 or such later date as may be determined by the Manager in its discretion (the “**Effective Date**”).

Mechanics of the Restructuring

Participation in NTPCII

Unitholders who desire to continue their investment in NTPC by becoming unitholders in NTPCII (“Continuing Unitholders”) will be deemed to have elected to convert their existing NTPC Units to units of NTPCII, provided that they do not have any partial or full Outstanding Redemption Requests (as defined below) and do not submit a redemption request at any time prior to the Withdrawal Deadline (as defined below).

Unitholders who wish to become Continuing Unitholders, but have pending redemption requests in respect of their NTPC Units that were suspended or cancelled and subsequently reinstated (collectively, the “Outstanding Redemption Requests”), must fully withdraw their Outstanding Redemption Requests by August 26, 2022 at 4:00 p.m. (the “Withdrawal Deadline”) in a manner described in the Circular in order to have their existing NTPC Units converted to units of NTPCII.

On the Effective Date, Continuing Unitholders will have their Units of NTPC converted into the corresponding class of units of NTPCII on a 1:1 ratio.

Participation in the Liquidating Fund

Unitholders who prefer to liquidate their investment in NTPC through participation in the Liquidating Fund (“Liquidating Unitholders”) must have a full or partial Outstanding Redemption Request by the Withdrawal Deadline.

Unitholders who have Outstanding Redemption Requests, whether in respect of a full or partial redemption of their Units of NTPC, and wish to become Liquidating Unitholders, do not need to take any action.

Unitholders who do not have Outstanding Redemption Requests, but wish to become Liquidating Unitholders, must submit a redemption request before the Withdrawal Deadline.

Following the Effective Date, Liquidating Unitholders will continue to hold 100% of the Units of NTPC that they held prior to the Effective Date by remaining in the Liquidating Fund. All Liquidating Unitholders will receive distributions in cash of the assets of the Liquidating Fund for their Units on the same schedule *pro rata* as part of the orderly wind-down and liquidation of the Liquidating Fund, expected to be provided in quarterly increments, beginning on or about December 30, 2022.

Unitholders may not choose to participate in both Funds. The entirety of a Unitholder’s existing NTPC Units will either be converted into units of NTPCII or will remain in the Liquidating Fund.

In order to proactively deal with the public health impacts of COVID-19 and to mitigate risks to the health and safety of our communities, Unitholders and other stakeholders, NTPC will hold the Meeting as a virtual-only format with participation electronically. Unitholders will not be able to attend the Meeting in person. Unitholders may attend the Meeting virtually, or may be represented thereat by proxy.

Included with this notice of meeting and Circular, is a form of proxy (the “**Form of Proxy**”).

Registered Unitholders as of July 28, 2022 (the “**Record Date**”) wishing to be represented by proxy at the Meeting or any adjournment or postponement thereof must return his, her or its completed, dated and signed Form of Proxy in a manner described below by 4:00 p.m. (Toronto time) on August 30, 2022. Notwithstanding the foregoing, the Chair of the Meeting has the discretion to accept proxies received after such deadline.

Unitholders who hold their Units with a bank, broker or other financial intermediary are not registered Unitholders. Non-registered Unitholders should note that only proxies deposited by Unitholders whose names appear on the records of NTPC as the registered holders of Units or, if such Units are held in an

account managed on a discretionary basis, by a discretionary advisor can be recognized and acted upon at the Meeting. Units held in accounts overseen by discretionary account managers can only be voted upon the instructions of the discretionary account manager. The discretionary account manager will receive one Form of Proxy for all Units administered by such manager on a discretionary basis. **A registered Unitholder or discretionary account manager receiving a Form of Proxy cannot use that form to vote Units directly at the Meeting. Rather, the Form of Proxy must be returned to Broadridge Financial Solutions, Inc. (“Broadridge”) well in advance of the Meeting to have the Units voted. In addition, a registered Unitholder or discretionary manager may vote their Units at the Meeting by logging on with their 16-digit control number. Broadridge will tabulate the results of all proxies received.**

To be effective, the Form of Proxy must be submitted to Broadridge in one of the following manners by no later than 4:00 p.m. (Toronto time) on August 30, 2022.

VOTE BY INTERNET	VOTE BY MAIL	VOTE BY TELEPHONE
<p>To vote by Internet, visit www.proxyvote.com or scan the QR Code to access the website. You will need your 16-digit control number located on the form of proxy. Vote cut-off is 04:00 PM AUGUST 30, 2022.</p>	<p>Return the completed, signed and dated form of proxy by mail in the business reply envelope to: Data Processing Centre, P.O. Box 3700 STN Industrial Park, Markham, ON L3R 9Z9</p>	<p>You may enter your vote instruction by telephone at 1-800-474-7493 (English) or 1-800-474-7501 (French). You will need your 16-digit control number located on the form of proxy.</p>

The proxyholder has discretion under the accompanying Form of Proxy with respect to any amendments or variations of the matter of business to be acted on at the Meeting or any other matters properly brought before the Meeting or any adjournment(s) or postponement(s) thereof, in each instance, to the extent permitted by law, whether or not the amendment, variation or other matter that comes before the Meeting is routine and whether or not the amendment, variation or other matter that comes before the Meeting is contested. As at the date hereof, the Manager knows of no amendments, variations or other matters to come before the Meeting other than the matters set forth in this Notice of Meeting. Unitholders are encouraged to review the Circular carefully and consult with their financial, legal and tax advisors with respect to how to vote before submitting the Form of Proxy.

The Record Date for the determination of Unitholders entitled to receive notice of and to vote at the Meeting or any adjournment or postponement thereof is July 28, 2022. Only Unitholders whose names have been entered in the register of Units at the close of business on the Record Date will be entitled to receive notice of, and to vote at, the Meeting.

If the Meeting is adjourned because the requisite quorum of Unitholders is not in attendance or for any other reason, the adjourned meeting will be held on September 1, 2022 via live audio webcast available online www.virtualshareholdermeeting.com/TEC2022 and the same 16-digit control number located on the Form of Proxy, beginning at 10:30 a.m. (Toronto time). At the adjourned meeting, the business of the Meeting will be transacted by those Unitholders represented by proxy.

The Manager may, in its sole discretion, decide to postpone the Meeting. Any such postponed meeting will be held within 14 days of the date of the Meeting. The notice of postponement of the Meeting will be communicated to the Unitholders before the commencement of the Meeting and will set out the date and time of the postponed meeting.

DATED at Toronto, Ontario this 28 day of July, 2022.

**By Order of the Board of Directors of Ninepoint Partners GP Inc.
the General Partner of Ninepoint Partners LP, as Manager of
Ninepoint-TEC Private Credit Fund**

By: (Signed) "*John Wilson*"

John Wilson

Co-Chief Executive Officer and Managing Partner

Unless otherwise indicated, the information in this management information circular (the “**Circular**”) is given as at July 28, 2022

**MANAGEMENT INFORMATION CIRCULAR
IN RESPECT OF THE SPECIAL MEETING
OF UNITHOLDERS OF
NINEPOINT-TEC PRIVATE CREDIT FUND**

This management information circular (the “**Circular**”) is being made available to holders of (a) Class A units (the “**Class A Units**”) of Ninepoint-TEC Private Credit Fund (“**NTPC**”) (the “**Class A Unitholders**”); (b) Class A1 units (the “**Class A1 Units**”) of NTPC (the “**Class A1 Unitholders**”); (c) Class D units (the “**Class D Units**”) of NTPC (the “**Class D Unitholders**”); (d) Class E units (the “**Class E Units**”) of NTPC (the “**Class E Unitholders**”) (e) Class F units (the “**Class F Units**”) of NTPC (the “**Class F Unitholders**”); (f) Class F1 units (the “**Class F1 Units**”) of NTPC (the “**Class F1 Unitholders**”); (g) Class FD units (the “**Class FD Units**”) of NTPC (the “**Class FD Unitholders**”); (h) Class FT units (the “**Class FT Units**”) of NTPC (the “**Class FT Unitholders**”) (i) Class I1 units (the “**Class I1 Units**”) of NTPC (the “**Class I1 Unitholders**”); and (j) Class T units (the “**Class T Units**”) of NTPC (the “**Class T Unitholders**”) in connection with the Meeting (as defined below) for the reasons set out in the accompanying Notice of the Special Meeting of Unitholders of Ninepoint-TEC Private Credit Fund (the “**Notice**”). NTPC also offers Class I units (the “**Class I Units**”, and, together with Class A Units, Class A1 Units, Class D Units, Class E Units, Class F Units, Class F1 Units, Class FD Units, Class FT Units, Class I1 Units and Class T Units, the “**Units**”) which are held by Ninepoint Alternative Income Fund (the “**Class I Unitholder**”, and, together with Class A Unitholders, Class A1 Unitholders, Class D Unitholders, Class E Unitholders, Class F Unitholders, Class F1 Unitholders, Class FD Unitholders, Class FT Unitholders, Class I1 Unitholders and Class T Unitholders, the “**Unitholders**”). Ninepoint Alternative Income Fund, as the only holder of Class I Units, will not be voting on the matters set forth herein.

SUMMARY

Date, Time and Place of Meeting

The special meeting (the “**Meeting**”) of the Class A Unitholders, Class A1 Unitholders, Class D Unitholders, Class E Unitholders, Class F Unitholders, Class F1 Unitholders, Class FD Unitholders, Class FT Unitholders, Class I Unitholders, Class I1 Unitholders and Class T Unitholders, all voting together as a single class, will be held on September 1, 2022 at 10:00 a.m. (Toronto time) in virtual format via live audio webcast available online using www.virtualshareholdermeeting.com/TEC2022 and the 16-digit control number located on the form of proxy.

Purpose of the Meeting

The purpose of the Meeting is (i) for Unitholders to consider, and if deemed advisable, authorize by resolution the restructuring of NTPC as described below; and (ii) to transact such other business as may properly come before the Meeting, or any adjournment or postponement thereof.

Summary of Key Dates

Record Date	July 28, 2022
Withdrawal Deadline	August 26, 2022 at 4:00 p.m.
Proxy Due Date	August 30, 2022 at 4:00 p.m.
Meeting Date	September 1, 2022
Anticipated Effective Date of the Restructuring	September 30, 2022 ⁽¹⁾
Anticipated Start Date for Liquidating Fund Cash Distributions of Assets	December 30, 2022

- (1) The Effective Date is expected to be on or about September 30, 2022, but may be a later date, as determined by the Manager in its discretion.

PROPOSED RESTRUCTURING

The purpose of the Meeting is to consider the restructuring of NTPC (the “**Restructuring**”) by:

- a) offering Unitholders a choice through the mechanics set out herein to participate in a new fund, Ninepoint-TEC Private Credit Fund II (“**NTPCII**”) or remain in NTPC, which will be undertaking an orderly liquidation and subsequent termination (NTPC, in such wind-down mode, is referred to as the “**Liquidating Fund**” and, together with NTPCII, the “**Funds**” and each, a “**Fund**”);
- b) for Unitholders that will be participating in NTPCII, all classes of Units of NTPC will be converted into corresponding classes of units of NTPCII and the assets of NTPC attributable to such units will be transferred to NTPCII;
- c) for Unitholders that will be continuing in the Liquidating Fund, the Liquidating Fund will undertake an orderly liquidation and subsequent termination; and
- d) NTPCII will operate with materially the same investment strategy, objectives and other terms as currently govern NTPC, but with certain changes to liquidity and redemption features that are consistent with current industry practices and better aligned with investors who can bear the higher risks associated with illiquid private credit investments (including changing redemption frequency to quarterly, implementing aggregate quarterly limits on cash redemptions and providing for the potential issuance of redemption notes), calculation and payment of performance fees and operating expenses and certain other changes as described herein.

A summary comparison of the existing terms of NTPC and the proposed terms of the Liquidating Fund and NTPCII is set out under “Comparison of the Terms of Ninepoint-TEC Private Credit Fund and Ninepoint-TEC Private Credit Fund II” in Schedule “A” to this Circular.

At the Meeting, Unitholders will be asked to consider and, if thought appropriate, approve, without variation, a resolution (the “**Resolution**”) in the form attached as Schedule “B” to this Circular, authorizing and approving the Restructuring in the manner described below.

If the Resolution is approved at the Meeting, the Restructuring is expected to be effective on or about September 30, 2022, or such other date as the Manager may determine in its sole discretion (the “**Effective Date**”).

Background

On February 28, 2022, the Manager announced that it was suspending redemptions in NTPC due to tensions in the market for private debt funds that resulted in a significant and sudden increase in redemption requests received by the Manager for NTPC and other private debt funds managed by the Manager. All redemption requests submitted, but not paid, were suspended or cancelled (the “**Outstanding Redemption Requests**”).

Rationale for the Proposed Restructuring

Ninepoint Partners LP, the manager of NTPC that will also be the manager of NTPCII (the “Manager” or “Ninepoint”), is proposing the Restructuring. All costs of the Restructuring, including with respect to the Meeting and the formation of NTPCII, will be borne solely by the Manager.

The Manager believes that Unitholders will benefit from the Restructuring because it will allow Unitholders to choose to participate in the Fund that best aligns with their particular interests. Unitholders that are

looking to exit their full positions in NTPC as soon as liquidity becomes available (the “**Liquidating Unitholders**”) may prefer to remain in the Liquidating Fund, as it will be managed by the Manager to provide liquidity through the orderly wind-up and liquidation of the remaining assets of the Liquidating Fund. Unitholders that desire to continue to gain exposure to NTPC’s investment strategy and objectives, including follow-on investments (the “**Continuing Unitholders**”), will likely prefer to move to NTPCII, as it will be managed by the Manager as a going concern with liquidity features that are consistent with current industry practices and better aligned with investors who can bear the higher risks associated with illiquid private credit investments. Unitholders may not choose to participate in both Funds. The entirety of a Unitholder’s NTPC Units will either be converted into units of NTPCII or will remain in the Liquidating Fund.

In particular, in proposing the Restructuring, the Manager considered, among other things, the following factors and their benefits to the Unitholders:

Liquidating Unitholders / Liquidating Fund

- (a) ***Orderly Exit if the Restructuring is Implemented:*** Unitholders who wish to exit their full positions in NTPC will remain invested in the Liquidating Fund. The Liquidating Fund will participate in NTPC’s portfolio of assets (the “**Portfolio**”) in respect of its *pro rata* portion attributable to Liquidating Unitholders, however, that portion of Portfolio will be subject to orderly wind-up and liquidation. The remaining *pro rata* share of the Portfolio attributable to Continuing Unitholders will be transferred to NTPCII on the Effective Date. The entire Portfolio will continue to be managed by the Manager and its sub-advisor, Third Eye Capital Management Inc. (the “**Sub-Advisor**”). The Manager believes that this structure will enable the Liquidating Unitholders to receive cash distributions of the assets of the Liquidating Fund for their Units *pro rata* as the assets are liquidated, expected to be paid in quarterly increments beginning on or about December 30, 2022. See below “Mechanics of Restructuring”, “Risk Factors” and “Tax Considerations Regarding the Restructuring”.
- (b) ***Loss of Eligibility for Tax Deferred Plans for Liquidating Unitholders:*** If the Restructuring is implemented, as of December 31, 2022, investments in the Liquidating Fund will cease to be qualified investments for a trust governed by a registered retirement savings plan (“**RRSP**”), a registered retirement income fund (“**RRIF**”), a registered disability savings plan (“**RDSP**”), a deferred profit sharing plan (“**DPSP**”), a registered education savings plan (“**RESP**”), a tax-free savings account (“**TFSA**” and together with RRSPs, RRIFs, RDSPs, DPSPs and RESPs collectively referred to as “**Tax Deferred Plans**”) for the purposes of Tax Act. See below “Mechanics of Restructuring”, “Risk Factors” and “Tax Considerations Regarding the Restructuring”.
- (c) ***Delayed Liquidation if the Restructuring is Not Implemented:*** If the Restructuring is not implemented, NTPC will terminate and the Manager will liquidate all Unitholders’ positions in equal Unit amounts. Assets sold by the NTPC in a liquidation may not necessarily be those that the Manager or Sub-Advisor would have chosen to sell in the ordinary course, and such dispositions will lead to a higher concentration of illiquid investments, and it may not be possible for NTPC to liquidate such investments at favorable values or on favorable terms or at NTPC’s current valuations. In certain circumstances, such factors could adversely affect the value of the Portfolio. The time period required for liquidation of Unitholders’ positions and termination of NTPC will depend on the Manager’s ability to liquidate the Portfolio in an orderly fashion and obtain the cash for wind-down.

