

COUNSEL | PORTFOLIO SERVICES

**NOTICE OF SPECIAL MEETINGS OF UNITHOLDERS
AND
MANAGEMENT INFORMATION CIRCULAR**

**SPECIAL MEETINGS OF UNITHOLDERS
TO BE HELD ON SEPTEMBER 4, 2019**

July 26, 2019

Notice of Special Meetings

NOTICE IS HEREBY GIVEN THAT Counsel Portfolio Services Inc. (“**Counsel**”) will hold a special meeting (each, a “**Special Meeting**”) of investors of each of Counsel Income Portfolio and Counsel Balanced Growth Portfolio (each, a “**Fund**”) for the purposes of considering and voting on a resolution in connection with each proposed change summarized below (each, a “**Proposal**”) and to transact such other business for each Fund as may properly come before a Special Meeting or any adjournments thereof. Each Proposal is further described in the management information circular (the “**Information Circular**”) accompanying this Notice. Each Special Meeting will be held concurrently at Counsel’s offices at 5015 Spectrum Way, Suite 200, on September 4, 2019, at 9:00 a.m. (Toronto Time) (the “**Meeting Time**”). If approved, the Merger (as defined and described in the accompanying Information Circular) is expected to be implemented on or about September 13, 2019, and the Change of Objectives (as defined and described in the accompanying Information Circular) is expected to be implemented on or about September 13, 2019.

Proposed Change to Fundamental Investment Objectives

Fund	Proposed Change to Investment Objectives
Counsel Balanced Growth Portfolio*	<p>This change is being proposed to provide investors with a Fund that invests primarily in exchange-traded funds, with exposure to securities from around the world, and seeks to invest in a socially responsible manner.</p> <p>Under the proposed investment objectives, the Fund will seek to provide investors with a balance of income and long-term capital appreciation by investing primarily in exchange-traded funds (“ETFs”) to gain exposure to global equity and fixed-income securities. The Fund may also invest in other mutual funds or invest directly in global equity and fixed-income securities and other asset categories. The Fund will follow a responsible approach to investing, primarily through the purchase of ETFs which seek to provide exposure to issuers who meet environmental, social, and governance (“ESG”) criteria.</p> <p>The Fund’s current investment objectives provide that the Fund seeks to maximize long-term investment returns through income and capital gains by investing, either directly or through securities of other mutual funds, primarily in Canadian debt and equity securities.</p> <p>If this Proposal is approved, the Fund’s name will change to <u>IPC ESG Balanced Essentials Portfolio</u>.</p>

Proposed Fund Mergers

Terminating Fund	Continuing Fund
Counsel Income Portfolio*	Counsel High Income Portfolio

* Investors in these Funds will vote on the applicable Proposal.

You are only entitled to vote at a Special Meeting if you were an investor of record in the applicable Fund as of the close of business on July 16, 2019 (the “**Record Date**”).

If you are entitled to vote, but are unable to attend a Special Meeting, you may exercise your voting rights by using the form of proxy which was mailed to you on or about July 29, 2019, according to one of the following three methods:

1. **Accessing www.secureonlinevote.com, entering the 12-digit control number that is located on your form of proxy and following the simple instructions on that website;**
2. **Faxing your completed form of proxy to Market Connections at 1-888-496-1548 (toll free); or**
3. **Signing and dating the form of proxy and returning it using the postage-paid return envelope, addressed to Proxy Processing, 94 Scarsdale Road, North York, Ontario M3B 9Z9.**

To be valid at a Special Meeting, your form of proxy must be received by 5:00 p.m. (Toronto Time) on August 30, 2019.

At each Special Meeting, two or more of a Fund's investors, present in person or represented by proxy, will constitute a quorum. If quorum is not achieved at a Special Meeting, the Special Meeting will be adjourned to September 6, 2019, or such other date as Counsel may determine, at the same time and location.

Counsel, as manager of each Fund, recommends that you vote in favour of each Proposal.

The governance of the Funds involves the Funds' Independent Review Committee (the "IRC") which was formed to review, among other things, conflict-of-interest matters referred to it by Counsel, as manager of the Funds. The IRC of the Funds has reviewed the Merger Proposal and has determined that the Merger, if implemented, would achieve a fair and reasonable result for the Terminating Fund and the Continuing Fund.

While the IRC has determined that the implementation of the Merger would achieve a fair and reasonable result for the Fund, **it is not the role of the IRC to recommend that unitholders vote in favour of the Merger.**

Additional information regarding each Fund (and the Continuing Fund in the case of the Proposal that is a Merger) is contained in the relevant simplified prospectus, annual information form, most recently filed fund facts document, most recent management report of fund performance and the most recent annual and interim financial statements. You can obtain these documents at no cost in any of the following ways:

- by accessing the Counsel's website at www.counselservices.com;
- by accessing the SEDAR website at www.sedar.com;
- by emailing Counsel at info@counselservices.com;
- by calling Counsel toll-free during normal business hours at 1-877-625-9885;
- by faxing a request to Counsel at 1-844-378-6247;
- by mailing a request to Counsel at 5015 Spectrum Way, Suite 300, Mississauga, Ontario L4W 0E4.

DATED the 26th day of July, 2019

By order of the Board of Directors of Counsel Portfolio Services Inc., as manager of the Funds



Nick Westlind
Secretary

COUNSEL | PORTFOLIO SERVICES

MANAGEMENT INFORMATION CIRCULAR

July 26, 2019

Counsel Balanced Growth Portfolio
Counsel Income Portfolio

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

SPECIAL MEETINGS OF UNITHOLDERS TO BE HELD ON SEPTEMBER 4, 2019

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Management Information Circular

July 26, 2019

Management Solicitation

This management information circular (“**Information Circular**”) is provided by Counsel Portfolio Services Inc. (“**Counsel**”), the manager of the Funds.