Continuing Unitholders / NTPCII

- (a) ***Classes of Units of NTPCII Will Have Substantially the Same Features:*** If the Restructuring is approved, the existing Classes of Units of NTPC held by the Continuing Unitholders, will be converted to corresponding classes of units of NTPCII, with substantially the same features, except as described herein and in the accompanying Offering Memorandum. Provided NTPCII qualifies as a mutual fund trust for the purposes of the Tax Act, units of NTPCII will be qualified investments for Tax Deferred Plans for the

purposes of Tax Act. The following table sets out the conversion of existing classes of NTPC into the corresponding classes of NTPCII:

Existing Class of NTPC	Converted to the Class of NTPCII
Class A	Class A
Class A1	Class A1
Class D	Class D
Class E	Class E
Class F	Class F
Class F1	Class F1
Class FD	Class FD
Class FT	Class FT
Class I	Class I
Class I1	Class I1
Class T	Class T

- (b) **New Features of NTPCII Will Make it More Marketable:** The proposed features of NTPCII are consistent with current industry practices and better aligned with investors who can bear the higher risks associated with illiquid private credit investments, which will make it more marketable. NTPCII will provide investors with better visibility into the level of redemptions requested in NTPCII on a quarterly basis. The main differences between the proposed terms of NTPCII and the current terms of NTPC, as well as the terms of the Liquidating Fund, as a result of the Restructuring, are outlined below and further summarized in Schedule “A” to this Circular.

Term	NTPC current	Liquidating Fund post Restructuring	NTPCII post Restructuring
Investment Strategy and Objectives	See current NTPC offering memorandum	As of the Effective Date, the investment objective of the Liquidating Fund to be changed to provide for an orderly liquidation and winding down of the Fund.	No material changes in comparison to the current investment strategy and objectives of NTPC.
Investment assets (the “Portfolio”)	See current NTPC offering memorandum	The Liquidating Fund will have a <i>pro rata</i> share in all investments in the Portfolio. The Portfolio will continue to be managed by the Manager and the Sub-Advisor.	NTPCII will have a <i>pro rata</i> share in all investments in the Portfolio. The Portfolio will continue to be managed by the Manager and the Sub-Advisor.

Term	NTPC current	Liquidating Fund post Restructuring	NTPCII post Restructuring
Subscriptions	<p><u>Monthly</u>: Units may be purchased at the NAV per Unit as at the close of business on a Valuation Date. "Valuation Date" means the last business day (that is, the last day on which the Toronto Stock Exchange is open for trading) of each month and on such other business day or days as the Manager may in its discretion designate.</p> <p>During any suspension of redemptions, Manager will not accept subscriptions.</p>	As of the Effective Date, the Manager will not accept new subscriptions to the Liquidating Fund.	<p>No change.</p> <p>Manager will start accepting new subscriptions as of the Effective Date.</p>
Redemptions	<u>Monthly</u> : Units may be redeemed at their NAV per unit on any Valuation Date, subject to 120 days notice period.	As of the Effective Date, no new redemption requests will be accepted.	<u>Quarterly</u> : As of the Effective Date, Units may be redeemed at their NAV per Unit on the last business day of each calendar quarter (" Redemption Date "), subject to 120 days notice period.
Redemption Notice Period	120 days prior to Valuation Date	N/A	<p>120 days prior to Redemption Date</p> <p>For all Classes of Units, only 30 days notice is required prior to quarter end provided a concurrent subscription is received by the Manager that at minimum offsets the redemption request. Acceptance of offsetting subscription and the concurrent redemption are at the absolute discretion of the Manager. Notwithstanding the submission of an offsetting subscription, an early redemption fee will apply (subject to certain exceptions) to such newly subscribed Units that are redeemed within 12 months of the date of subscription.</p>
Redemption Limits	Unitholders whose total combined investment in all classes of Units in the Fund represents 20% or greater of the Net Asset Value of the Fund are restricted from filing a redemption request which exceeds 20% of the Net Asset Value of the Fund, when measured at market value.	N/A	If for any calendar quarter the sum of cash distributions and redemption requests in aggregate exceeds 5% of the Net Asset Value of the Fund for the previous quarter (the " Redemption Cap "), cash distributions will be paid out first and redemptions in excess of the Redemption Cap will be reduced pro rata based on dollar value specified on the Redemption

Term	NTPC current	Liquidating Fund post Restructuring	NTPCII post Restructuring
	<p>Redemption requests which in any three-month period in aggregate exceed 5% or more of the outstanding Units, may be redeemed, in the Manager's discretion, in equal Unit amounts over a period of up to 18 months beginning on the first Valuation Date which is at least 120 calendar days following receipt of such Redemption Notice, or in one aggregated payment at any time during the period of 18 months beginning on the first Valuation Date which is at least 120 calendar days following receipt of such Redemption Notice.</p>		<p>Notice (or the equivalent value in Units) and the maximum dollar value (or equivalent value in Units) permitted to be redeemed on the Redemption Date under the Redemption Cap, and any portion of redemption requests unable to be satisfied in cash, the Unitholder, by default, shall cancel, unless such redeeming Unitholders otherwise elects to receive Redemption Notes in satisfaction of the portion of their redemption request in excess of the Redemption Cap. Unitholders may submit any cancelled redemption requests for the following Redemption Date. Such cancelled and resubmitted redemption requests will not have priority over new redemption requests submitted for the subsequent Redemption Date and will be subject to Redemption Cap</p>
Redemption Notes	N/A	N/A	<p>Once the quarterly Redemption Cap is reached, redeeming Unitholders may request to receive from the Fund in satisfaction of the portion of the redemption request in excess of the Redemption Cap, redemption notes of the Fund ("Redemption Notes") in satisfaction of the portion of the redemption request in excess of the Redemption Cap that would otherwise be cancelled. Redemption Notes will be issued at 10% discount on the NAV of the Units, will have a maturity of 5 years or less, will be non-interest bearing and will be callable on demand by the Fund. Redemption Notes will be unsecured and subordinated debt securities of the Fund. There will be no market for Redemption Notes. Redemption Notes will not be qualified investments for Tax Deferred Plans.</p>
Early Redemption Fee	<p>Units redeemed within the first 12 months of purchase may be subject to 2% early redemption fee payable to the Fund.</p>	N/A	<p>Units redeemed on December 31, 2022, March 31, 2023, June 30, 2023 and September 30, 2023 will be subject to a 5% early redemption fee payable to</p>

Term	NTPC current	Liquidating Fund post Restructuring	NTPCII post Restructuring
	<p>The determination of whether to charge the early redemption fee is at the discretion of the Manager and will be made by the Manager in accordance with its then current policies and procedures.</p>		<p>the Fund regardless of the date of purchase.</p> <p>After September 30, 2023, units redeemed within the first 12 months of purchase may be subject to a 2% early redemption fee payable to the Fund.</p> <p>The determination of whether to charge the early redemption fee is at the discretion of the Manager and will be made by the Manager in accordance with its then current policies and procedures.</p> <p>Notwithstanding the foregoing, no early redemption fee will be charged to the redemption of Units held in Tax Deferred Plans that are subject to minimum withdrawal requirements under the Tax Act, such as a life income fund (“LIF”), locked-in retirement income fund (“LRIF”) or locked-in retirement account (“LIRA”), and the redemption is made to satisfy such requirements.</p>
<p>Suspension of Redemptions</p>	<p><u>Conditions:</u> Manager has the right to suspend redemptions and calculation of NAV for (i) any period when normal trading is suspended on any exchange where the Fund’s securities are traded which, in the aggregate, represent directly or indirectly more than 50% by value or underlying market exposure of the total assets of the Fund without allowance for liabilities or (ii) for any period not exceeding 120 days during which the Manager determines that conditions exist that render sale of assets impractical or impair the ability to calculate NAV.</p>	<p>N/A</p>	<p><u>Conditions:</u> Manager has the right to suspend redemptions and calculation of NAV for (i) any period when normal trading is suspended on any exchange where the Fund’s securities are traded or (ii) when the Manager determines that conditions exist that render sale of assets not reasonably practicable or the sale of such assets would be prejudicial to Unitholders or at prices materially below their current valuation or which impair the ability to calculate NAV, subject to applicable securities legislation and any exemptive relief granted or (iii) the effect of withdrawals or redemptions would violate applicable law or would violate or cause serious adverse consequences under any investment or agreement governing any indebtedness incurred by the Fund or would</p>

Term	NTPC current	Liquidating Fund post Restructuring	NTPCII post Restructuring
	<p>(b) <u>Applicable Redemptions</u>: Subject to Section 3.6 hereof, a suspension may, at the discretion of the Manager, apply to all Redemption Notices received prior to the suspension, but as for which payment has not been made, as well as to all Redemption Notices received while the suspension is in effect. In such circumstances, all Unitholders shall have, and shall be advised that they have, the right to withdraw their Redemption Notice or receive payment based on the Class Net Asset Value of the particular class of Units determined on the first Valuation Date following the date on which the suspension is terminated. During any period during which redemptions are suspended, the Manager will not accept any subscriptions for the purchase of Units.</p> <p><u>Suspension Termination</u>: A 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 there is no other condition for suspension. Subject to Applicable Laws, any declaration of suspension made by the Manager shall be conclusive.</p>		<p>seriously impair the Fund's ability to operate.</p> <p>(b) <u>Applicable Redemptions</u>: Subject to Section 3.6 hereof, a suspension may, at the discretion of the Manager, apply to all Redemption Notices received prior to the suspension, but as for which payment has not been made, as well as to all Redemption Notices received while the suspension is in effect. In such circumstances, all outstanding redemption requests will be cancelled, and no additional redemption requests will be accepted until the suspension has ended. During any period during which redemptions are suspended, the Manager will not accept any subscriptions for the purchase of Units.</p> <p><u>Suspension Termination</u>: no changes.</p>
Management Fees	See current NTPC offering memorandum	Management Fees will be reduced by 15 basis points on April 1, 2023 and further reduced by another 15 basis points on October 1, 2023.	<p>The same Management Fees currently charged to each class of NTPC will be charged to the corresponding class of NTPCII.</p> <p>For each of calendar year 2022 and 2023, if any class of Units does not reach a 6% annualized return (after adding back any Performance Fee, HST, operating expenses and service commission, in each case where applicable and accrued and/or paid during the calendar year), the Manager will provide a rebate (the "Management Fee</p>

Term	NTPC current	Liquidating Fund post Restructuring	NTPCII post Restructuring
			<p>Rebate) to the Fund in respect of any Class of Units that does not reach such return up to the lesser of (i) the full Management Fee less service commission, where applicable, earned in that calendar year, and (ii) a rebate equivalent to the amount required in order for such class of Units to achieve a 6% annualized return (after adding back any Performance Fee, HST, operating expenses and service commission, in each case where applicable and accrued and/or paid during the calendar year). Any applicable Management Fee Rebate will be accrued monthly and realized December 31 in respect of any class of Units for which a rebate is payable by the Manager.</p>
<p>Performance Fees</p>	<p>See current NTPC offering memorandum</p>	<p>Changes to Performance Fee in the Liquidating Fund as of the Effective Date:</p> <ul style="list-style-type: none"> • No change in hurdles/fee structure • Calculated monthly in line with the NAV cycle • Crystallized (paid to the Manager) only when units are being redeemed • Portion of accrued fee paid to the Manager is based on number of units being redeemed • No Hurdle/NAV reset as there is no crystallization until an investor is redeemed out of the Fund. 	<p>No changes in comparison to the current Performance Fees of NTPC.</p>

Other Amendments to the Liquidating Fund

NTPC is governed by an amended and restated trust agreement dated June 1, 2015, as amended on May 6, 2019 (the “**NTPC Trust Agreement**”) that also governs two other funds managed by the Manager. The trustee of NTPC is CIBC Mellon Trust Company (the “**Trustee**”). In order to implement the Restructuring, the Trustee and the Manager will amend the Trust Agreement, solely as it will apply to the

Liquidating Fund, such that the investment objective and strategy of the Liquidating Fund will be changed to provide for an orderly liquidation and wind down. As the Liquidating Fund receives cash, it will be paid out to all Liquidating Unitholders *pro rata* in quarterly increments, beginning on December 30, 2022. Unitholders will receive cash distributions of the assets of the Liquidating Fund for their Units at the net asset value per Unit on each quarter-end. There will be no new subscriptions and no cash distributions after the Effective Date. All distributions will be reinvested in units of the Liquidating Fund at the net asset value per unit on the distribution date. On the Effective Date, a *pro rata* portion of the assets of NTPC attributable to Continuing Unitholders will be transferred to NTPCII, while the *pro rata* portion of the assets attributable to Liquidating Unitholders will remain in the Liquidating Fund. Each Fund will participate in each investment in proportion to the aggregate net asset value of the NTPC units held by its unitholders on the Effective Date compared to all NTPC unitholders.

Details of the Proposed Restructuring and NTPCII

If the Restructuring is approved, NTPCII will be established and governed by a trust agreement (the “**Trust Agreement**”) between the Manager and the Trustee as the trustee of NTPCII. The Trust Agreement will be substantially in the same form, with substantially the same provisions, as the NTPC Trust Agreement, except for the changes as noted in this Circular and such other changes that are necessary or desirable, in the opinion of the Manager to facilitate and implement the Restructuring and to make the terms of NTPCII consistent with current industry practices and better aligned with investors who can bear the higher risks associated with illiquid private credit investments, including without limitation, changes to the provisions attaching to the Units and the operation, administration and related administration fees of NTPCII, all as more fully described in this Circular and the accompanying Offering Memorandum.

All classes of Units of NTPC held by the Continuing Unitholders will be converted into corresponding classes of units of NTPCII with substantially the same features. Provided NTPCII qualifies as a mutual fund trust for the purposes of the Tax Act, the units of NTPCII will be qualified investments for Tax Deferred Plans for the purposes of the Tax Act.

A separate series of units of each class of NTPCII that is accepting subscriptions will be open to accept new subscriptions.

Redemption of Units

If the Restructuring is approved, it will result in the units of NTPCII having the following redemption features:

- Unitholders will be able to redeem Units at their NAV per Unit on the last business day of each calendar quarter (Redemption Date).
- the redemption notice period will be 120 days. The Manager may, in its absolute discretion, shorten the redemption notice period to 30 days where the Manager receives a concurrent subscription that at minimum offsets the redemption requested. Where the Manager permits a reduced redemption notice period, the applicable redemption will not count towards the redemption limit and the proceeds from the offsetting subscription may be used to make the redemption payment;
- there will be a cash limit on redemptions set to 5% of the NAV of NTPCII for the previous quarter, applicable to any quarter where the sum of cash distributions and redemption requests exceeds this limit, with cash distributions being paid first and cash redemptions being paid *pro rata* up to the limit;
- redemption requests in excess of the limit will be cancelled and may be resubmitted for payment on the following Redemption Date, unless a Unitholder requests to receive Redemption Notes in satisfaction of the portion of the redemption request in excess of the redemption limit, in which case such portion of the redemption request made by that Unitholder will not be cancelled;
- Redemption Notes will be issued at a 10% discount on the NAV of the Units with a 5 year maturity term, will be non-interest bearing and will be callable on demand by the Fund;

- Redemptions submitted for December 30, 2022, March 31, 2023, June 30, 2023 and September 30, 2023 Redemption Dates may be subject to a 5% early redemption fee, payable to NTPCII. For any following Redemption Date, units may be subject to 2% early redemption fee, payable to NTPCII if redeemed within first 12 months from the date of purchase;
- in the event of a future suspension of redemptions, all outstanding redemption requests will be cancelled and no additional redemption requests will be accepted until the suspension has ended. Unitholders desiring to redeem their Units following the end of the suspension of redemptions will have to submit a new redemption request.

Fees and Expenses Before and After the Restructuring

Liquidating Fund

The management fees of the Liquidating Fund will be reduced by 15 basis points on April 1, 2023 and further reduced by an additional 15 basis points on October 1, 2023 in comparison to the current management fees of NTPC and the performance fees will be calculated but not paid out until all of the assets of the Liquidating Fund are distributed. The Liquidating Fund will not accept any subscriptions or redemption requests and will not make any cash distributions after the Effective Date.