For each Fund, Counsel will hold a special meeting of investors (each, a “**Special Meeting**”) at its offices on the 2nd floor of 5015 Spectrum Way, Suite 200 Mississauga, Ontario, on September 4, 2019, at 9:00 a.m. (Toronto Time) (the “**Meeting Time**”) to consider and vote on the applicable resolution attached hereto as Schedule A (each, a “**Resolution**”) to approve the applicable proposal described within this Information Circular (each, a “**Proposal**”). Each Special Meeting will be held concurrently at the Meeting Time. If a Special Meeting is adjourned, it will be adjourned to September 6, 2019, or such other date as Counsel may determine, at the same time and location (the “**Adjournment Time**”).

Counsel, as manager of each Fund, is providing this Information Circular in connection with its solicitation of proxies for use at each Special Meeting. Counsel makes this solicitation on behalf of each Fund. Counsel or its agents may solicit these proxies by mail, personally, by telephone, by email or by facsimile transmission.

Except as otherwise stated, the information contained in this Information Circular is current to June 30, 2019.

Proposed Change to Fundamental Investment Objectives of Counsel Balanced Growth Portfolio

Proposal

At the Special Meeting of investors of Counsel Balanced Growth Portfolio (for the purposes of this section, the “Fund”), investors of the Fund will be asked to consider and vote on a Resolution approving a change to the fundamental investment objectives of the Fund (the “**Change of Objectives**”). If the Resolution is approved and the Change of Objectives is implemented, the Fund’s name will change from Counsel Balanced Growth Portfolio to IPC ESG Balanced Essentials Portfolio. The combined management fees and administration fees of the Fund will also be reduced if the Change of Objectives is implemented.

Reasons for the Proposed Change of Objectives and Background Information

The Change of Objectives is being proposed to broaden the Fund’s investment opportunities and increase the potential of the Fund to provide improved risk-adjusted returns for investors over time. If the proposed Change of Objectives is approved the Fund would become part of the IPC Essentials line-up and invest in Exchange-Traded Funds (“**ETFs**”) instead of externally sub-advised funds, which will lead to lower fees as more fully described below. Each IPC Essentials fund is crafted from a selection of ETFs, with active asset allocation, currency management and oversight, to ensure they are managed efficiently. If you do not wish to participate in the Change of Objectives proposal you may instead switch to any other mutual fund offered under the Fund’s simplified prospectus, as more fully described on page 25 “**If You Do Not Wish to Participate in a Proposal**”. You should consult your financial advisor to discuss any switches to another mutual fund.

The expected benefits of this Change of Objectives include:

1. **Benefits of ESG framework.** The Fund will follow a responsible approach to investing, primarily through the purchase of ETFs which seek to provide exposure to issuers who meet environmental, social, and governance (“**ESG**”) criteria. Because of its responsible investing approach, Investors are better able to align their investment portfolios with their personal values.
2. **Broader investment opportunities.** The Fund’s current investment objectives require it to invest primarily in Canadian debt and equity securities. The proposed Change of Objectives will broaden the Fund’s allocation to offer more international exposure. The Fund will have potential investment opportunities beyond its current Canadian-emphasized investment strategy, allowing investors to benefit from a more globally diversified portfolio.
3. **Lower costs for current investors.** The proposed Change of Objectives will see the Fund switch to investing primarily in ETFs that are selected by Counsel. Because of this change, Counsel is proposing to lower the combined management and administration fees of the fund. Investors will benefit from lower combined costs.

Procedure for the Change of Objectives

If the Change of Objectives is approved at the Special Meeting, the revised investment objectives are expected to become effective on or about September 13, 2019.

Except for transaction costs associated with buying and selling portfolio securities, Counsel will bear all of the expenses incurred to effect the Change of Objectives.

Tax Implications of the Change of Objectives

There are no tax consequences for Fund investors as a result of the Change of Objectives and no tax year end will be triggered.

Summary of Voting Units

The Fund is authorized to issue an unlimited number of units in each series. The number of units in each series of the Fund that were issued and outstanding as of July 16, 2019 (for the purposes of this section, the “**Voting Units**”) are set out in the following table.

Series	Number of Voting Units
Series A	3,631,350.931
Series F	541,337.129
Series I	466,224.799
Total	4,638,912.859

Principal Holders

As of June 30, 2019, no investors held 10% or more of the Voting Units of the Fund.

To the extent that Counsel, or any fund managed by Counsel, directly owns Voting Units of the Fund, it will refrain from voting in respect of those units at the Special Meeting of the Fund.

As at the close of business on June 30, 2019, the directors and senior officers of Counsel owned less than 1% of the Voting Units of the Fund.

Fees and Expenses

The following table sets out the management fees and administration fees paid by the Fund for the fifteen month period ended June 30, 2019.

Fees	Amount (\$)
Management Fees	1,838,350
Administration Fees	223,816

The following table sets out the current management fees and administration fee rates of the Fund by series and the proposed management fees and administration fees of the Fund by series if the investment objective change is approved:

Series	Current Management Fee	Current Administration Fee	Proposed Management Fee	Proposed Administration Fee	Total Management & Administration Fee Reduction
A	2.04%	0.25%	1.55%	0.15%	0.59%
F	1.03%	0.06%	0.55%	0.15%	0.39%
I	1.03%	0.06%	0.55%	0.15%	0.39%

Comparison of the Current Investment Objectives with the Proposed Investment Objectives

The following table sets out the Fund's current investment objectives and investment strategies and the investment objectives and investment strategies proposed pursuant to the Change of Objectives. If the Resolution is approved and the Change of Objectives is implemented, the Fund's name will change from Counsel Balanced Growth Portfolio to IPC ESG Balanced Essentials Portfolio.

	Current	Proposed
Investment Objectives	<p>Counsel Balanced Growth Portfolio seeks to maximize long-term investment returns through income and capital gains by investing, either directly or through securities of other mutual funds, primarily in Canadian debt and equity securities.</p> <p>The fundamental investment objective of Counsel Balanced Growth Portfolio cannot be changed without obtaining prior approval of Securityholders at a meeting called for that purpose.</p>	<p>The Fund seeks to provide investors with a balance of income and long-term capital appreciation by investing primarily in exchange-traded funds ("ETFs") to gain exposure to global equity and fixed-income securities. The Fund may also invest in other mutual funds or invest directly in global equity and fixed-income securities and other asset categories. The Fund will follow a responsible approach to investing, primarily through the purchase of ETFs which seek to provide exposure to issuers who meet environmental, social, and governance ("ESG") criteria.</p> <p>The fundamental investment objective of the Fund cannot be changed without obtaining prior approval of Securityholders at a meeting called for that purpose.</p>
Investment Strategies	<p>The Fund invests up to 100% of its assets in securities of other mutual funds using strategic asset allocation as its principal investment strategy. The Fund's asset class weightings will generally be 50%-75% in equity securities and 25%-50% in fixed income securities.</p> <p>The Fund invests in Underlying Funds which may apply various tactical asset allocation strategies that may shift the Fund's asset-class weightings.</p> <p>Generally, the Fund will not invest more than 49% of its assets, either directly or through Underlying Funds, in foreign securities.</p> <p>The Underlying Funds in which the Fund invests may be changed from time to time, as well as the percentage holding in each Underlying Fund, without notice to you, so long as such changes are consistent with the Fund's investment objectives. Such Underlying Funds may be managed by Counsel.</p> <p>The names of the Underlying Funds, a brief description of their investment strategies, as well as target strategic allocations of the Fund's assets to the sub-advisors, are set out in the following table:</p>	<p>The Fund's asset mix will generally be kept within the following ranges: 45% - 75% equity securities and 25% - 55% fixed-income securities.</p> <p>The Fund is built upon long-term strategic allocations to different equity markets, fixed-income markets, and other asset classes. The Fund may be over or underweight equity or fixed-income or other asset class holdings when Counsel believes it is prudent to do so based on market signals and other factors.</p> <p>The Fund employs an investment strategy based on the technical analysis of market prices to determine market trends which may reduce the Fund's exposure to individual asset classes in certain market conditions if trends become unfavourable.</p> <p>The Fund will seek to diversify its equity and fixed-income assets in terms of one or more of the following factors:</p> <ul style="list-style-type: none"> • geographic exposure, • company market capitalization, • credit quality, • duration.

	Current				Proposed
<p>Investment Strategies</p>	<p>Underlying Funds</p>	<p>Target Strategic Allocation</p>	<p>Mandate</p>	<p>Investment Strategies and/or Style</p>	<p>As a result of this diversification, the Fund may have exposure to securities issued by companies of any size and governments located anywhere in the world, including emerging markets.</p> <p>The Fund will obtain exposure to equity securities, fixed-income securities and other asset categories primarily by investing in ETFs, in accordance with its investment objectives.</p> <p>Counsel will evaluate and select ETFs that consider important ESG attributes and seek to invest in companies that have positive ESG business practices.</p> <p>Some of the ETFs may be managed by Mackenzie Investments, a related company. For more information, see the “Fund of Funds” disclosure under “Fees and Expenses”.</p> <p>Counsel will monitor and adjust the Fund’s target allocations and will determine whether to utilize currency-hedged investment funds at its discretion based on economic trends and currency market signals.</p> <p>If market conditions are not favourable, a portion of the Fund may, for defensive purposes, be invested in short-term debt securities or cash.</p> <p>In accordance with applicable securities regulations or as permitted by the exemptions from these regulations, and as further described in the “Introduction to Part B – What Does the Fund Invest In?” section of the simplified prospectus, the Fund may</p> <ul style="list-style-type: none"> • use derivatives for hedging and non-hedging purposes; • engage in securities-lending, repurchase and reverse repurchase transactions with parties that are considered creditworthy; • engage in short selling (the portfolio manager does not currently engage in short selling, but may do so in the future without further notice to investors); • invest in ETFs; and • invest in gold and silver, and other instruments (such as derivatives and ETFs) that provide exposure to these metals, and in certain other ETFs that replicate an index on a leveraged basis • and/or that invest in physical commodities.
	<p>Counsel Canadian Core Fixed Income</p>	<p>20.0%</p>	<p>Canadian fixed income</p>	<p>The Fund seeks to achieve a steady flow of income by investing, either directly or indirectly through other investment funds, primarily in a diversified portfolio of Canadian government and corporate fixed-income securities.</p>	
	<p>Counsel Global Trend Strategy</p>	<p>15.0%</p>	<p>Global equity</p>	<p>Please see the applicable fund pages in the simplified prospectus for details regarding this Fund’s strategies.</p>	
	<p>Counsel Canadian Value</p>	<p>12.5%</p>	<p>Canadian value equities</p>	<p>Please see the applicable fund pages in the simplified prospectus for details regarding this Fund’s strategies.</p>	
<p>Counsel Canadian Growth</p>	<p>12.5%</p>	<p>Canadian growth equities</p>	<p>Please see the applicable fund pages in the simplified prospectus for details regarding this Fund’s strategies.</p>		