NTPCII

The Management Fees will be the same as the current Management Fees in NTPC. For each of calendar year 2022 and 2023, if any class of Units does not reach a 6% annualized return (after adding back any performance fee, HST, operating expenses and service commission, in each case where applicable and accrued and/or paid during the calendar year), the Manager will provide the Management Fee Rebate to the Fund in respect of any Class of Units that does not reach such return up to the lesser of (i) the full Management Fee less service commission, where applicable, earned in that calendar year and (ii) a rebate equivalent to the amount required in order for such class of Units to achieve a 6% annualized return (after adding back any performance fee, HST, operating expenses and service commission, in each case where applicable and accrued and/or paid during the calendar year). Such rebate will only apply to Management Fees charged by NTPCII, and not fees that may be paid by an investor outside the Fund. For calendar year 2022, the 6% return will be measured across the class of units in NTPC prior to the Restructuring and the corresponding class of units of NTPCII after the Effective Date.

For the Continuing Unitholders, there will be no changes after the Restructuring to the Performance Fees currently charged in NTPC.

RECOMMENDATIONS

The board of directors of Ninepoint Partners GP Inc., the general partner of the Manager (the “Board”), has determined that the Restructuring is in the best interests of NTPC, the Liquidating Fund and the Unitholders and unanimously recommends that Unitholders vote FOR the Resolution, the full text of which is set forth in Schedule “B” to this Circular, approving the Restructuring.

In arriving at such determinations, consideration was given to, among other things, factors set forth under *“Proposed Restructuring – Rationale for the Proposed Restructuring”*.

The Independent Review Committee of NTPC (“IRC”) reviewed the terms of the Restructuring and recommended that the Restructuring be put to Unitholders for their consideration on the basis that it achieves a fair and reasonable result for NTPC and Unitholders.

Ninepoint Alternative Income Fund, as the only holder of Class I Units of the Fund, will not be voting on the Resolution but has expressed its support for such matters described herein.

MECHANICS OF RESTRUCTURING - EFFECT OF RESTRUCTURING ON REDEMPTIONS

Participation in NTPCII

Unitholders that wish to participate in NTPCII and become Continuing Unitholders will be deemed to have elected to convert their existing NTPC units to units of NTPCII, provided that they do not have any partial or full Outstanding Redemption Requests and do not submit a redemption request at any time prior to the Withdrawal Deadline (as defined below).

Unitholders who wish to become Continuing Unitholders, but have Outstanding Redemption Requests, must fully withdraw their Outstanding Redemption Requests by August 26, 2022 at 4:00 p.m. (the "Withdrawal Deadline") in order to have their existing NTPC units converted to units of NTPCII. To withdraw their Outstanding Redemption Requests, Unitholders must contact their dealer/advisor and request that they fax the Unitholder's withdrawal instructions to one of the following fax numbers: 416-643-3616; 416-643-3655 or 1-855-884-0493. The instructions should contain the account number and fund number, along with the dealer representative code as a reference. Dealers/ advisors withdrawing a number of Outstanding Redemption Requests may send an excel spreadsheet containing the account number and fund number and dealer representative code to URKDealerRelations@cibcmellon.com and clientrelations.RK@cibcmellon.com.

On the Effective Date, Continuing Unitholders will have their Units of NTPC converted into the corresponding class of units of NTPCII on a 1:1 ratio.

The units of NTPCII will be qualified investments for Tax Deferred Plans for purposes of the Tax Act, provided that NTPCII qualifies as a mutual fund trust for the purposes of the Tax Act.

Participation in the Liquidating Fund

Liquidating Unitholders must have a full or partial Outstanding Redemption Request by the Withdrawal Deadline.

Unitholders who have Outstanding Redemption Requests, whether in respect of a full or partial redemption of their Units of NTPC, and wish to become Liquidating Unitholders, do not need to take any action.

Unitholders who do not have Outstanding Redemption Requests, but wish to become Liquidating Unitholders, must submit a redemption request before the Withdrawal Deadline.

Following the Effective Date, Liquidating Unitholders will continue to hold 100% of the Units of NTPC that they held prior to the Effective Date by remaining in the Liquidating Fund. All Liquidating Unitholders will receive cash distributions of the assets of the Liquidating Fund for their Units *pro rata* as part of the orderly wind-down and liquidation of the Liquidating Fund, expected to be paid in quarterly increments beginning on or about December 30, 2022.

Unitholders may not choose to participate in both Funds. The entirety of a Unitholder's existing Units will either be converted into units of NTPCII or will remain in the Liquidating Fund.

The below table outlines what action a Unitholder is required to take depending on whether it wishes to become a Liquidating or Continuing Unitholder on the Effective Date.

Unitholder	Participate in the Liquidating Fund / Become a Liquidating Unitholder	Participate in NTPCII / Become a Continuing Unitholder
Has Outstanding Redemption Request	No action required	Withdraw Outstanding Redemption Requests through

Unitholder	Participate in the Liquidating Fund / Become a Liquidating Unitholder	Participate in NTPCII / Become a Continuing Unitholder
		their dealer/advisor by August 26, 2022 at 4:00 pm
Does not have Outstanding Redemption Request	Submit redemption request through their dealer/advisor by August 26, 2022 at 4:00 pm	No action required. NTPC Units will be automatically converted to the corresponding classes of units of NTPCII.

The Liquidating Unitholders' Units of NTPC after the Effective Date will cease to be qualified investments for Tax Deferred Plans as of December 31, 2022 for purposes of the Tax Act.

The current suspension of redemptions will be terminated by the Manager on the Effective Date, subject to the ability of Unitholders to submit or withdraw redemption requests through their dealer/advisor prior to the Withdrawal Deadline. After the Effective Date, the Continuing Unitholders may submit subscriptions or redemption requests to NTPCII subject to the provisions of NTPCII described in this Circular and the accompanying Offering Memorandum.

For greater certainty, Unitholders may vote for the Restructuring and have their investment liquidated in the Liquidating Fund, as described above. If the Restructuring is not approved by the requisite number of Unitholders or the Manager determines in its sole discretion not to proceed with the Restructuring, NTPC will be liquidated and wound down according to the terms set out in NTPC's offering memorandum and further described in this Circular.

RISK FACTORS

Certain risk factors relating to NTPCII and its units are described in the Offering Memorandum accompanying this Circular and have been reproduced in Schedule "C" hereto. A copy of the Offering Memorandum may also be obtained on request without charge from the Manager at its head office located at Royal Bank Plaza, South Tower, 200 Bay Street, Suite 2700, P.O. Box 27, Toronto, Ontario, M5J 2J1 and, if the Restructuring is implemented, will be available on the Manager's website at: <https://www.ninepoint.com/funds/ninepoint-canadian-senior-debt-fund/> or by emailing invest@ninepoint.com.

In addition to the considerations set out in the Offering Memorandum and elsewhere in this Circular, the following are certain considerations relating to the Restructuring. The risk factors should be carefully evaluated by Unitholders and prospective investors.

Restructuring Risk Factors Related to Liquidating Fund

Units of the Liquidating Fund Will Cease to be Qualified Investments

The Liquidating Unitholders' Units of the Liquidating Fund will cease to be qualified investments for Tax Deferred Plans as of December 31, 2022 for purposes of the Tax Act. Holding non-qualified investments in a Tax Deferred Plan can result in adverse tax consequences. Unitholders are urged to consult their own tax advisors in that regard.

Liquidating Fund's Liquidity Uncertain

While the Manager will begin an orderly wind-down and liquidation of the Liquidating Fund following the Effective Date and expects to provide quarterly incremental pay outs beginning on or about December 30, 2022, the Manager cannot provide any guarantees as to the timing of the liquidation of all of the Liquidating Fund's assets. The Liquidating Fund may be in wind-down and liquidation mode for a significant period of

time. Additionally, while NTPCII will be subject to the redemption limits described in this Circular, certain Continuing Unitholders may be able to achieve full liquidity of their positions in advance of Liquidating Unitholders where such Continuing Unitholders submit a redemption request that NTPCII is able to process in full before the Liquidating Fund has fully liquidated.

Certain of the Liquidating Fund's investments are long-term in nature, for instance loans in re-structuring or workout, or assets or businesses that were taken over by NTPC, and it is uncertain when recovery of capital or returns on these investments will be realized, if ever. Although the Liquidating Fund may earn interest or dividends currently on some of these investments, it is not generally expected that invested capital will be returned for years after the initial investment was made. The Liquidating Fund may have to sell or otherwise dispose of investments at a disadvantageous time or at values or terms less favorable than the Continuing Fund.

Inter-fund Trades

In connection with its wind down and liquidation, the Liquidating Fund may sell or otherwise dispose of investments to NTPCII or other funds or accounts managed or advised by the Manager and/or the Sub-Advisor ("**Inter-fund Trades**"). While the Manager has taken steps to identify and address material conflicts of interest in a client's best interest, including by ensuring all Inter-fund Trades, including those effected by the Sub-Advisor, are made in compliance with standing instructions from the IRC and the exemptive relief granted to it by Canadian securities regulatory authorities, Inter-fund Trades may give rise to conflicts of interest, as the Manager and/or the Sub-Advisor is responsible for determining the terms of the trade, and in particular the price, for both accounts and the terms of the trade may benefit one account to the detriment of the other account.

Risk Factors Related to NTPCII

Financial Condition, Liquidity and Capital Resources of NTPCII

NTPCII expects to generate cash primarily from (i) the net proceeds of sales of units of NTPCII; (ii) cash flows from its investment in the Portfolio and the performance of the investments; and (iii) credit facilities. The primary uses of cash will be for (i) follow-on investments in the Portfolio assets, new investments and other investments, (ii) the cost of operations, and (iii) cash distributions to unitholders of NTPCII.

Redemption Cap Subject to Manager Discretion

The Manager may elect to pay cash distributions and allow cash redemptions of less than 5% of the Net Asset Value of NTPCII for cash proceeds in any calendar quarter with the approval of the IRC if, in the Manager's reasonable judgment it deems such action to be in the best interests of NTPCII or the Unitholders. As a result, less than 5% of the Net Asset Value of NTPCII may be available each quarter for cash distributions and cash redemptions, such as when such redemptions would place an undue burden on our liquidity, adversely affect NTPCII's operations or risk having an adverse impact on NTPCII that would outweigh the benefit to Unitholders of maintaining the quarterly 5% Redemption Cap. Where the Redemption Cap in such instance is less than 5% of the Net Asset Value of NTPCII, a Unitholder may nonetheless request Redemption Notes of the amount of the redemption request that exceeds the Redemption Cap.

Redemption Notes Not Qualified Investments

If the units of NTPCII are held by a unitholder that is a Tax Deferred Plan, and the Tax Deferred Plan requests to receive Redemption Notes for satisfaction of the portion of the redemption requests in excess of the redemption limit, such Redemption Notes will not be qualified investments for the Tax Deferred Plan. Accordingly, Tax Deferred Plans that own units should consult their own tax advisors before requesting to receive Redemption Notes. See "*Risks Associated with an Investment in the Fund – Redemptions*".

Redemptions

The units of NTPCII are only appropriate for investors willing to hold Units for a substantial period of time and willing to bear the higher risks associated with illiquid private credit investing. Redemptions are permitted only on a quarterly Redemption Date and subject to at least (i) 120 days notice or (ii) 30 days notice where the Manager receives a concurrent subscription that at minimum offsets the redemption requested. Acceptance of offsetting subscription and the concurrent redemption are at the absolute discretion of the Manager.

There are circumstances in which NTPCII may suspend redemptions or intends to limit cash redemptions and cash payments of redemption amounts outstanding, which would lead to a substantial delay in payment of redemptions. The redemption rights of unitholders of NTPCII are restricted by the 5% cash limitation on cash distributions and redemption payments per quarter described under the heading “Redemption of Units”. The operation of the 5% limitation on cash redemptions may result in a substantial delay in receipt of cash redemption payments by unitholders of NTPCII. See “Redemption of Units”.

Substantial redemptions of units could require NTPCII to liquidate positions more rapidly than otherwise desirable to raise the necessary cash to fund redemptions and achieve a market position appropriately reflecting a smaller asset base. Assets sold by NTPCII to meet redemptions may not necessarily be those it would have chosen to sell in the ordinary course, and such dispositions may prevent NTPCII from executing its investment strategy or lead to a higher concentration of illiquid or other investments than would otherwise have occurred. Given NTPCII’s illiquid investments, it may not be possible for NTPCII to liquidate such investments in order to meet redemptions, or to do so at favorable values or on favorable terms or at NTPCII’s current valuations. Such factors could adversely affect the value of the Units redeemed and of the Units that remain outstanding or ability of investors subsequently requesting redemptions to redeem. See “Risks Associated with the Fund’s Underlying Investments – Liquidity of Underlying Investments”.

REQUIRED UNITHOLDER APPROVAL

The full text of the Resolution is set out in Schedule “B”. The Resolution of the Unitholders must be approved by the majority of the votes cast by the Class A Unitholders, Class A1 Unitholders, Class D Unitholders, Class E Unitholders, Class F Unitholders, Class F1 Unitholders, Class FD Unitholders, Class FT Unitholders, Class I1 Unitholders and Class T Unitholders, voting together as a single class, represented by proxy at the Meeting, or any adjournment(s) or postponement(s) thereof. If the requisite Unitholder approval for the Restructuring is not obtained, the Restructuring will not be implemented. The Manager is authorized, in its sole discretion, not to proceed with implementing the Resolution, even if all classes of Unitholders approve such Resolution.

TERMINATION OF THE RESTRUCTURING

The Manager may, at its sole discretion, without further approval of the Unitholders, determine not to proceed with the implementation of the Restructuring.

IF THE RESTRUCTURING DOES NOT PROCEED

If the Resolution is not approved by the Unitholders, or the Manager determines in its sole discretion not to proceed with the Restructuring, NTPC will terminate and the Manager will liquidate the Unitholders’ positions in equal Unit amounts. The time period required for liquidation of Unitholders’ positions and termination of NTPC will depend on the Manager’s ability to liquidate the Portfolio and obtain the cash for orderly liquidation and wind-down.

EXPENSES OF THE RESTRUCTURING

All costs incurred in connection with the Restructuring, including with respect to the Meeting and the formation of NTPCII, will be borne solely by the Manager.

INTERESTS OF MANAGEMENT AND OTHERS IN THE AMENDMENTS

None of the Manager, any director or officer of the Manager, or any associate or affiliate of the Manager has any material interest, directly or indirectly, in the matters to be voted on in the Circular.

VOTING SECURITIES AND PRINCIPAL UNITHOLDERS

As at July 28, 2022, a total of 809,903.534 Class A Units, 11,511,618.736 Class A1 Units, 669,374.089 Class D Units, 4,642,289.019 Class E Units, 4,930,391.773 Class F Units, 78,486,390.994 Class F1 Units, 2,501,568.262 Class FD Units, 776,337.898 Class FT Units, 17,281,807.934 Class I Units, 11,628,290.623 Class I1 Units and 10,000.00 Class T Units were issued and outstanding.

As at July 28, 2022, to the knowledge of the Manager, no person of record owned more than 10% of the outstanding Class A Units, Class A1 Units, Class D Units, Class E Units, Class F Units, Class F1 Units, Class FD Units, Class FT Units, Class I Units, Class I1 Units and Class T Units, other than Ninepoint Alternative Income Fund, which owns 17,281,807.934 Class I Units representing 13.28% of the total number of Units issued and outstanding

Ninepoint Alternative Income Fund, as the only holder of Class I Units of the Fund, will not be voting on the matters set forth herein.

TAX CONSIDERATIONS REGARDING THE RESTRUCTURING

Based on an understanding of the current published administrative policies and assessing practices of the CRA, the Restructuring of the Liquidating Fund should not result in the Liquidating Fund being considered to be a new trust.

The Liquidating Unitholders' Units of the Liquidating Fund will cease to be qualified investments for Tax Deferred Plans as of December 31, 2022 for purposes of the Tax Act.