	Current				Proposed
Investment Strategies	Underlying Funds	Target Strategic Allocation	Mandate	Investment Strategies and/or Style	If the Fund employs any of these strategies, it will do so in conjunction with its other investment strategies in a manner considered appropriate to pursuing its investment objectives and enhancing its returns.
	Counsel Global Small Cap	10.0%	Global small cap	Please see the applicable fund pages in the simplified prospectus for details regarding this Fund's strategies.	
	Counsel International Growth	6.0%	International growth equities	Please see the applicable fund pages in the simplified prospectus for details regarding this Fund's strategies.	
	Counsel International Value	6.0%	International value equities	Please see the applicable fund pages in the simplified prospectus for details regarding this Fund's strategies.	
	Counsel Global Fixed Income	5.0%	Global fixed income	The Fund seeks to achieve a high level of current income with the potential for capital appreciation by investing, either directly or indirectly through securities of other mutual funds, primarily in fixed income securities and preferred shares issued around the world.	

	Current				Proposed
<p>Investment Strategies</p>	<p>Underlying Funds</p>	<p>Target Strategic Allocation</p>	<p>Mandate</p>	<p>Investment Strategies and/or Style</p>	
	<p>Counsel Short Term Bond</p>	<p>5.0%</p>	<p>Canadian short-term fixed-income</p>	<p>Please see the applicable fund pages in the simplified prospectus for details regarding this Fund's strategies.</p>	
	<p>Counsel U.S. Growth</p>	<p>4.0%</p>	<p>U.S. growth equities</p>	<p>Please see the applicable fund pages in the simplified prospectus for details regarding this Fund's strategies.</p>	
	<p>Counsel U.S. Value</p>	<p>4.0%</p>	<p>U.S. value equities</p>	<p>Please see the applicable fund pages in the simplified prospectus for details regarding this Fund's strategies.</p>	
<p>The Fund will invest its assets according to the percentages indicated by Target Allocation in the table above and in accordance with the policy of "Ongoing Monitoring and Rebalancing" described in the simplified prospectus.</p> <p>The different portfolio management styles and areas of expertise of the Underlying Funds' sub-advisors should lead to an element of diversification in the Fund's portfolio. However, as the Underlying Funds' sub-advisors are independent of one another, there may be some overlap in specific securities, industry sectors, countries or investment themes, as applicable, from time to time.</p> <p>The Underlying Funds may enter into derivatives and securities lending transactions as part of their investment strategies.</p>					

	Current	Proposed
	<p>The Fund may invest in short-term debt securities or cash for operational purposes, including maintaining liquidity, to accommodate redemption requests, to rebalance assets between the Underlying Funds and sub-advisors, and for defensive purposes such as when market conditions are not favourable.</p> <p>In accordance with applicable securities regulations or as permitted by the exemptions from these regulations, and as further described in the “Introduction to Part B – What Does the Fund Invest In?” section in the simplified prospectus, the Fund may</p> <ul style="list-style-type: none"> • in addition to the derivatives use described above, use derivatives for hedging and non-hedging purposes; • engage in securities-lending, repurchase and reverse repurchase transactions with parties that are considered creditworthy; • engage in short selling (the portfolio manager does not currently engage in short selling, but may do so in the future without further notice to investors); • invest in ETFs; and • invest in gold and silver, and other instruments (such as derivatives and ETFs) that provide exposure to these metals, and in certain ETFs, the underlying interest of which are Commodity ETFs. <p>If the Fund employs any of these strategies, it will do so in conjunction with its other investment strategies in a manner considered appropriate to pursuing its investment objectives and enhancing its returns.</p> <p>For further information on the Underlying Funds Counsel Canadian Core Fixed Income and Counsel Global Fixed Income please see the most recent Management Report of Fund Performance and other information about these Underlying Funds on the internet site of SEDAR at www.sedar.com.</p>	

Recommendation

Counsel recommends that you vote in favour of the proposed Change of Objectives as set out in the applicable Resolution attached hereto as Schedule A.

Proposed Merger of Counsel Income Portfolio into Counsel High Income Portfolio

Proposal

At the Special Meeting of Counsel Income Portfolio (the “**Terminating Fund**”), investors of the Terminating Fund will be asked to consider and vote on a Resolution approving the merger (the “**Merger**”) of the Terminating Fund into Counsel High Income Portfolio (the “**Continuing Fund**”).

If the Merger receives all necessary investor and regulatory approvals, the Terminating Fund is expected to be merged into the Continuing Fund after the close of business on or about September 13, 2019 (the “**Merger Date**”).

Both the Terminating Fund and Continuing Fund qualify as mutual fund trusts under the *Income Tax Act* (Canada) (the “**Tax Act**”).

Reasons for the Proposed Merger and Background Information

The proposed merger offers investors in the Terminating Fund prospects for better long-term risk-adjusted investment returns, an opportunity for higher yield and enhanced investment strategies, with no changes to risk rating.

The Merger is being proposed because the Terminating Fund has provided investors with lower returns over longer term performance periods as compared to the Continuing Fund. The Terminating Fund has delivered lower returns than the Continuing Fund because of differences in its allocations to underlying investments, including a more conservative allocation to fixed income securities, which resulted in lower portfolio yields.

The Continuing Fund has historically aimed to deliver income to investors through exposure to a combination of fixed-income, high-yield and dividend paying stocks. The Continuing Fund offers a higher portfolio yield than the Terminating Fund, and is therefore better able to achieve its objective of providing income to investors.

Both the Terminating Fund and Continuing Fund have the same risk ratings (Low), are in the same CIFSC Category (Global Fixed Income Balanced), have investment portfolio allocations that are similar and investment objectives that are comparable (although not “substantially similar”). Counsel believes that investors will be better served through the merger of the two Funds, allowing Counsel’s Portfolio Management team to be more consistent in the application of its fixed-income strategy across the line-up.

If the Merger is approved, Counsel will lower the management fees on Series A, Series F, Series I and Series T of the Continuing Fund to match those of the Terminating Fund. It will also amend the investment strategies of the Continuing Fund to eliminate the allocation to BlueBay Emerging Markets Corporate Bond Fund and reallocate those assets across other holdings already held by the Continuing Fund.

Please see “**Performance**” within this section below. Historical performance may not be indicative of future returns.

Procedures for the Proposed Merger

See “**Procedures for the Proposed Merger**” on page 18 for information on the procedures for the proposed Merger.

Tax Implications of the Merger for Terminating Fund Unitholders

General

Prior to the Merger Date, Terminating Fund investors may receive a distribution of net income (including Canadian dividends) and/or net realized capital gains from the Terminating Fund to the extent required to ensure that the Terminating Fund will not be subject to income tax. In that regard, as of June 30, 2019, Counsel does not expect that the Terminating Fund will distribute net realized capital gains to Terminating Fund unitholders as a result of the Merger in advance of the Merger Date, but this expectation may change in advance of the Merger Date due to market activity, portfolio manager activity and/or unitholder activity. Any such distribution will be automatically reinvested in Terminating Fund Units.

Deductible Capital Losses Projection, as of June 30, 2019

As of June 30, 2019, Counsel estimates that the Terminating Fund will, on or about the Merger Date, have deductible capital losses totaling approximately 6.12% of the Terminating Fund's net asset value. If the Merger occurs, these deductible capital losses will expire on or about the Merger Date. In comparison, as of June 30, 2019, Counsel estimates that the Continuing Fund will have deductible capital losses of approximately 0.72% which will expire at the time of the Merger. Taking this and other relevant factors into consideration, Counsel believes that the Merger is in the best interest of investors.

Tax-Deferred Exchange of Units

On the Merger Date, the exchange of your units of the Terminating Fund (for the purposes of this section, "**Terminating Fund Units**") for units of the Continuing Fund (for the purposes of this section, "**Continuing Fund Units**") will occur on a tax-deferred basis:

- you will be deemed to dispose of your Terminating Fund Units for an amount equal to their adjusted cost base ("**ACB**") so that you will not realize a capital gain or capital loss on the disposition; and
- the cost of the Continuing Fund Units that you receive as a result of the Merger will equal the ACB of the Terminating Fund Units that were exchanged for these Continuing Fund Units.

See "**Canadian Federal Income Tax Considerations for Terminating Fund Unitholders**" on page 18 for a general summary of the tax implications of the Merger and "**Income Tax Considerations**" in the Continuing Fund's simplified prospectus for a summary of the tax implications of holding Continuing Fund Units following the Merger.

Proposed Transition of Series to Implement the Merger

The series of Continuing Fund Units that you will receive as a result of the Merger depends on the series of Terminating Fund Units that you hold, as shown in the following table.

Terminating Fund Units You Hold	Continuing Fund Units You will Receive
Series A	Series A
Series E	Series E ¹
Series F	Series F
Series I	Series I

¹ This series of the Continuing Fund does not currently exist. It will be created to facilitate the Merger and will not be available for future purchase following the Merger. Accordingly, if you are scheduled to receive this series of the Continuing Fund pursuant to the Merger, we have mailed to you the fund facts pertaining to Series A of the Continuing Fund, as

no fund facts document exists for this series of the Continuing Fund. Unlike the Continuing Fund series that you will receive, Series A of the Continuing Fund will be available for future purchase following the Merger, and holders of Series A of the Continuing Fund securities will pay different management fees and administration fees than you. See “**Fees and Expenses**” within this section below for the management fees and administration fees payable for this series of the Continuing Fund and Series A of the Continuing Fund.

Summary of Voting Units

The Terminating Fund is authorized to issue an unlimited number of units in each series. The number of units in each series of the Terminating Fund that were issued and outstanding as of July 16, 2019 (for the purposes of this section, the “**Voting Units**”) are set out in the following table.

Series	Number of Voting Units
Series A	570,433.237
Series E	743,764.789
Series F	576,872.588
Series I	333,773.048
Total	2,224,843.662

Principal Holders

As of June 30, 2019, no investor held 10% or more of the Voting Units of the Terminating Fund.

To the extent that Counsel or any fund managed by Counsel directly owns Voting Units of the Terminating Fund, it will refrain from voting in respect of those units at the Special Meeting.

As at the close of business on June 30, 2019, the directors and senior officers of Counsel owned less than 1% of the Voting Units of the Terminating Fund.

Fees and Expenses

As set out in the table below, if the Merger occurs, holders of Terminating Fund Units will pay the same management fees and administration fees on the corresponding series of Continuing Fund Units that they receive in exchange for their Terminating Fund Units as a result of the Merger. While the management fees are not currently identical, if the Merger occurs, Counsel will lower the management fees on Series A, Series F, Series I and Series T of the Continuing Fund to match those of the Terminating Fund.