NTPC's disposition of assets to NTPCII as part of the Restructuring is intended to be a "qualifying disposition" as defined in section 107.4 of the Tax Act (the "**Qualifying Disposition**"). Provided the Qualifying Disposition so qualifies, NTPC will, in accordance with the rules in the Tax Act applicable to qualifying dispositions, be deemed to dispose of such assets for proceeds of disposition equal to the adjusted cost base thereof to NTPC immediately before the Qualifying Disposition, such that no gain or loss will be realized by NTPC in connection with the Qualifying Disposition.

Unitholders (including Continuing Unitholders) will not realize any taxable income or gain solely as a result of the Qualifying Disposition.

Provided NTPCII qualifies as a mutual fund trust for the purposes of the Tax Act, units of NTPCII will be qualified investments for Tax Deferred Plans for the purposes of the Tax Act.

The redemptions of units of NTPCII with a shortened notice period of 30 days and concurrent subscriptions will have the same tax attributes as any other redemption, including tax payable by unitholders on the disposition of units.

Redemption Notes issued in satisfaction of the portion of the redemption request in excess of the Redemption Cap, as described above and in the Offering Memorandum, will not be qualified investments for Tax Deferred Plans. Accordingly, Tax Deferred Plans that own Units should consult their own tax advisors before requesting to receive Redemption Notes.

The foregoing 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 particular Unitholder. This summary is not exhaustive of all Canadian federal income tax considerations. Consequently, Unitholders are urged to consult their own tax advisors to determine the particular tax effects to them of the Restructuring under Canadian federal, provincial, or territorial tax laws and under foreign tax laws, having regard to their own particular circumstances.

Continuing Unitholders should refer to the Offering Memorandum for a discussion of the tax treatment of distributions and redemptions in respect of units of NTPCII.

GENERAL PROXY INFORMATION

Management Information Circular

This Circular is furnished to Unitholders in connection with the solicitation of proxies by the Manager to be used at the Meeting to be held on September 1, 2022 at 10:00 a.m. (Toronto time) or at any adjournment(s) or postponement(s) thereof. The Meeting will be held in virtual format via live audio webcast available online using www.virtualshareholdermeeting.com/TEC2022 and the 16-digit control number located on the Form of Proxy. The purpose of the Meeting, as set forth in the Notice, is to consider the Resolution accompanying this Circular. Solicitation of proxies will be primarily by mail and may be supplemented by telephone, email, internet, fax, or other personal contact by representatives or agents of the Manager without additional compensation.

If you have any questions about, or require assistance completing, the Form of Proxy, please contact the Manager at invest@ninepoint.com.

Voting Instructions for Non-Registered Holders

The information set forth in this section is of significant importance to non-registered beneficial holders of Units (“**Beneficial Holders**”). Beneficial Holders should note that only proxies deposited by Unitholders whose names appear on the records of NTPC as the registered holders of Units or, if such Units are held in an account managed on a discretionary basis, by a discretionary advisor can be recognized and acted upon at the Meeting. Units held in accounts overseen by discretionary account managers can only be voted upon the instructions of the discretionary account manager. The discretionary account manager will receive one Form of Proxy for all Units administered by such manager on a discretionary basis. **A registered Unitholder or discretionary account manager receiving a Form of Proxy cannot use that form to vote Units directly at the Meeting. Rather, the Form of Proxy must be returned to Broadridge Financial Solutions, Inc. (“Broadridge”) well in advance of the Meeting to have the Units voted. In addition, a registered Unitholder or discretionary manager may vote their Units at the Meeting by logging on with their 16-digit control number. Broadridge will tabulate the results of all proxies received.**

Proxy Information, Record Date and Voting Rights

Only registered Unitholders, discretionary account managers and duly appointed proxyholders will be able to vote at the Meeting. To vote in advance of the Meeting using the Form of Proxy accompanying this Circular, Unitholders must return to Broadridge his, her or its completed, dated and signed Form of Proxy in the following manner prior to 4:00 p.m. (Toronto time) on August 30, 2022.

VOTE BY INTERNET	VOTE BY MAIL	VOTE BY TELEPHONE
To vote by Internet, visit www.proxyvote.com or scan the QR Code to access the website. You will need your 16-digit control number located on the form of proxy. Vote cut-off is 04:00 PM AUGUST 30, 2022.	Return the completed, signed and dated form of proxy by mail in the business reply envelope to: Data Processing Centre, P.O. Box 3700 STN Industrial Park, Markham, ON L3R 9Z9	You may enter your vote instruction by telephone at 1-800-474-7493 (English) or 1-800-474-7501 (French) . You will need your 16-digit control number located on the form of proxy.

Only Unitholders of record at the close of business on July 28, 2022 will be entitled to receive notice of the Meeting and to vote in respect of the matters to be voted at the Meeting or any adjournment(s) or postponement(s) thereof.

With respect to each matter properly put before the Meeting, a Unitholder shall be entitled to one vote for each Unit held by such Unitholder. In order to become effective, the Resolution must be approved by the majority of the votes cast by the Class A Unitholders, Class A1 Unitholders, Class D Unitholders, Class E Unitholders, Class F Unitholders, Class F1 Unitholders, Class FD Unitholders, Class FT Unitholders, Class I1 Unitholders and Class T Unitholders, voting together as a single class and represented by proxy at the Meeting or any adjournment(s) or postponement(s) thereof. Ninepoint Alternative Income Fund, as the only holder of Class I Units of the Fund, will not be voting on the matters set forth in the Notice.

Quorum

Pursuant to the NTPC Trust Agreement, a quorum at the Meeting will consist of two Unitholders holding not less than 5% of the outstanding Units represented by proxy and entitled to vote at the Meeting. In the event of such quorum not being present at the appointed place on the date for which the Meeting is called within 30 minutes after the time fixed for the holding of such Meeting, the Meeting shall stand adjourned to such date being not more than 14 days later and to such place and time as may be determined by the chairperson of the meeting. If at such adjourned meeting a quorum as above defined is not present, the Unitholders represented by proxy shall constitute a quorum, and any business may be brought before or dealt with at such an adjourned meeting which might have been brought before or dealt with at the original Meeting in accordance with the notice calling the same. At the adjourned meeting, the business of the Meeting will be transacted by those Unitholders represented by proxy.

Appointment of Proxy Holders

Unitholders may vote through the use of proxies. If you are a Unitholder, you should complete, execute and return a Form of Proxy well in advance of the 4:00 p.m. (Toronto time) deadline on August 30, 2022 for the deposit of proxies. By completing and returning a 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 Units represented by the proxy form, if the same is executed in favour of the Manager's appointees named in the proxy form and deposited as provided in the Notice, will be voted FOR the Resolution.**

Appointee Instructions

You have the right to appoint a person to represent you at the Meeting other than the persons named on your Form of Proxy. You are encouraged to appoint such other person (other than the named proxyholders) online at www.proxyvote.com as this will reduce the risk of any mail disruptions in the current environment and will allow you to share the Appointee Information you have created with any other person you have appointed to represent you at the meeting more easily. If you do not designate the Appointee Information when completing your form of proxy or if you do not provide the exact Appointee Identification Number and Appointee Name to any other person (other than the named proxyholders) who has been appointed to access and vote at the meeting on your behalf, that other person will not be able to access the meeting and vote on your behalf.

You must provide your appointee the exact name and eight-character appointee identification number to access the meeting. Appointees can only be validated at the meeting using the exact name and eight-character appointee identification number you enter. If you do not create an eight-character appointee identification number, your appointee will not be able to access the virtual meeting.

Discretionary Authority of Proxies

The Form of Proxy confers discretionary authority upon the Manager's appointees named therein with respect to amendments to matters identified in the Notice and such other matters as may properly come before the Meeting or any adjournment(s) or postponements(s) thereof. Management of the Manager 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 Manager's appointees named in the Form of Proxy.

On any ballot that may be called for at the Meeting, all Units in respect of which the Manager's appointees named in the accompanying Form of Proxy have been appointed to act will be voted in accordance with the specification of the Unitholder signing the Form of Proxy. If two specifications are made in respect of any matter, such Units will not be voted on such matter. **If no specification is made, the Units will be voted FOR the Resolution and in accordance with the best judgment of the Manager's appointees named in the proxy form with respect to amendments to matters identified in the Notice and such other matters as may properly come before the Meeting or any adjournment(s) or postponement(s) thereof.**

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 Unitholder 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 the Manager no later than 5:00 p.m. (Toronto time) on the day before the Meeting or (b) with the Chairman of the Meeting on the day of the Meeting or any adjournment(s) or postponement(s) thereof. If the instrument of revocation is deposited with the Chairman on the day of the Meeting or any adjournment(s) or postponement(s) 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 the solicitation of proxies in respect of the Meeting will be borne solely 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 Unitholders. In addition to solicitation by mail, officers and directors of the Manager may, without additional compensation, solicit proxies personally or by telephone.

APPROVAL OF THE CIRCULAR

Ninepoint Partners GP Inc., the general partner of the Manager, has approved the contents and the sending of this Circular to the Unitholders.

DATED at Toronto, Ontario this 28th day of July 2022.

(Signed) "John Wilson"

John Wilson
Co-Chief Executive Officer and Managing Partner
Ninepoint Partners LP, Manager of Ninepoint-TEC
Private Credit Fund

**SCHEDULE “A”
COMPARISON OF THE TERMS OF
NINEPOINT-TEC PRIVATE CREDIT FUND AND NINEPOINT-TEC PRIVATE CREDIT FUND II**

The following table describes the differences between NTPC and NTPCII that will be implemented if the Restructuring is approved. Capitalized terms that are otherwise undefined herein have the meanings ascribed to them in the Circular or the NTPC Trust Agreement or the Offering Memorandum.

Fund Term	<u>NTPC current</u>	<u>Liquidating Fund post Restructuring</u>	<u>NTPCII post Restructuring</u>
Investment Objectives and Strategy	See current NTPC offering memorandum	As of the Effective Date, the investment objective of the Liquidating Fund to be changed to provide for an orderly liquidation and winding down of the Fund.	No material changes in comparison to the current investment strategy and objectives of NTPC.
Investment assets (the “Portfolio”)	See current NTPC offering memorandum	The Liquidating Fund will have a pro rata share in all investments in the Portfolio. The Portfolio will continue to be managed by the Manager and the Sub-Advisor.	NTPCII will have a pro rata share in all investments in the Portfolio. The Portfolio will continue to be managed by the Manager and the Sub-Advisor.
Subscriptions	<u>Monthly</u> : Units may be purchased at the NAV per Unit as at the close of business on a Valuation Date. “ Valuation Date ” means the last business day (that is, the last day on which the Toronto Stock Exchange is open for trading) of each month and on such other business day or days as the Manager may in its discretion designate. During any suspension of redemptions, Manager will not accept subscriptions.	As of the Effective Date, the Manager will not accept new subscriptions to the Liquidating Fund.	No change. Manager will start accepting new subscriptions as of the Effective Date.

Fund Term	<u>NTPC current</u>	<u>Liquidating Fund post Restructuring</u>	<u>NTPCII post Restructuring</u>
<p>Distributions</p>	<p><u>Current NTPC terms:</u> Unitholders of Class A1, Class D, Class E, Class F1, Class FD, Class I Units and Class I1 Units will be entitled to receive a monthly distribution equal to 100% of the Net Income of the Fund attributable to such classes, as applicable, from the preceding month. The Fund reserves the right to adjust the distribution amount for Class A1, Class D, Class E, Class F1, Class FD, Class I Units and Class I1 Units if deemed appropriate. Additional distributions of income, if any, and distributions of realized capital gains if any, will be made annually in December. For Class FT Units and Class T Units, Unitholders will receive a target monthly distribution of approximately 6% per annum. These distributions are not guaranteed and may change at any time at the sole discretion of the Manager. Throughout the year, such monthly distributions to Unitholders will be a combination of returns of capital, net income and/or net realized capital gains. Purchasers should not confuse these distributions with the rate of return or yield on Class FT Units or Class T Units, as applicable. Monthly distributions with respect to Class FT Units and Class T Units will be made in</p>	<p>All distributions will automatically reinvested in additional Units of the Liquidating Fund on the date of distribution and there will no longer be cash distributions.</p>	<p>No changes as applicable to corresponding classes of units of NTPCII.</p>

Fund Term	<u>NTPC current</u>	<u>Liquidating Fund post Restructuring</u>	<u>NTPCII post Restructuring</u>
	cash. Additional distributions of income, if any, and distributions of realized capital gains if any, will be made annually in December.		
Redemptions	<u>Monthly</u> : Units may be redeemed at their NAV per unit on any Valuation Date, subject to 120 days notice period.	As of the Effective Date, no new redemption requests will be accepted.	<u>Quarterly</u> : Units may be redeemed at their NAV per Unit on the last business day of each calendar quarter (the " Redemption Date ").
Redemption Notice Period	120 days prior to Valuation Date.	N/A	120 days prior to quarterly Redemption Date. For all Classes of Units, only 30 days notice is required prior to quarter end provided a concurrent subscription is received by the Manager that at minimum offsets the redemption request. Acceptance of offsetting subscription and the concurrent redemption are at the absolute discretion of the Manager. Notwithstanding the submission of an offsetting subscription, an early redemption fee will apply (subject to certain exceptions) to such newly subscribed Units that are redeemed within 12 months of the date of subscription.
Redemption Limits	Any Unitholder whose total combined investment in all classes of Units in the Fund represents 20% or greater of the Net Asset Value of the Fund, when measured at market value, is restricted	N/A	If for any calendar quarter the sum of cash distributions and redemption requests in aggregate exceeds 5% of the Net Asset Value of the Fund for the previous quarter (the

Fund Term	<u>NTPC current</u>	<u>Liquidating Fund post Restructuring</u>	<u>NTPCII post Restructuring</u>
	<p>from filing a redemption request which exceeds 20% of the Net Asset Value of the Fund, when measured at market value.</p> <p>If during any three-month period, the Manager has received from one or more Unitholders an acceptable Redemption Notice to redeem in aggregate 5% or more of the outstanding Units, the Manager may, in its discretion, choose to redeem such Units in equal Unit amounts over a period of up to 18 months beginning on the first Valuation Date which is at least 120 calendar days following receipt of such Redemption Notice, or in one aggregated payment at any time during the period of 18 months beginning on the first Valuation Date which is at least 120 calendar days following receipt of such Redemption Notice. Each such redemption shall be made on a Valuation Date. The Redemption Amount payable to Unitholders will be adjusted by changes in the Net Asset Value of the Fund during this period and calculated on each Valuation Date in respect of the payment to be made on such date.</p>		<p>“Redemption Cap”), cash redemptions will be paid out first and Redemption Cap will be reduced pro rata based on dollar value specified on the Redemption Notice (or the equivalent value in Units) and the maximum dollar value (or equivalent value in Units) permitted to be redeemed on the Redemption Date under the Redemption Cap, and any portion of redemption requests unable to be satisfied in cash, the Unitholder, by default, shall cancel, unless such redeeming Unitholders otherwise elects to receive Redemption Notes in satisfaction of the portion of their redemption request in excess of the Redemption Cap. Unitholders may submit any cancelled redemption requests for the following Redemption Date. Such cancelled and resubmitted redemption requests will not have priority over new redemption requests submitted for the subsequent Redemption Date and will be subject to Redemption Cap.</p> <p>NAV of the Fund for the purposes of determining the Redemption Cap will be calculated as of the last business day of the previous calendar quarter.</p> <p>The Manager may, at its discretion, elect to redeem less than 5% of the</p>

Fund Term	<u>NTPC current</u>	<u>Liquidating Fund post Restructuring</u>	<u>NTPCII post Restructuring</u>
			<p>NAV of the Fund for cash proceeds in any calendar quarter with the approval of the IRC, if in its reasonable judgment it deems such limitation to be in the best interests of the Fund and the Unitholders. Where the Redemption Cap in such instance is less than 5% of the Net Asset Value of the Fund, a Unitholder may nonetheless request Redemption Notes for the amount of a redemption request that exceeds the Redemption Cap and would be otherwise be cancelled.</p>
Redemption Notes	N/A	N/A	<p>If the redeeming Unitholder requests to receive Redemption Notes in satisfaction of the portion of the redemption request in excess of the Redemption Cap, the Fund will issue, subject to receipt of all necessary regulatory approvals (which the Fund shall use reasonable commercial efforts to obtain forthwith), <i>in specie</i> Redemption Notes to such Unitholder. Upon such payment, together with any cash paid to the Unitholder, the Fund shall be discharged from all liability to such Unitholder and any party having a security interest in respect of the Units so redeemed. Each Redemption Note issued to a redeeming Unitholder shall be in the principal amount equal to the amount</p>