The following table sets out, for each series of the Terminating Fund and each series of the Continuing Fund involved with the Merger, where available, the current management fees and administration fees payable and the annualized management expense ratio (“**MER**”) for the six-month period ended March 31, 2019, the most recently completed and publicly disclosed financial period of the Terminating Fund and the Continuing Fund. If the Merger is approved, the management fees for the Continuing Fund will be reduced as set out in the table below.

	Terminating Fund Fees				Current Continuing Fund Fees				Continuing Fund Fees if Merger Approved		
	Series	MF	AF	MER ¹	Series	MF	AF	MER ¹	Series	MF	AF
Series offered, current management fee ("MF"), current administration fee ("AF") and management expense ratio for the six-month period ended March 31, 2019 ("MER")	Series A	1.94%	0.25%	2.49%	Series A	1.95%	0.25%	2.54%	Series A	1.94%	0.25%
	Series E	1.67%	0.25%	2.19%	Series E ²	N/A	N/A	N/A	Series E ²	1.67%	0.25%
	Series F	0.94%	0.15%	1.25%	Series F	0.95%	0.15%	1.31%	Series F	0.94%	0.15%
	Series I ³	0.94%	0.15%	0.21%	Series I ³	0.95%	0.15%	0.25%	Series I	0.94%	0.15%
					Series T	1.95%	0.25%	2.55%	Series T	1.94%	0.25%

¹ The MER for each series consists of the management fee, administration fee and other fund costs, as applicable to that series. The MERs provided are after any waivers or absorptions of fees or expenses by Counsel.

² This series will be created solely to facilitate the Merger and will not be qualified for distribution. As a result, it has no historical MER

³ Series I management fees do not form part of the MER as they are charged directly to unitholders.

The following table sets out the management fees and administration fees paid by the Terminating Fund for the fifteen month period ended June 30, 2019.

Fees	Amount (\$)
Management Fees	407,693
Administration Fees	64,072

Performance

The annual compounded returns of each series of the Terminating Fund and each series of the Continuing Fund involved with the Merger over the past one-year, two-year, three-year, five-year and ten-year periods, calculated as of June 30, 2019, are set out in the following table.

Compound annual returns as of June 30, 2019 ¹	Terminating Fund						Continuing Fund					
	Series	Time Period (years)					Series	Time Period (years)				
		1	2	3	5	10		1	2	3	5	10
	Series A	1.89	1.27	0.89	0.80	-	Series A	1.56	1.89	2.13	2.37	-
	Series E	2.19	1.57	1.19	1.14	-	Series E ²	-	-	-	-	-
	Series F	3.15	2.53	2.15	2.05	-	Series F	2.81	3.15	3.40	3.67	-
	Series I	4.23	3.60	3.21	3.15	-	Series I	3.90	4.24	4.51	4.81	-
							Series T	1.55	1.88	2.13	2.37	-

¹ These series returns are calculated on a Canadian-dollar compound and total-return basis.

² Performance information is not available for this series as it is being created to facilitate the Merger.

Comparison of the Terminating Fund with the Continuing Fund

The following table sets out the investment objectives, investment strategies, portfolio managers and net asset value of the Terminating Fund and the Continuing Fund:

Fund	Terminating Fund Counsel Income Portfolio	Continuing Fund ¹ Counsel High Income Portfolio																				
Investment Objectives	<p>Counsel Income Portfolio seeks to provide regular income with the potential for long-term capital growth.</p> <p>The Fund invests, either directly or through securities of other mutual funds, in a portfolio of fixed-income securities, including government and corporate bonds, debentures and notes. The Fund may also invest in equity and equity-like securities that are expected to produce income.</p>	<p>Counsel High Income Portfolio seeks to provide regular income with the potential for long-term capital growth.</p> <p>The Fund will invest either directly, or through securities of other mutual funds, primarily in Canadian, U.S. and international fixed-income securities and equity and equity-like securities that are expected to produce income.</p>																				
Investment Strategies	<p>The Fund invests up to 100% of its assets in securities of other mutual funds using strategic asset allocation as its principal investment strategy. The Fund's asset class weightings will generally be 15%-35% in equity securities and 65%-85% in fixed income securities.</p> <p>The Fund invests in Underlying Funds that may apply various tactical asset allocation strategies from time to time that may shift the Fund's asset class weightings.</p> <p>To the extent the Fund invests in equities, it will invest in equity and equity-like securities issued by Canadian and international companies including, and not limited to, preferred shares, common shares and income trusts.</p> <p>The Underlying Funds in which the Fund invests may be changed from time to time, as well as the percentage holding in each Underlying Fund, without notice to you, so long as such changes are consistent with the Fund's investment objectives. Such Underlying Funds may be managed by Counsel.</p> <p>The names of the Underlying Funds, a brief description of their investments, as well as target strategic allocations of the Fund's assets to each are set out in the following table:</p> <table border="1" data-bbox="240 1335 863 1797"> <thead> <tr> <th>Underlying Funds</th> <th>Target Strategic Allocation</th> <th>Mandate</th> <th>Investment Strategies and/or Style</th> </tr> </thead> <tbody> <tr> <td>Counsel Canadian Core Fixed Income</td> <td>30%</td> <td>Canadian fixed income</td> <td>The Fund seeks to achieve a steady flow of income by investing, either directly or indirectly through other investment funds, primarily in a diversified portfolio of Canadian government and corporate fixed-income securities.</td> </tr> </tbody> </table>	Underlying Funds	Target Strategic Allocation	Mandate	Investment Strategies and/or Style	Counsel Canadian Core Fixed Income	30%	Canadian fixed income	The Fund seeks to achieve a steady flow of income by investing, either directly or indirectly through other investment funds, primarily in a diversified portfolio of Canadian government and corporate fixed-income securities.	<p>The Fund invests up to 100% of its assets in securities of other mutual funds using a strategic asset allocation as its principal investment strategy. The Fund's asset class weightings will generally be 20%-40% in equity securities and 60%-80% in fixed income securities.</p> <p>The Fund invests in Underlying Funds which may apply various tactical asset allocation strategies that may shift the Fund's asset-class weightings.</p> <p>To the extent the Fund invests in equities, it will invest in equity and equity-like securities issued by Canadian, U.S. and international entities including, and not limited to, preferred shares, common shares and trust units.</p> <p>The Underlying Funds in which the Fund invests may be changed from time to time, as well as the percentage holding in each Underlying Fund, without notice to you, so long as such changes are consistent with the Fund's investment objectives. Such Underlying Funds may be managed by Counsel.</p> <p>The names of the Underlying Funds, a brief description of their investments, as well as target strategic allocations of the Fund's assets to each, are set out in the following table:</p> <table border="1" data-bbox="886 1335 1513 1944"> <thead> <tr> <th>Underlying Funds</th> <th>Target Strategic Allocation</th> <th>Mandate</th> <th>Investment Strategies and/or Style</th> </tr> </thead> <tbody> <tr> <td>Counsel Retirement Income Portfolio</td> <td>17.5%</td> <td>Global fixed income balanced</td> <td>Please see the applicable fund pages in the simplified prospectus for details regarding this Fund's investment strategies.</td> </tr> <tr> <td>Counsel Canadian Dividend</td> <td>15%</td> <td>Canadian dividend</td> <td>Please see the applicable fund pages in the simplified prospectus for details regarding this Fund's investment strategies.</td> </tr> </tbody> </table>	Underlying Funds	Target Strategic Allocation	Mandate	Investment Strategies and/or Style	Counsel Retirement Income Portfolio	17.5%	Global fixed income balanced	Please see the applicable fund pages in the simplified prospectus for details regarding this Fund's investment strategies.	Counsel Canadian Dividend	15%	Canadian dividend	Please see the applicable fund pages in the simplified prospectus for details regarding this Fund's investment strategies.
Underlying Funds	Target Strategic Allocation	Mandate	Investment Strategies and/or Style																			
Counsel Canadian Core Fixed Income	30%	Canadian fixed income	The Fund seeks to achieve a steady flow of income by investing, either directly or indirectly through other investment funds, primarily in a diversified portfolio of Canadian government and corporate fixed-income securities.																			
Underlying Funds	Target Strategic Allocation	Mandate	Investment Strategies and/or Style																			
Counsel Retirement Income Portfolio	17.5%	Global fixed income balanced	Please see the applicable fund pages in the simplified prospectus for details regarding this Fund's investment strategies.																			
Counsel Canadian Dividend	15%	Canadian dividend	Please see the applicable fund pages in the simplified prospectus for details regarding this Fund's investment strategies.																			

Fund	Terminating Fund Counsel Income Portfolio				Continuing Fund ¹ Counsel High Income Portfolio			
Investment Strategies	Underlying Funds	Target Strategic Allocation	Mandate	Investment Strategies and/or Style	Underlying Funds	Target Strategic Allocation	Mandate	Investment Strategies and/or Style
	Counsel Canadian Dividend	20%	Canadian dividend	Please see the applicable fund pages in the simplified prospectus for details regarding this Fund's investments strategies.	Counsel Canadian Core Fixed Income	33%	Canadian fixed income	The Fund seeks to achieve a steady flow of income by investing, either directly or indirectly through other investment funds, primarily in a diversified portfolio of Canadian government and corporate fixed-income securities.
	Counsel Global Fixed Income	17.5%	Global fixed income	The Fund seeks to achieve a high level of current income with the potential for capital appreciation by investing, either directly or indirectly through securities of other mutual funds, primarily in fixed income securities and preferred shares issued around the world.				The Fund seeks to achieve a high level of income with the potential for long-term capital growth by investing, either directly or through securities of other mutual funds, primarily in Canadian and U.S. fixed-income securities, as well as mortgage-backed securities and equity and equity-like securities that are expected to produce income. The Fund seeks to diversify the portfolio by industry sector, size of issuer and credit rating. The Fund's investments are generally expected to have a weighted average credit rating of "BB-" or
	Counsel Retirement Income Portfolio	15%	Global fixed income balanced	Please see the applicable fund pages in the simplified prospectus for details regarding this Fund's investment strategies.				
	Counsel Short Term Bond	10%	Canadian short-term fixed-income	Please see the applicable fund pages in the simplified prospectus for details regarding this Fund's investment strategies.	Counsel North American High Yield Bond	5%	High yield fixed-income	