Fund Term	<u>NTPC current</u>	<u>Liquidating Fund post Restructuring</u>	<u>NTPCII post Restructuring</u>
			<p>requested to be redeemed in excess of the Redemption Cap for which Redemption Notes are being issued in satisfaction of the original redemption request less 10% of such amount (the “Redemption Notes Discount”).</p> <p>“Redemption Notes” means the unsecured subordinated promissory notes of the Fund having a maturity date and interest rate to be determined at the time of issuance by the Manager, such promissory notes to provide that the Fund shall at any time be allowed to prepay all or any part of the outstanding principal without notice or bonus.</p>
Early Redemption Fee	<p>Units redeemed within the first 12 months of purchase may be subject to 2% early redemption fee payable to the Fund.</p> <p>The determination of whether to charge the early redemption fee is at the discretion of the Manager and will be made by the Manager in accordance with its then current policies and procedures. This early redemption fee will be deducted from the Redemption Amount otherwise payable to a Unitholder and will be paid to the Fund. No early redemption fee will be charged to a Unitholder in respect of the redemption of Units which were</p>	N/A	<p>Units redeemed on December 31, 2022, March 31, 2023, June 30, 2023 and September 30, 2023 will be subject to a 5% early redemption fee payable to the Fund regardless of the date of purchase.</p> <p>After September 30, 2023, units redeemed within the first 12 months of purchase may be subject to a 2% early redemption fee payable to the Fund.</p> <p>The determination of whether to charge the early redemption fee is at the discretion of the Manager and will be made by the Manager in</p>

Fund Term	<u>NTPC current</u>	<u>Liquidating Fund post Restructuring</u>	<u>NTPCII post Restructuring</u>
	<p>acquired by a Unitholder through the automatic reinvestment of all Realized Capital Gains by the Fund or where the Manager requires a Unitholder to redeem some or all of the Units owned by such Unitholder. This early redemption fee is in addition to any other fees a Unitholder is otherwise subject to under the Disclosure Documents.</p>		<p>accordance with its then current policies and procedures. This early redemption fee will be deducted from the Redemption Amount otherwise payable to a Unitholder and will be paid to the Fund. No early redemption fee will be charged to a Unitholder in respect of the redemption of Units which were acquired by a Unitholder through the automatic reinvestment of all distributions of Net Income or Net Realized Capital Gains by the Fund or where the Manager requires a Unitholder to redeem some or all of the Units owned by such Unitholder. This early redemption fee is in addition to any other fees a Unitholder is otherwise subject to under the Disclosure Documents.</p> <p>Notwithstanding the foregoing, no early redemption fee will be charged to the redemption of Units held in Tax Deferred Plans that are subject to minimum withdrawal requirements under the Tax Act, such as a LIF, LRIF or LIRA, and the redemption is made to satisfy such requirements.</p>
Suspension of Redemptions	<p><u>Conditions:</u> Manager has the right to suspend redemptions and calculation of NAV for (i) any period when normal trading is suspended on any exchange where the Fund's securities are traded which, in the aggregate, represent</p>	<p><u>N/A</u></p>	<p><u>Conditions:</u> Manager has the right to suspend redemptions and calculation of NAV for (i) any period when normal trading is suspended on any exchange where the Fund's securities are traded or (ii) when the</p>

Fund Term	<u>NTPC current</u>	<u>Liquidating Fund post Restructuring</u>	<u>NTPCII post Restructuring</u>
	<p>directly or indirectly more than 50% by value or underlying market exposure of the total assets of the Fund without allowance for liabilities or (ii) for any period not exceeding 120 days during which the Manager determines that conditions exist that render sale of assets impractical or impair the ability to calculate NAV.</p> <p>Applicable Redemptions: A suspension may, at the discretion of the Manager, apply to all Redemption Notices received prior to the suspension, but as for which payment has not been made, as well as to all Redemption Notices received while the suspension is in effect. In such circumstances, all Unitholders shall have, and shall be advised that they have, the right to</p>		<p>Manager determines that conditions exist that render sale of assets not reasonably practicable or the sale of such assets would be prejudicial to Unitholders or at prices materially below their current valuation or which impair the ability to calculate NAV, subject to applicable securities legislation and any exemptive relief granted or (iii) the effect of withdrawals or redemptions would violate applicable law or would violate or cause serious adverse consequences under any investment or agreement governing any indebtedness incurred by the Fund or would seriously impair the Fund's ability to operate.</p> <p>Applicable Redemptions: A suspension may, at the discretion of the Manager, apply to all Redemption Notices received prior to the suspension, but as for which payment has not been made, as well as to all Redemption Notices received while the suspension is in effect. In such circumstances, all outstanding redemption requests will be cancelled, and no additional redemption requests will be accepted until the suspension has ended. During any period during which redemptions are suspended, the Manager will not accept any</p>

Fund Term	<u>NTPC current</u>	<u>Liquidating Fund post Restructuring</u>	<u>NTPCII post Restructuring</u>
	<p>withdraw their Redemption Notice or receive payment based on the Class Net Asset Value of the particular class of Units determined on the first Valuation Date following the date on which the suspension is terminated. During any period during which redemptions are suspended, the Manager will not accept any subscriptions for the purchase of Units.</p> <p><u>Suspension Termination:</u> A 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 there is no other condition for suspension. Subject to Applicable Laws, any declaration of suspension made by the Manager shall be conclusive.</p>		<p>subscriptions for the purchase of Units.</p> <p><u>Suspension Termination:</u> no changes.</p>
Management Fees	See current NTPC offering memorandum	Management Fees will be reduced by 15 basis points on April 1, 2023 and further reduced by another 15 basis points on October 1, 2023	<p>The same Management Fees currently charged to each class of NTPC will be charged to the corresponding class of NTPCII.</p> <p>For each of calendar year 2022 and 2023, if any class of Units does not reach a 6% annualized return (after</p>

Fund Term	<u>NTPC current</u>	<u>Liquidating Fund post Restructuring</u>	<u>NTPCII post Restructuring</u>
			<p>adding back any Performance Fee, HST, operating expenses and service commission, in each case where applicable and accrued and/or paid during the calendar year), the Manager will provide the Management Fee Rebate to the Fund in respect of any Class of Units that does not reach such return up to the lesser of (i) the full Management Fee less service commission, where applicable, earned in that calendar year and (ii) a rebate equivalent to the amount required in order for such class of Units to achieve a 6% annualized return (after adding back any Performance Fee, HST, operating expenses and service commission, in each case where applicable and accrued and/or paid during the calendar year). Any applicable Management Fee Rebate will be accrued monthly and realized at December 31 in respect of any class of Units for which a rebate is payable by the Manager.</p>
Performance Fees	See current NTPC offering memorandum	As of the Effective Date, the Liquidating Fund will pay the following Performance Fees to the Manager: The Manager is entitled to receive from the Fund a performance fee (the "Performance Fee") plus any applicable HST attributable to Class A1 Units, Class D Units, Class F1	No changes in comparison to the current Performance Fees of NTPC.

Fund Term	<u>NTPC current</u>	<u>Liquidating Fund post Restructuring</u>	<u>NTPCII post Restructuring</u>
		<p>Units, Class FT Units, Class T Units, Class FD Units, Class I1 Units and Class I Units. Each such class of Units is charged a Performance Fee plus any applicable HST. If the return in the Net Asset Value per Unit of the particular class of Units (before calculation and accrual for the Performance Fee and after making necessary adjustments to account for distributions made by the Fund) from September 30th, 2022 exceeds 8% (the "Hurdle Rate" and such return is between 8% and 10% on an annualized basis, then any amount in excess of the Hurdle Rate shall be payable to the Manager as a Performance Fee, plus any applicable HST. If the return in the Net Asset Value per Unit of the particular class of Units (before calculation and accrual for the Performance Fee and after making necessary adjustments to account for distributions made by the Fund) from September 30th, 2022 exceeds the Hurdle Rate and 10% or more on an annualized basis, then 20% of such return shall be payable to the Manager as Performance Fee, plus any applicable HST. The Performance Fee in respect of each class of Units will be accrued monthly. When any class of Units of the Fund are redeemed, the Manager will determine if any Performance Fee is payable on such</p>	

Fund Term	<u>NTPC current</u>	<u>Liquidating Fund post Restructuring</u>	<u>NTPCII post Restructuring</u>
		<p>Units immediately before such Units are redeemed. If a Performance Fee is payable on such Units being redeemed, the Performance Fee will be accrued and paid to the Manager as soon as practicable. See "Fees and Expenses – Performance Fees Payable by the Fund" in NTPC's current offering memorandum.</p>	
Operating Expenses	See current NTPC offering memorandum	No change.	No change.
Risk Factors	See current NTPC offering memorandum	See "Restructuring Risks Related to the Liquidating Fund" in the Circular and current NTPC offering memorandum.	<p>See attached Offering Memorandum of NTPCII.</p> <p>See additional risk factors in connection with the Restructuring in the Circular.</p>
Eligibility for Tax Deferred Plans	Investments are eligible for Tax Deferred Plans.	As of December 31, 2022, Liquidating Unitholders' Units of the Liquidating Fund will cease to be qualified investments for Tax Deferred Plans.	Units of NTPCII will be eligible for Tax Deferred Plans, provided that NTPCII qualifies as a mutual fund trust for the purposes of the Tax Act.

**SCHEDULE “B”
NINEPOINT-TEC PRIVATE CREDIT FUND
RESOLUTION OF UNITHOLDERS**

RECITALS:

- A. Ninepoint Partners LP (the “**Manager**”) is the manager of Ninepoint-TEC Private Credit Fund (“**NTPC**”) governed by the trust agreement dated June 1, 2015, as amended on May 6, 2019 (the “**NTPC Trust Agreement**”).
- B. The Manager wishes to implement the restructuring of NTPC (the “**Restructuring**”) by (a) offering Unitholders a choice to participate in a new fund, Ninepoint-TEC Private Credit Fund II (“**NTPCII**”) or remain in NTPC, which will be undertaking an orderly liquidation and subsequent termination (NTPC, in such wind-down mode, is referred to as the “**Liquidating Fund**”), (b) for Unitholders that will be participating in NTPCII, all classes of Units of NTPC will be converted into corresponding classes of units of NTPCII and the net assets of NTPC attributable to such units will be transferred to NTPCII, and (c) for Unitholders that will be continuing in the Liquidating Fund, NTPC will undertake an orderly liquidation and subsequent termination of the Liquidating Fund in the manner described in the Circular.
- C. NTPCII will operate with materially the same investment strategy, objectives and other terms as currently govern NTPC, but with certain changes to liquidity and redemption features that are more consistent with current industry practices (including changing redemption frequency to quarterly, implementing aggregate quarterly limits on cash redemptions and providing for the potential issuance of redemption notes), calculation and payment of performance fees and operating expenses and certain other changes as described in its offering memorandum.
- D. The proposed Restructuring is described in the management information circular (the “**Circular**”) dated July 28, 2022 that the Manager provided to holders of units of NTPC (“**Unitholders**”) in connection with the special meeting of the Unitholders scheduled to be held on September 1, 2022 (the “**Meeting**”).
- E. Pursuant to sections 19.1 and 19.2 of the Trust Agreement, the proposed amendments must be approved by a resolution of the Unitholders.

BE IT RESOLVED THAT:

- 1. The investment objective of NTPC is changed to provide for an orderly liquidation and winding down of NTPC.
- 2. Units of NTPC are converted to the units of the corresponding class of units of NTPCII as set out in the Circular; except for the units for which there are Outstanding Redemption Requests in NTPC after August 26, 2022. Such units with Outstanding Redemption Requests will remain in the Liquidating Fund until they are paid out in a manner described in the Circular.
- 3. After all units with Outstanding Redemption Requests in the Liquidating Fund are paid out, the Manager and the Trustee are authorized to wind down and terminate the Liquidating Fund.
- 4. The Manager is authorized to enter into a trust agreement with CIBC Mellon Trust Company (the “**Trustee**”) to establish and govern NTPCII with substantially the same features as the NTPC Trust Agreement, except for the changes as described in the Circular including the material changes substantially in the form set out in Schedule “A” to the Circular.

5. The Manager is hereby authorized and directed to enter into and amend any contracts to which NTPC is a party, including, for greater certainty, any amendments that may be required to the NTPC Trust Agreement and the offering documents of NTPC and NTPCII, and take all such actions and to execute and deliver all such documentation as may be necessary or desirable in order to implement the Restructuring, this resolution and the formation and governance of NTPCII, as described in the Circular.
6. Notwithstanding the provisions hereof, the Manager is hereby authorized, at its sole discretion, without further approval of the Unitholders of NTPC, to determine not to proceed with the actions contemplated in this resolution and to revoke this resolution at any time prior to the implementation of the Restructuring.
7. In the event the Restructuring is not implemented, NTPC will be terminated and wound down in a manner described in the Circular.
8. Any director or officer of the Manager is hereby authorized and directed for and on behalf of NTPC to execute or cause to be executed and to deliver or cause to be delivered all such other documents and instruments and to perform or cause to be performed all such other acts and things as such person determines may be necessary or desirable to give full effect to the foregoing resolution and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document or instrument or the doing of any such act or thing.
9. The creation and settlement of NTPCII with the *pro rata* portion of assets net of liabilities from NTPC as approved by this resolution does not resettle NTPC.
10. The Trustee is hereby authorized to execute and deliver such amendments or amendments and restatements of the NTPC Trust Agreement and other agreements, including the trust agreement of NTPCII to give effect to the above resolutions.

All capitalized terms not otherwise defined in this resolution have the meanings ascribed thereto in the Circular.

SCHEDULE "C" **RISK FACTORS**

Capitalized terms have the meaning given to them in the Offering Memorandum unless otherwise defined herein.

All investments risk the loss of capital and investors may not be able to recoup their investments. An investment in the Fund is illiquid, long-term, speculative and involves substantial risks, and no guarantee or representation is made that the Fund will be able to implement its investment strategy, achieve its investment objectives, be profitable, avoid substantial losses or that its investment strategy will be successful. An investment in Units involves certain risks, including risks associated with the investment objective and strategy of the Fund. The following risk factors do not purport to be a complete explanation of all risks involved in purchasing Units. Prospective investors should read the entire Offering Memorandum and consult with their legal and other professional advisors before determining whether to invest in Units.

Risks Associated with an Investment in the Fund

Speculative Investment

An investment in the Fund may be deemed speculative, IS NOT GUARANTEED and is not intended as a complete investment program. A subscription for Units should be considered only by persons financially able to maintain their investment and who can bear the risk of loss associated with an investment in the Fund and the lack of liquidity inherent in an investment in the fund. investors in the fund must be prepared to bear such risks for an extended period of time. Investors should review closely the investment objective, strategY AND RESTRICTIONS to be utilized by the Fund as outlined herein to familiarize themselves with the risks associated with an investment in the Fund. NO ASSURANCE CAN BE GIVEN THAT THE FUND'S INVESTMENT OBJECTIVES WILL BE ACHIEVED OR THAT INVESTORS WILL RECEIVE A RETURN OF THEIR CAPITAL.

General Investment Risk

The Net Asset Value of the Fund will vary directly with the market value and return of the investment portfolio of the Fund.

General Economic and Market Conditions

The success of the Fund's investments may be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, global pandemics, changes in laws and national and international political circumstances. These factors may affect the level and volatility of investment prices and the liquidity of the Fund's investments. Unexpected volatility or illiquidity could impair the Fund's profitability or result in losses. Ongoing events in the fixed income markets have caused, and could cause, significant dislocations, illiquidity and volatility in the leveraged loan, high yield bond and structured credit markets, as well as in the wider global financial markets. To the extent the borrowers to whom the Fund provides ABL facilities participate in such markets, the results of their operations may suffer. In addition, adverse economic events may impact the availability of credit to businesses generally and could lead to an overall weakening of the Canadian, U.S. and global economies. Any resulting economic downturn could adversely affect the financial resources of the borrowers in the Portfolio and their ability to make principal and interest payments on, or refinance outstanding debt when due. In the event of such defaults, the Fund could lose both invested capital and anticipated profits from such borrowers.

In addition, current global economic conditions may materially and adversely affect (i) the ability of the Fund, the borrowers in the Portfolio or their respective affiliates to access the credit markets on favorable terms or at all in connection with the financing or refinancing of investments; (ii) the ability or willingness of certain counterparties to do business with the Fund or its affiliates; (iii) the Fund's exposure to the credit

risk of others in its dealings with various counterparties (for example, in connection with loan syndicates or the maintenance with financial institutions of reserves in cash or cash equivalents); (iv) demand for the products and services offered by the borrowers in the Portfolio; (v) overall prospects of the Fund's ABL investments; and (vi) the Fund's ability to exit its investments at desired times, on favorable terms or at all.

Inflation and Supply Chain Risk

Due to global supply chain issues, a rise in energy prices, strong consumer demand as economies continue to reopen and other factors, inflation has accelerated in Canada, the U.S. and globally. The Sub-Advisor believes that inflation is likely to continue in the near to medium-term, particularly in Canada and the U.S., with the possibility that monetary policy may tighten in response. Persistent inflationary pressures and supply chain issues could affect the portfolio companies' profit margins. In addition, the inflation-adjusted value of the principal on ABL investments could decrease.

Disease and Epidemics

The impact of disease and epidemics may have a negative impact on the Manager, the Sub-Advisor, and their respective affiliates, the Fund and the borrowers in the Portfolio and their performance and financial positions. In December 2019, a novel strain of coronavirus known as COVID-19 surfaced in Wuhan, China, and has spread around the world, with resulting business and social disruption. COVID-19 was declared a Public Health Emergency of International Concern by the World Health Organization on January 30, 2020. COVID-19 has resulted in health and other government authorities recommending or requiring the closure of offices or other businesses, and has also resulted in a general economic decline, supply chain and delivery interruptions, travel restrictions and increased rates of unemployment. The duration and depth of the economic dislocation caused by COVID-19 remains uncertain. Renewed outbreaks of COVID-19 or other epidemics or the outbreaks of new epidemics could result in health or other government authorities recommending or requiring the closure of offices or other businesses, and could also result in a general economic decline. Moreover, the Manager's and Sub-Advisor's, and their respective affiliates', operations and those of the Fund or the borrowers in the Portfolio could be negatively affected if personnel are quarantined as the result of, or in order to avoid, exposure to a contagious illness. Similarly, travel restrictions or operational issues resulting from the rapid spread of contagious illnesses may have a material adverse effect on business and results of operations. A resulting negative impact on economic fundamentals and consumer confidence may negatively impact market value, increase market volatility, cause credit spreads to widen, and reduce liquidity, all of which could have an adverse effect on the business of the Manager, the Sub-Advisor, and their respective affiliates, the Fund and the borrowers in the Portfolio. The duration of the business disruption and related financial impact caused by a widespread health crisis cannot be reasonably estimated. The extent to which COVID-19 (or any other disease or epidemic) impacts business activity or investment results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions required to contain this coronavirus or treat its impact, among others.

Risks Related to the Russian Invasion of Ukraine

On February 21, 2022, Russian President Vladimir Putin ordered the Russian military to invade two regions in eastern Ukraine (the Donetsk People's Republic and the Luhansk People's Republic). The following day, the United States, United Kingdom and European Union announced sanctions against Russia. On February 24, 2022, President Putin commenced a full-scale invasion of Russia's pre-positioned forces into Ukraine, including Russia's forces pre-positioned in Belarus. In response, the United States, United Kingdom, and European Union imposed further sanctions designed to target the Russian financial system, and thereafter a number of countries banned Russian planes from their respective airspaces. Further sanctions may be forthcoming, and the United States and allied countries announced they are committed to taking steps to prevent certain Russian banks from accessing international payment systems. Russia's invasion of Ukraine, the resulting displacement of persons both within Ukraine and to neighboring countries and the increase in international sanctions could each have a negative impact on the economy and business activity globally,

and therefore could adversely affect the performance of the Fund's investments. Furthermore, given the evolving nature of the conflict between the two nations and its ongoing escalation (examples include Russia's decision to place its nuclear forces on high alert and the possibility of significant cyberwarfare by Russia against military and civilian targets globally), it is difficult to predict the conflict's ultimate impact on global economic, business and market conditions, and, as a result, the situation may present material uncertainty and risk with respect to the Fund and the performance of their investments or operations, and the ability of the Fund and the Fund to achieve their investment objectives.

Class Risk

Each class of Units has its own fees and expenses which are tracked separately. If for any reason, the Fund is unable to pay the expenses of one class of Units using that class' proportionate share of the Fund's assets, the Fund will be required to pay those expenses out of the other classes' proportionate share of the Fund's assets. This could effectively lower the investment returns of the other class or classes of Units even though the value of the investments of the Fund might have increased.

Changes in Investment Strategy

The Manager may alter the Fund's investment objective, strategies and restrictions without prior approval by Unitholders to adapt to changing circumstances.

Limited Ability to Liquidate Investment

There is no formal market for the Units and one is not expected to develop. This offering of Units is not qualified by way of prospectus and, consequently, the resale of Units is subject to restrictions under applicable securities legislation. In addition, Unit transfers are subject to approval by the Manager. Accordingly, it is possible that Unitholders may not be able to resell their Units other than by way of a redemption of their Units on a Valuation Date, which redemption will be subject to the limitations described under "Redemption of Units". As noted below, Unitholders may not be able to liquidate their investments in a timely manner.

Certain Unitholders may be subject to periodic minimum withdrawal requirements, such as those who hold Units in a LIF, LRIF or LIRA or certain other Tax Deferred Plans under the Tax Act. There is no guarantee, nor can the Fund provide any assurance that such Unitholders will be able to liquidate their investment in the Fund in accordance with any such minimum withdrawal requirements.

Capital Depletion Risk

Certain classes of Units are designed to provide cash flow to investors. Where this cash flow exceeds the Net Income and Net Realized Capital Gains attributable to that class of Units, it will include a return of capital. A return of capital means a portion of the cash flow given back to a Unitholder is generally money that was invested in a Fund as opposed to the returns generated by such investment. Such distributions should not be confused with "yield" or "income". Returns of capital that are not reinvested will reduce the total net asset value of the particular class of Units. Additionally, returns of capital will reduce the total assets of the Fund available for investment, which may reduce the ability of the Fund to generate future income. No conclusions should be drawn about the Fund's performance from the amount of such distributions.

Redemptions

The Units are only appropriate for investors willing to hold Units for a substantial period of time and willing to bear the higher risks associated with illiquid private credit investing. Redemptions are permitted only on a quarterly Redemption Date and subject to at least 120 days notice, subject to the Manager's discretion to accept a redemption request submitted 30 days prior to a Redemption Date provided a concurrent subscription is received by the Manager which, at minimum, offsets the Net Asset Value of the Fund that

would be redeemed in connection with the redemption request. Acceptance of offsetting subscription and the concurrent redemption are at the absolute discretion of the Manager.

There are circumstances in which the Fund may suspend redemptions or intends to limit cash redemptions and cash payments of redemption amounts outstanding, which would lead to a substantial delay in payment of redemptions. The redemption rights of Unitholders to receive cash proceeds for their Units are restricted by the Redemption Cap described in “Redemption of Units” above. The operation of the Redemption Cap would result in a substantial delay in receipt of cash payments by Unitholders unless a Unitholder requests to receive Redemption Notes. A Unitholder that does not wish to receive Redemption Notes for the portion of the redemption request in excess of the Redemption Cap otherwise has agreed to cancel such portion of their redemption request. See “Redemption of Units”. There can be no assurance that the Manager may not suspend redemptions in the future in accordance with the Trust Agreement.

Substantial redemptions of Units could require the Fund to liquidate positions more rapidly than otherwise desirable to raise the necessary cash to fund redemptions and achieve a market position appropriately reflecting a smaller asset base. Assets sold by the Fund to meet redemptions may not necessarily be those it would have chosen to sell in the ordinary course, and such dispositions may prevent the Fund from executing its investment strategy or lead to a higher concentration of illiquid or other investments than would otherwise have occurred. Given the Fund’s illiquid investments, it may not be possible for the Fund to liquidate such investments in order to meet redemptions, or to do so at favorable values or on favorable terms or at the Fund’s current valuations. Such factors could adversely affect the value of the Units redeemed and of the Units that remain outstanding or ability of investors subsequently requesting redemptions to redeem. See “Risks Associated with the Fund’s Underlying Investments – Liquidity of Underlying Investments”.

If the Units are held by a Unitholder that is a Tax Deferred Plan, and the Tax Deferred Plan requests to receive Redemption Notes in satisfaction of the portion of the redemption request in excess of the Redemption Cap, such Redemption Notes will not be qualified investments for the Tax Deferred Plan, which could give rise to adverse consequences to a Tax Deferred Plan or the annuitant, holder or subscriber under a Tax Deferred Plan, including the redeeming Unitholder becoming subject to a penalty tax or having its tax exempt status revoked, depending on the circumstances. Accordingly, Tax Deferred Plans that own Units should consult their own tax advisors before requesting to receive Redemption Notes.

Redemption Notes issued will be unsecured debt obligations of the Fund and may be subordinated to other financing obtained by the Fund. Circumstances may arise which could result in the Fund not having sufficient assets to satisfy a claim for repayment on Redemption Notes issued. Redemption Notes issued by the Fund may, in certain circumstances, have priority over Units in the event of the liquidation of assets of the Fund. There are various considerations with respect to creditor rights and bankruptcy law that need to be considered both at the time the Redemption Notes are issued and at the time of any liquidation of the assets of the Fund to determine priority.

Redemption Cap Subject to Manager Discretion

The Manager may elect to pay cash distributions and allow cash redemptions of less than 5% of the Net Asset Value of the Fund in any calendar quarter with the approval of the IRC if, in the Manager’s reasonable judgment it deems such action to be in the best interests of the Fund or the Unitholders. As a result, less than 5% of the Net Asset Value of the Fund may be available each quarter for cash distributions and redemptions, such as when such redemptions would place an undue burden on the Fund’s liquidity, adversely affect the Fund’s operations or risk having an adverse impact on the Fund that would outweigh the benefit to Unitholders of maintaining the Redemption Cap. Where the Redemption Cap in such instance is less than 5% of the Net Asset Value of the Fund, a Unitholder may nonetheless request Redemption Notes for the amount of a redemption request that exceeds the Redemption Cap and would be otherwise be cancelled.

Financial Condition, Liquidity and Capital Resources

The Fund expects to generate cash primarily from (i) the net proceeds of sales of Units, (ii) cash flows from its investment in the Portfolio and the performance of the investments and (iii) any financing arrangements. The primary uses of cash will be for (i) investments in the Portfolio assets and other investments, (ii) the cost of operations, (iii) cost of any borrowings or other financing arrangements and (iv) cash distributions to Unitholders.

Valuation of the Fund's Investments

Valuation of investments by the Manager may involve uncertainties and exercise of judgement and, if such valuations should prove to be incorrect, the Net Asset Value of the Fund could be adversely affected. Independent pricing information may not at times be available regarding certain of the Fund's investments. Valuation determinations will be made in good faith by the Manager. The Fund may have most of its assets in investments which, by their very nature, may be extremely difficult to value accurately. To the extent that the value designated by the Fund to any such investment differs from its actual value, the Net Asset Value of the Fund may be understated or overstated, as the case may be.

Unitholders not Entitled to Participate in Management

Unitholders are not entitled to participate in the management or control of the Fund or its operations. Unitholders do not have any input into the Fund's investment activities. The success or failure of the Fund will ultimately depend on the indirect investment of the assets of the Fund by the Manager and Sub-Advisor with whom the Unitholders will not have any direct dealings.

Reliance on the Manager

The Fund will be relying on the ability of the Manager to actively manage the assets of the Fund. There can be no assurance that satisfactory replacements for the Manager will be available, if the Manager ceases to act as such. Termination of the Manager will not terminate the Fund, but will expose investors to the risks involved in whatever new investment management arrangements will be negotiated with a replacement manager for the Fund.

Dependence of the Manager on Key Personnel

The Manager will depend, to a great extent, on the services of a limited number of individuals in the management and administration of the Fund's activities. The loss of one or more of such individuals for any reason could impair the ability of the Manager to perform its investment management activities on behalf of the Fund.

Reliance on the Sub-Advisor

The Fund relies on the ability of the Sub-Advisor to actively manage the portfolio of ABL and other investments held directly by the Fund. The Sub-Advisor will make the actual investment decisions upon which the success of the Fund will depend significantly. No assurance can be given that the investment strategy utilized by the Sub-Advisor will prove successful. There can be no assurance that satisfactory replacements for the Sub-Advisor will be available, if needed. Termination of the Sub-Advisory Agreement will not terminate the Fund, but will expose investors to the risks involved in whatever new investment management arrangements the Manager is able to negotiate for and on behalf of the Fund. In addition, the liquidation of assets held by the Fund as a result of the termination of the Sub-Advisory Agreement may cause substantial losses to the Fund.

Dependence of Sub-Advisor on Key Personnel

The Sub-Advisor depends, to a great extent, on the services of a limited number of individuals in the administration of the Fund's investment activities and on the services of a limited number of individuals for administrative agent services including sourcing investments, loan and collateral management, loan and

collateral administration, and loan and collateral monitoring services with respect to the Fund's investments. The loss of such services for any reason could impair the ability of the Sub-Advisor to perform its investment management activities on behalf of the Fund. The Sub-Advisor and its affiliates originate, document, monitor, service and actively administer the investments comprising the Portfolio and make decisions upon which the success of the Fund will depend significantly.

The Sub-Advisor and Manager Receive Management Fees and Performance Fees on the Net Asset Value of the Fund, which includes Payment-in-Kind payments that may never be recovered.

The Sub-Advisor and Manager are entitled to the Management Fee paid monthly and the Performance Fee paid quarterly. This Performance Fee is based on the difference by which the return in the Net Asset Value per Unit of the particular class of Units (before calculation and accrual for the Performance Fee and after making necessary adjustments to account for distributions made by the Fund) from the beginning of the quarter (or inception date of the class of Units) to the end of the quarter exceeds the Hurdle Rate for the previous period (or prorated for partial quarters of less than 3 months), plus applicable HST. The Net Asset Value of the Fund may include accruals for payment-in-kind payments received from the borrowers and therefore the Sub-Advisor and Manager receive fees on payments that may never actually be received from a borrower.

The Sub-Advisor and Manager are entitled to the Management Fee paid monthly and the Performance Fee paid quarterly. This Performance Fee is based on the difference by which the return in the Net Asset Value per Unit of the particular class of Units (before calculation and accrual for the Performance Fee and after making necessary adjustments to account for distributions made by the Fund) from the beginning of the quarter (or inception date of the class of Units) to the end of the quarter exceeds the Hurdle Rate for the previous period (or prorated for partial quarters of less than 3 months), plus any applicable HST. The Net Asset Value of the Fund may include accruals for payment-in-kind payments received from the borrowers and therefore the Sub-Advisor and Manager receive fees on payments that may never actually be received from a borrower. The existence of performance fee arrangements may create an incentive for speculative investment and, thus, may create a potential conflict for the Sub-Advisor to make investments that are more speculative and subject to greater risk than would be made if no such arrangements existed.

No Ownership Interest in the Portfolio

An investment in Units does not constitute an investment by Unitholders in the securities included in the Portfolio. Unitholders will not own any securities held by the Fund or held in the Portfolio.

Distributions

The Fund is not required to distribute its profits. If the Fund has taxable income for Canadian federal income tax purposes for a fiscal year, such income will be distributed to Unitholders in accordance with the provisions of the Trust Agreement as described under "Distributions" and will be required to be included in computing the Unitholder's income for tax purposes, irrespective of the fact that cash may not have been distributed to such Unitholders. Since Units may be acquired or redeemed on a monthly basis and distributions of income and losses of the Fund to Unitholders are anticipated to be made on a monthly basis, such distributions to a particular Unitholder may not correspond to the economic gains and losses which such Unitholder may experience. While monthly distributions of approximately 6% per annum are expected to be made to Unitholders holding Class FT Units and Class T Units, such distributions may not correspond to the economic gains and losses which such Unitholders may experience.

Potential Indemnification Obligations

Under certain circumstances, the Fund might be subject to significant indemnification obligations in favour of the Trustee, the Manager or certain parties related to them. The Fund will not carry any insurance to cover such potential obligations and, to the Manager's knowledge, none of the foregoing parties will be

insured for losses for which the Fund has agreed to indemnify them. Any indemnification paid by the Fund would reduce the Net Asset Value of the Fund and, by extension, the Net Asset Value per Unit.

Liability of Unitholders

The Trust Agreement provides that no Unitholder will be subject to any liability whatsoever, in tort, contract or otherwise, to any person in connection with the investment obligations, affairs or assets of the Fund and all such persons shall look solely to the Fund's assets for satisfaction of claims of any nature arising out of or in connection therewith. There is a risk, which is considered by the Manager to be remote in the circumstances, that a Unitholder could be held personally liable, notwithstanding the foregoing statement in the Trust Agreement, for obligations of the Fund to the extent that claims are not satisfied out of the assets of the Fund. It is intended that the operations of the Fund will be conducted in such manner so as to minimize such risk. In the event that a Unitholder should be required to satisfy any obligation of the Fund, such Unitholder will be entitled to reimbursement from any available assets of the Fund.

Lack of Independent Experts Representing Unitholders

Stikeman Elliott LLP acts as legal counsel to the Manager and the Fund as to matters of Canadian law (other than with respect to tax matters) and KPMG Law LLP acts as tax advisor to the Manager and the Fund. The Fund does not have counsel separate and independent from counsel to the Manager. Neither Stikeman Elliott LLP nor KPMG Law LLP represents investors in the Fund, and no independent counsel has been retained to act on behalf of Unitholders. Neither Stikeman Elliott LLP nor KPMG Law LLP are responsible for any acts or omissions of the Manager or the Fund (including their compliance with any guidelines, policies, restrictions or applicable law, or the selection, suitability or advisability of their investment activities) or any administrator, accountant, custodian/prime broker or other service provider to the Manager or the Fund. The Offering Memorandum is based on information furnished by the Manager. Neither Stikeman Elliott LLP nor KPMG Law LLP have independently verified that information.

No Involvement of Unaffiliated Selling Agent

No outside selling agent unaffiliated with the Manager has made any review or investigation of the terms of this offering, the structure of the Fund or the background of the Manager.

Not a Public Mutual Fund

The Fund is not subject to the restrictions placed on public mutual funds to ensure diversification and liquidity of the Fund's investment portfolio and other safeguards imposed on public mutual funds intended to protect investors.

Capital Depletion Risk

Class FT Units and Class T Units are designed to provide a cash flow to investors based on a target distribution rate. Where this cash flow exceeds the net income and net realized capital gains attributable to the Class FT Units or Class T Units, it could include a return of capital. A return of capital means the cash flow given back to Unitholders is generally money that Unitholders originally invested in the Fund, as opposed to the returns generated by the investment. This distribution to you should not be confused with "yield" or "income". Returns of capital that are not reinvested by holders of Class FT Units or Class T Units will reduce the Net Asset Value per Unit of the Class FT Units and Class T Units, as applicable. You should not draw any conclusions about the Fund's performance from the amount of this distribution.

Charges to the Fund

In addition to any management fees and/or performance fees paid to the Manager or Sub-Advisor, the Fund is obligated to pay brokerage commissions and Trustee, custodian, prime broker, record-keeper, legal,

accounting, filing and other expenses regardless of whether the Fund realizes profits. See “Fees and Expenses – Operating Expenses Payable by the Fund”.

Use of a Prime Broker to Hold Assets

Some of the Portfolio’s assets may be held in one or more margin accounts due to the fact that the Fund may engage in hedging transactions. The margin accounts may provide less segregation of customer assets than would be the case with a more conventional custody arrangement. The prime broker may also lend, pledge or rehypothecate the Portfolio’s assets in such accounts, which may result in a potential loss of such assets. As a result, a portion of the Fund’s assets could be frozen and inaccessible for withdrawal or subsequent trading for an extended period of time if the prime broker experiences financial difficulty. In such case, the Fund may experience losses due to insufficient assets at the prime broker to satisfy the claims of its creditors, and adverse market movements while its positions cannot be traded.

Changes in Legislation

There can be no assurance that applicable laws, or other legislation, legal and statutory rights will not be changed in a manner which adversely affects the Fund and its Unitholders. There can be no assurance that income tax, securities and other laws or the interpretation and application of such laws by courts or government authorities will not be changed in a manner which adversely affects the distributions received by the Fund or by the Unitholders.

Tax Considerations

The Fund may take positions with respect to certain tax issues that depend on legal conclusions not yet addressed by the courts. Should any such positions be successfully challenged by the CRA, IRS, or other tax authority, a Unitholder might be found to have a different tax liability for that year than that reported on its income tax return.

Withholding Taxes

Dividend and interest payments on investments made outside Canada may be subject to foreign withholding taxes, which could reduce net proceeds to the Fund.

Information Sharing Requirements and Withholding Tax Risk

Generally, the Foreign Account Tax Compliance provisions of the U.S. Hiring Incentives to Restore Employment Act of 2010 (or “**FATCA**”) imposes a 30% withholding tax on “withholdable payments” made to an investment entity, unless the investment entity enters into a FATCA agreement with the U.S. Internal Revenue Services (the “IRS”) (or is subject to an intergovernmental agreement as described below) to comply with certain information reporting and other requirements. Compliance with FATCA will in certain cases require an investment entity to obtain certain information from certain investors and (where applicable) their beneficial owners (including information regarding their identity, residency and citizenship) and to disclose such information, including account balances, and documentation to the IRS.

Under the terms of the intergovernmental agreement between Canada and the U.S. (the “**Canada-U.S. IGA**”), and its implementing provisions under the Tax Act, the Fund will be treated as complying with FATCA and not subject to the 30% withholding tax if the Fund complies with the terms of the Canada-U.S. IGA. Under the terms of the Canada-U.S. IGA, the Fund will not have to enter into an individual FATCA agreement with the IRS but the Fund will be required to report information, including certain financial information, on accounts held by investors that fail to provide information to their financial advisor or dealer related to their citizenship and residency for tax purposes and/or investors that are identified as, or in the case of certain entities as having one or more controlling persons who are, U.S. persons owning, directly or indirectly, an interest in the Fund to the CRA. The CRA will in turn provide such information to the IRS under the existing provisions of the Canada-U.S. IGA. The Canada-U.S. IGA sets out specific accounts that

are exempt from being reported, including certain tax deferred plans. By investing in the Fund, the investor is deemed to consent to the Fund disclosing such information to the CRA. If the Fund is unable to comply with any of its obligations under the Canada-U.S. IGA, the imposition of the 30% U.S. withholding tax may affect the value of the Fund's assets and may result in reduced investment returns to Unitholders. It is possible that the administrative costs arising from compliance with FATCA and/or the Canada-U.S. IGA and future guidance may also cause an increase in the operating expenses of the Fund.

Withholdable payments include certain U.S. source income (such as interest, dividends and other passive income) and are subject to withholding tax on or after July 1, 2014. The IRS may, at a future date, impose a 30% withholding tax on "foreign passthru payments" but these regulations have yet to be determined.

The foregoing rules and requirements may be modified by future amendments of the Canada-U.S. IGA, and its implementation provisions under the Tax Act, future U.S. Treasury regulations, and other guidance.

Mutual Fund Trust Status

Should the Fund cease to qualify as a mutual fund trust under the Tax Act, the income tax considerations respecting the Fund would be materially different from those described in the summary under "Canadian Federal Income Tax Considerations" and adverse income tax consequences may result, including: (a) Units may cease to be qualified investments for Tax Deferred Plans, (b) the Fund will be subject to alternative minimum tax under the Tax Act, (c) the Fund may be required to pay tax under Part XII.2 of the Tax Act, and (d) the Fund will cease to be eligible for the capital gains refund mechanism available to mutual fund trusts. The Fund may take certain measures in the future to the extent the Fund believes them necessary to ensure that it maintains its status as a mutual fund trust. These measures could be adverse to certain Unitholders.

Risks Associated with the Fund's Underlying Investments and Special Techniques of the Sub-Advisor

The nature of the investments made by the Fund and the special investment techniques that the Sub-Advisor may use are subject to risks including those summarized below, and will indirectly impact Unitholders in the Fund.

Market View

The Sub-Advisor intends to invest in opportunities that provide what the Sub-Advisor, at the time of investment, believes to offer the best risk/reward ratio. The portfolio of investments may be positioned in accordance with the Sub-Advisor's view and assessment of a particular market. There is no assurance that the Sub-Advisor's assessment of the market will be correct and result in positive returns. Losses may occur as a result of any incorrect assessment.

Origination and Availability of Loans

The identification and exploitation of the investment strategies pursued by the Fund involves a high degree of uncertainty. No assurance can be given that the Sub-Advisor will be able to locate suitable investment opportunities in which to deploy all of the Fund's capital.

The Fund will make or hold ABL investments that are or were originated by the Sub-Advisor's affiliates. Increased competition for, or a diminution in the available supply of, qualifying ABL investments may result in lower returns on such ABL investments, which could reduce the performance of the Fund. It is possible that the Fund may never be fully invested if enough sufficiently attractive investments are not identified. In addition, the Fund will be competing with a significant number of other private investment funds, as well as institutional and strategic (industry) investors for ABL investments. The business of identifying and structuring debt investments is highly competitive and involves a high degree of uncertainty.

The level of analytical sophistication, both financial and legal, necessary for successfully financing companies, particularly companies experiencing significant business and financial difficulties is unusually high. There is no assurance that the Sub-Advisor or its affiliates will correctly select and evaluate such ABL investments, the value of the assets collateralizing these loans, or the prospects for successful repayment or a successful reorganization or similar action

Credit Risk and Default in Repayment Obligations by Borrowers

Credit risk is the risk that a borrower will not honour its commitments and a loss to the Fund may result. There can be no guarantee that the Fund will be successful in making the right selections and thus fully mitigate the impact of credit risk on the Fund. In the event of a default by a borrower, there can be no assurance that the Fund will be able to secure repayment of the principal amount or interest accruing under the loan. If the Fund cannot realize on outstanding loans due to a default by its borrowers, its financial condition and operating results will be adversely impacted. A debt security or obligation may be subject to redemption at the option of the issuer. If a debt security or obligation held by the Fund is called for early redemption, the Fund will be required to permit the issuer to redeem such security or obligation, which could have an adverse effect on the Fund's ability to achieve its investment objective.

Business Risks

The Fund's portfolio of investments will consist primarily of ABL investments issued by mostly privately held businesses, and operating results in a specified period will be difficult to predict. Such portfolio of investments involves a high degree of business and financial risk which can result in substantial losses.

Non-Performing Loans

Non-performing loan investments may require substantial workout negotiations or restructuring that may entail, among other things, a substantial write-down of the principal amount of the loan or the indefinite deferral of payments. In addition, such negotiations or restructuring may be quite extensive and protracted over time, and therefore may result in substantial uncertainty with respect to the ultimate recovery. In connection with any such defaults, workouts or restructuring, although the Fund may exercise voting rights with respect to an individual loan, the Fund may not be able to exercise votes in respect of a sufficient percentage of voting rights with respect to such loan to determine the outcome of such vote. In connection with the recovery of a non-performing loan investment, the Fund may engage in informal and formal restructurings, asset foreclosure, distressed debt exchanges, and business takeovers, that would involve owning the assets or equity of businesses and require certain officers and directors of the Sub-Advisor or its affiliates to participate on boards of or become an officer of portfolio companies.

Insolvency Considerations with Respect to Borrowers

One or more of the borrowers of loans made by the Fund may become involved in bankruptcy or similar proceedings. There are a number of significant risks inherent in the bankruptcy process. Many events in a bankruptcy are the product of contested matters and adversary proceedings and are beyond the control of the creditors. The effect of a bankruptcy filing on a borrower may adversely and permanently affect the borrower. If the proceeding is converted to a liquidation, the liquidation value of the borrower may not equal the liquidation value that was believed to exist at the time of the investment. A creditor's return on investment can be adversely impacted by delays and administrative costs in connection with a bankruptcy proceeding are frequently high and will be paid out of the debtor's estate prior to any return to creditors. In addition, if payments on a loan are avoidable, whether as fraudulent conveyances or preferences, such payments can be recaptured from the Fund.

Borrower Fraud; Breach of Covenant

The Fund will seek to obtain structural, covenant and other contractual protections with respect to the terms of its ABL investments as determined appropriate under the circumstances. There can be no assurance

that such attempts to provide downside protection with respect to its ABL investments will achieve their desired effect, and potential investors should regard an investment in the Fund as being speculative and having a high degree of risk. Of key concern in loan and other debt investing is the possibility of material misrepresentation or omission on the part of the borrower or other credit support providers, or breach of covenant by such parties. Such inaccuracy or incompleteness may adversely affect the valuation of the Fund's investments and the ability of the Sub-Advisor or its affiliates, on behalf of the Fund, to perfect or effectuate a lien on the collateral securing the loan or otherwise realize on the investment. The Sub-Advisor will rely upon the accuracy and completeness of representations made by a portfolio company to the extent the Sub-Advisor or its affiliates believe to be reasonable, but cannot guarantee such accuracy or completeness. Under certain circumstances, payments to the Fund may be reclaimed if any such payment or distribution is later determined to have been a fraudulent conveyance or a preferential payment.

Concentration

The Fund may take more concentrated investment positions than a typical mutual fund or concentrate investments in a limited number of industries, market sectors or portfolio companies. An investment in the Fund involves greater risk and volatility since the performance of one particular industry, sector, market or portfolio company could significantly and adversely affect the overall performance of the entire Fund.

Collateral

Loan investments may be detrimentally affected to the extent that there is insufficient collateral. There can be no assurance that the value assigned by the Fund to collateral underlying an ABL investment held by the Fund will be realized upon liquidation, nor can there be any assurance that collateral will retain its value. In addition, certain ABL investments may be supported by, in whole or in part, personal guarantees made by the borrower's management or a relative, or guarantees made by a corporation or other entity affiliated with the borrower. Such guarantees may lose some or all of their value in the event of the bankruptcy or insolvency of the borrower. Also, in some circumstances, the Fund's security interest may be contractually or structurally subordinated to claims of other creditors. The amount realizable with respect to a debt instrument may be detrimentally affected if a guarantor fails to meet its obligations under the guarantee. Moreover, the value of collateral supporting such ABL investment may fluctuate. Finally, there may be costs, both in terms of time and money, involved in collecting on defaulted loan investments and, if applicable, taking possession of, operating, and subsequently liquidating various types of collateral. The fact that a loan is secured does not guarantee that the Fund will receive principal and interest payments according to the loan's terms, or at all, or that the Fund will be able to collect on the loan should it be forced to enforce remedies

Liquidity of Underlying Investments

The Fund intends to invest in or purchase loans (and any equity instruments received by the Fund in the course of making such loans), a substantial portion of which may be illiquid and have no, or only a limited trading market. There are no restrictions on the investment of the Fund's assets in illiquid securities. The Fund's investment in illiquid loans may restrict its ability to dispose of investments in a timely fashion and for a fair price and may result in the inability to pursue other more favourable investment opportunities. In addition, the Fund may invest in loans that may or may not be freely transferable under the laws of the applicable jurisdiction or due to contractual restrictions on resale, and even if such loans are transferable, the prices realized from their sale could be less than those originally paid by the Fund or less than what may be considered the fair value of such obligations. It is possible that the Fund may not be able to sell significant portions of its investments without facing substantially adverse prices. If the Fund is required to dispose of an investment prior to its maturity or intended investment horizon, the performance of the Fund could suffer. The Fund could be adversely affected by a decrease in market liquidity for its investments. The size of the Fund's position may magnify the effect of a decrease in market liquidity. The performance of the Fund may be affected by the holding of illiquid securities which are not regularly traded. Difficulty in selling or otherwise exiting illiquid investments may result in a loss to the Fund. Most if not all of the

underlying investments of the Fund are not actively traded and there may be uncertainties involved in valuing these investments.

Fixed Income Securities

To the extent that the Fund holds fixed income investments in its portfolio, it will be influenced by financial market conditions and the general level of interest rates in Canada. In particular, if fixed income investments are not held to maturity, the Fund may suffer a loss at the time of sale of such securities.

Equity Securities

To the extent that the Fund holds equity investments in its portfolio, it will be influenced by stock market conditions in those jurisdictions where the securities held by the Fund are listed for trading and by changes in the circumstances of the issuers whose securities are held by the Fund. Additionally, to the extent that the Fund holds any foreign investments in its portfolio, it will be influenced by world political and economic factors and by the value of the Canadian dollar as measured against foreign currencies which will be used in valuing the foreign investment positions held by the Fund.

Decline in the Industries in which the Fund Invests

The Fund is exposed to adverse changes in conditions which affect the values for various products and services that its borrowers provide. These market changes may be regional, national or international in nature and scope or may revolve around a specific asset. Generally risk is increased if the values of the underlying assets securing the loans fall to levels approaching or below the loan amounts. Any decrease in such values may delay the development of the underlying security or business plans of the borrower and may adversely affect the value of the Fund's investment. If the underlying asset against which the loan is secured declines in value, it may not be possible to recover the amount of all of the outstanding loan plus expenses in the event of a default by a borrower. If the Fund is unable to realize on its investment to recover the principal amounts plus amounts on account of accrued interest and expenses in the event of a loan default or defaults, then its financial condition and operating results will be adversely impacted.

Inability to Realize on or Dispose of Security Granted by Borrowers on a Defaulted Loan

The security in respect of loans within the Portfolio may be in a variety of forms including, but not limited to, direct charges on an asset, mortgages, general security agreements, assignments of interests in property, pledges of shares and corporate guarantees. If enforcement of the security is required there may be significant expenses of sale, including legal and other expenses incurred. There can also be no assurance that the net proceeds obtained from the enforcement of any security will be sufficient to recover the outstanding principal and accrued interest due under the relevant loan. In such circumstances, if there is a shortfall, then the financial condition and operating results will be adversely impacted.

Inability to Meet Redemption Requests Due to Illiquidity of Collateral

If there is a default by the borrower under any of the Fund loans, the Fund will, under most normal circumstances, have contractual remedies pursuant to the loan agreements, including possibly foreclosure and sale of collateral. However, even if the Fund is able to pursue the sale of a collateral in the event of a borrower default, the Fund may not be able to meet redemption requests in a timely manner due to the illiquidity of and timing to realize the underlying collateral. The Fund may be required to takeover the business or assets of a portfolio company as part of its realization efforts, which will delay or impair its ability to recover the amount of the loan investment.

Risks Associated with Certain Dispositions

In connection with the disposition of an ABL investment, underlying collateral assets, or of a business that has been acquired as part of a loan workout or restructuring, the Fund may be required to make representations and warranties about the assets, business and financial affairs of the company being sold typical of those made in connection with the sale of a business. It also may be required to indemnify the purchasers of such investment to the extent that any such representations turn out to be inaccurate. These arrangements may result in contingent liabilities to the Fund.

Distressed Investments and Special Situations

The Fund may invest in debt obligations, securities and assets that are inefficiently priced as a result of business, financial, market or legal uncertainties. The level of analytical sophistication, both financial and legal, necessary for successful returns on such investments is unusually high. There can be no assurance that the Sub-Advisor or its affiliates will correctly evaluate the nature and magnitude of the various factors that could affect the value of the Fund's investments. In particular, the Fund may invest in or purchase securities and other obligations of companies that are experiencing significant financial or business distress, including companies involved in bankruptcy or other reorganization and liquidation proceedings. Such investments may include debtor-in-possession financing. In any investment opportunity involving any such type of special situation, there exists the risk that the contemplated transaction either will be unsuccessful, will take considerable time or will result in a distribution of cash or a new security with a value less than the purchase price of the security or other financial instrument in respect of which such distribution is received. Although such investments may result in significant returns to the Fund, they involve a substantial degree of risk and may not show any return for a considerable period of time, if at all. There is no assurance that the Sub-Advisor or its affiliates will correctly evaluate the value of the assets collateralizing the Fund's loans or the prospects for a successful reorganization or similar action. In any reorganization or liquidation proceeding relating to a borrower that is funded by the Fund, the Fund may lose all or part of the amounts advanced to the borrower or may be required to accept collateral with a value less than the amount of the loan advanced by the Fund to borrower.

Fraudulent Conveyance, Lender Liability, Equitable Subordination and Recharacterization

It is possible that companies that the Fund determined to be financially stable as at the date of investment become distressed for a variety of reasons. Such investments ultimately could be subject to Canadian and foreign bankruptcy law and provincial and state fraudulent transfer laws, if the debt obligations relating to such investments were issued with the intent of hindering, delaying or defrauding creditors, or in certain circumstances, if the borrower receives less than reasonably equivalent value or fair consideration in return for issuing such debt obligations. If the debt is used for a dividend or buyout of shareholders, this risk is greater than if the debt proceeds are used for day-to-day operations, acquisitions or organic growth. If a court were to find that the issuance of the debt obligations was a fraudulent transfer or conveyance, the court could void or otherwise refuse to recognize the payment obligations under the debt obligations or the collateral supporting such debt obligations, further subordinate the debt obligations or the liens supporting such obligations to other existing and future indebtedness of the borrower or require the Fund to repay any amounts received by it with respect to the debt obligations or collateral. In the event of a finding that a fraudulent transfer or conveyance occurred, the Fund may not receive repayment on the debt obligations.

Use of Leverage by Portfolio Companies

It is anticipated that a substantial portion of the Fund's portfolio companies will have other debt obligations in addition to its obligations to the Fund. Events, such as rising interest rates, downturns in the economy or deterioration in the condition of a portfolio company or its industry could put at risk a portfolio company's ability to meet its debt service obligations (including ABL investments by the Fund). The portfolio companies in which the Fund will invest may be highly leveraged, thereby increasing the degree of credit risk inherent in each ABL investment.

Original Issue Discount and Payment-in-Kind Instruments

To the extent that the Fund invests in original issue discount or payment-in-kind (“PIK”) loans and the accretion of original issue discount or PIK interest income constitutes a portion of the Fund’s income, the Fund will be exposed to risks associated with the requirement to include such non-cash income in taxable and accounting income prior to receipt of cash, including the following: (i) the higher interest rates on PIK loans reflect the payment deferral and increased credit risk associated with these instruments, and PIK loans generally represent a significantly higher credit risk than coupon loans; (ii) original issue discount and PIK loans may have unreliable valuations because the accruals require judgments about collectability of the deferred payments and the value of any associated collateral; (iii) an election to defer PIK interest payments by adding them to the principal on such loans increases the Fund’s future investment income which increases its net assets and, as such, may overstate the Net Asset Value of the Fund; (iv) the deferral of PIK interest on a loan increases the loan-to-value ratio, which is a measure of the riskiness of a loan, with respect to such loan; (v) original issue discount may create a risk of non-refundable cash payments to Unitholders based on noncash accruals that may never be realized.

Projected Operating Results

Projected operating results for a portfolio company in which the Fund invests (or in which the Fund is considering an investment) will be very important in making an investment decision. Projections are only estimates of future results that are based upon assumptions made at the time the projections are developed. There can be no assurance that the results set forth in the projections will be attained.

Need for Follow-On Investments

Following its initial ABL investment in a given borrower, the Fund may decide (or be required, to protect the value of its investment) to provide additional funds to such borrower or may have the opportunity to increase its ABL investment in a successful borrower. There is no assurance that the Fund will make follow-on investments or that the Fund will have sufficient funds to make all or any of such investments. Any decision by the Fund not to make follow-on investments or its inability to make such investments may have a substantial negative impact on a borrower in need of such an investment or may result in a lost opportunity for the Fund to increase its participation in a successful operation.

Equity Kickers Generally

The Fund may receive preferred equity interest, common equity interests and other equity kickers, as part of compensation for making an ABL investment. Issuers of these securities may be private companies or small- or medium-sized market capitalization companies. Investments in equity securities of small- or medium-sized market capitalization companies will have more limited marketability than the securities of larger companies. In particular, securities of smaller companies may have greater price volatility. Equity kickers of the Fund may not appreciate in value and, in fact, may decline in value. Accordingly, the Fund may not be able to realize gains from equity kickers, and any gains that the Fund does realize on the disposition of any equity kickers may not be sufficient to offset any other losses of the Fund. The Fund also may be unable to realize any value if a portfolio company does not have a liquidity event, such as a sale of the business, recapitalization or public offering, which would allow the Fund to sell the underlying equity interests. The Sub-Advisor intends to seek puts or similar rights to give the Fund the right to sell equity kickers back to the portfolio company; however, the Fund may be unable to exercise these put rights for the consideration provided in the investment documents. All of the Fund’s investments in equities will be subject to market risks. While diversification among issuers may mitigate these risks, the Fund is not required to diversify its portfolio of investments in equity securities and Unitholders must expect fluctuations in value of such equity interests held by the Fund based on market conditions. Because equity securities interests rank lower in the capital structure of a borrower, such investments may subject Unitholders to additional risks not applicable to ABL investments. In addition, holders of equity securities may be wiped out or substantially reduced in value in a bankruptcy proceeding or corporate restructuring.

Long-Term Investments

Certain of the Fund's investments will be long-term in nature, for instance loans in re-structuring or workout, or assets or businesses taken over by the Fund, and it is uncertain when recovery of capital or returns on the Fund's investments will be realized, if ever. Although the Fund may earn interest or dividends currently on some of its investments, it is not generally expected that invested capital will be returned for years after making an initial investment. The Fund may make ABL investments that may not mature or be advantageously disposed of to meet redemption requests. The Fund may have to sell, distribute or otherwise dispose of investments at a disadvantageous time as a result of redemption requests.

Counterparty Risk

Certain instruments in which the Fund may invest may, in certain circumstances, bear credit risk with regard to other parties involved, as well as risk of settlement default. Moreover, transactions directly between two counterparties (e.g., off exchange) may not be afforded certain protections, such as settlement, segregation and minimum capital requirements applicable to intermediaries, and therefore expose the parties to the risk of counterparty default.

Director Liability

In certain circumstances the Fund may receive the right to appoint a representative of the Sub-Advisor or its affiliates to the boards of directors of portfolio companies in which it invests. Serving on board of directors of a portfolio company exposes the Sub-Advisor or its affiliates, and ultimately the Fund, to potential liability. Although portfolio companies often have insurance to protect directors and officers from such liability, such insurance may not be obtained by all portfolio companies and, even if obtained, may be insufficient.

Lender Liability Risks

In recent years, a number of judicial decisions in the U.S. have upheld the right of issuers to sue debt holders on the basis of various evolving legal theories, including equitable subordination (collectively termed "Lender Liability"). Generally, Lender Liability is founded upon the premise that an institutional lender has violated a duty (whether implied or contractual) of good faith and fair dealing owed to the borrower or has assumed a degree of control over the borrower resulting in the creation of a fiduciary duty owed to the borrower. The Fund, as a creditor, and the Manager, Sub-Advisor, and their affiliates may be subject to allegations of Lender Liability.

Furthermore, the Sub-Advisor and its affiliates may be unable to control the conduct of third party lenders under a syndicated credit agreement requiring less than a unanimous vote, yet they and the Fund may be subject to Lender Liability for such conduct.

In limited cases, courts have subordinated the claim of a lender against a borrower to claims of other creditors of the borrower especially when the lending institution is found to have engaged in unfair, inequitable or fraudulent conduct. Because of the nature of certain of the Fund's ABL investments, the Fund could be subject to claims from creditors of a borrower of an ABL investment held in the Fund's Portfolio that such ABL investment should be equitably subordinated. The Fund could be subject to such a claim based upon the conduct of others, such as third-party lenders in a syndicate, over which the Sub-Advisor or its affiliates did not have control.

Custody Risk

ABL investments are not an asset class that can be “custodied” in the traditional sense. Accordingly, custodians of the Fund will only maintain custody of the Fund’s cash and the securities from time to time held by the Fund. The Manager and Sub-Advisor will be responsible for the settlement, recording and trading of the Fund’s ABL investment positions; these processes are complex and there is a procedural risk of loss due to errors which may occur in these processes. With respect to its cash balances and securities maintained at a custodian of the Fund, although the Manager monitors the custodian of the Fund and believes that each is an appropriate custodian, there is no guarantee that a custodian of the Fund, or any other custodian that the Fund may use from time to time, will not become insolvent. While applicable Canadian laws seek to protect customer property in the event of a failure, insolvency or liquidation of a bank or broker-dealer, there is no certainty that, in the event of a failure of a bank or broker-dealer that has custody of Fund assets, the Fund would not incur losses due to its assets being unavailable for a period of time, the ultimate receipt of less than full recovery of its assets, or both.

Interest Rate Risk

The Fund will make floating rate as well as fixed rate loans, and therefore it could be exposed to interest rate risk. Interest rate risk is the risk that fixed rate loans will decline in value because of an increase in interest rates. As nominal interest rates rise, the value of certain loans is likely to decrease. Generally, the value of fixed rate loans will change inversely with changes in interest rates. As interest rates rise, the market value of fixed rate loans tends to decrease. This risk will typically be greater for longer-term loans than for short-term loans. The Fund is permitted but not required to minimize the exposure of its portfolio of investments to interest rate changes through the use of interest rate swaps, interest rate futures, interest rate options and other hedging strategies.

Currency Risk

Investment in securities denominated in a currency other than Canadian dollars will be affected by changes in the value of the Canadian dollar in relation to the value of the currency in which the security is denominated. Thus, the value of securities within the Fund’s portfolio may be worth more or less depending on their susceptibility to foreign exchange rates.

Foreign Investment Risk

The Fund expects to primarily invest in companies domiciled in Canada and to a lesser degree, in the U.S.; however, if such companies have assets in foreign countries, then the Fund may invest in affiliates of such companies domiciled outside of Canada and the U.S. for the purpose of attaching and perfecting collateral interests to secure the Fund’s ABL investments. Such investments will be affected by world economic factors and, in many cases, by the value of the Canadian dollar as measured against foreign currencies. Certain additional risks include restriction on capital repatriation and the application of complex tax rules. Obtaining complete information about potential investments from foreign markets may also be of greater difficulty. Foreign issuers may not follow certain standards that are applicable in North America, such as accounting, auditing, financial reporting and other disclosure requirements. Political climates may differ, affecting stability and volatility in foreign markets. As a result, the Net Asset Value of the Fund may fluctuate to a greater degree by investing in foreign companies than if the Fund limited its investments to Canada or the U.S.

Options

Selling call and put options is a highly specialized activity and entails greater than ordinary investment risk. The risk of loss when purchasing an option is limited to the amount of the purchase price of the option, however, investment in an option may be subject to greater fluctuation than an investment in the underlying security. In the case of the sale of an uncovered option there can be potential for an unlimited loss. To some extent this risk may be hedged by the purchase or sale of the underlying security.

Indebtedness and Use of Leverage

The Fund may utilize leverage by incurring indebtedness secured by the assets of the Fund. There can be no assurance that such a strategy will enhance returns, and such strategy may in fact reduce returns. The ability of the Fund to incur indebtedness may increase losses in the event that investments made with the borrowed funds decline in value. The use of leverage increases the risk to the Fund and subjects the Fund to higher current expenses. Also, if the value of the Portfolio drops to or below the amount of the cost base of underlying investments, Unitholders of the Fund could suffer a total loss of their investment.

Hedging

The Fund may enter into futures contracts, put and call options, forward contracts, swaps or similar derivative transactions for the purpose of hedging foreign currency exposure and interest rate risk. Such transactions have special risks associated with them, including the possible default by the counterparty to the transaction and the illiquidity of the instrument acquired by the Fund relating thereto. Although such transactions may reduce the Fund's exposure to currency or interest rate fluctuations, the costs associated with these arrangements may reduce the returns that the Fund would have otherwise achieved if it had not entered into these transactions. The Fund may, but is not obligated, to hedge interest rate or credit risk.

In light of the foregoing there can be no assurance that the Fund's investment objective will be achieved or that the Net Asset Value per Unit at redemption will be equal to or more than a Unitholder's original cost.