Fund	Terminating Fund Counsel Income Portfolio				Continuing Fund ¹ Counsel High Income Portfolio			
Investment Strategies	Underlying Funds	Target Strategic Allocation	Mandate	Investment Strategies and/or Style	Underlying Funds	Target Strategic Allocation	Mandate	Investment Strategies and/or Style
	Counsel North American High Yield Bond	7.5%	High-yield fixed-income	<p>The Fund seeks to achieve a high level of income with the potential for long-term capital growth by investing, either directly or through securities of other mutual funds, primarily in Canadian and U.S. fixed-income securities, as well as mortgage-backed securities and equity and equity-like securities that are expected to produce income. The Fund seeks to diversify the portfolio by industry sector, size of issuer and credit rating. The Fund's investments are generally expected to have a weighted average credit rating of "BB-" or higher, as rated by Standard & Poors or an equivalent rating from another recognized credit rating organization. The sub-advisor may vary the weighted average credit quality.</p>				<p>higher, as rated by Standard & Poors or an equivalent rating from another recognized credit rating organization. The sub-advisor may vary the weighted average credit quality.</p>
					Counsel Global Dividend	15%	Global dividend	<p>Please see the applicable fund pages in the simplified prospectus for details regarding this Fund's investment strategies.</p>
					Counsel Global Fixed Income	9.5%	Global fixed income	<p>The Fund seeks to achieve a high level of current income with the potential for capital appreciation by investing, either directly or indirectly through securities of other mutual funds, primarily in fixed income securities and preferred shares issued around the world.</p>
					Counsel Short Term Bond	5%	Canadian short-term fixed-income	<p>Please see the applicable fund pages in the simplified prospectus for details regarding this Fund's investment strategies.</p>

Fund	Terminating Fund Counsel Income Portfolio	Continuing Fund ¹ Counsel High Income Portfolio
Investment Strategies	<p>The Fund will invest its assets according to the percentages indicated by Target Allocation in the table above and in accordance with the policy of “Ongoing Monitoring and Rebalancing” described in the simplified prospectus.</p> <p>The different portfolio management styles and areas of expertise of the Underlying Funds’ sub-advisors should lead to an element of diversification in the Fund’s portfolio. However, as the Underlying Funds’ sub-advisors are independent of one another, there may be some overlap in specific securities, industry sectors, countries or investment themes as applicable, from time to time.</p> <p>The Underlying Funds may enter into derivatives and securities-lending transactions as part of their investment strategies.</p> <p>The Fund may invest in short-term debt securities or cash for operational purposes, including maintaining liquidity, to accommodate redemption requests, to rebalance assets between asset classes and/or securities, and for defensive purposes such as when market conditions are not favourable.</p> <p>In accordance with applicable securities regulations or as permitted by the exemptions from these regulations, and as further described in the “Introduction to Part B – What Does the Fund Invest In?” section in the simplified prospectus, the Fund may</p> <ul style="list-style-type: none"> ○ in addition to the derivatives use described above, use derivatives for hedging and non-hedging purposes; ○ engage in securities-lending, repurchase and reverse repurchase transactions with parties that are considered creditworthy; ○ engage in short selling (the portfolio manager does not currently engage in short selling, but may do so in the future without further notice to investors); ○ invest in ETFs; and ○ invest in gold and silver, and other instruments (such as derivatives and ETFs) that provide exposure to these metals, and in certain ETFs, the underlying interest of which are Commodity ETFs. <p>If the Fund employs any of these strategies, it will do so in conjunction with its other investment strategies in a manner considered appropriate to pursuing its investment objectives and enhancing its returns.</p> <p>For further information on the Underlying Funds Counsel Canadian Core Fixed Income, Counsel North American High Yield Bond and Counsel Global Fixed Income, please see the most recent Management Report of Fund Performance and other information about these Underlying Funds on the internet site of SEDAR at www.sedar.com.</p>	<p>The Fund will invest its assets according to the percentages indicated by Target Allocation in the table above and in accordance with the policy of “Ongoing Monitoring and Rebalancing” described in the simplified prospectus.</p> <p>The different portfolio management styles and areas of expertise of the Underlying Funds’ sub-advisors should lead to an element of diversification in the Fund’s portfolio. However, as the Underlying Funds’ sub-advisors are independent of one another, there may be some overlap in specific securities, industry sectors, countries or investment themes as applicable, from time to time.</p> <p>The Underlying Funds may enter into derivatives and securities-lending transactions as part of their investment strategies.</p> <p>The Fund may invest in short-term debt securities or cash for operational purposes, including maintaining liquidity, to accommodate redemption requests, to rebalance assets between asset classes and/or securities, and for defensive purposes such as when market conditions are not favourable.</p> <p>In accordance with applicable securities regulations or as permitted by the exemptions from these regulations, and as further described in the “Introduction to Part B – What Does the Fund Invest In?” section in the simplified prospectus, the Fund may</p> <ul style="list-style-type: none"> ● in addition to the derivatives use described above, use derivatives for hedging and non-hedging purposes; ● engage in securities-lending, repurchase and reverse repurchase transactions with parties that are considered creditworthy; ● engage in short selling (the portfolio manager does not currently engage in short selling, but may do so in the future without further notice to investors); ● invest in ETFs; and ● invest in gold and silver, and other instruments (such as derivatives and ETFs) that provide exposure to these metals, and in certain ETFs, the underlying interest of which are Commodity ETFs. <p>If the Fund employs any of these strategies, it will do so in conjunction with its other investment strategies in a manner considered appropriate to pursuing its investment objectives and enhancing its returns.</p> <p>For further information on the Underlying Funds Counsel North American High Yield Bond, Counsel Canadian Core Fixed Income and Counsel Global Fixed Income please see the most recent Management Report of Fund Performance and other information about these Underlying Funds on the internet site of SEDAR at www.sedar.com.</p>
Portfolio Manager	Counsel Portfolio Services Inc.	Counsel Portfolio Services Inc.

Fund	Terminating Fund Counsel Income Portfolio	Continuing Fund ¹ Counsel High Income Portfolio
Net Asset Value	\$22,248,591	\$38,198,014

¹ The investment strategies for the Continuing Fund as set out in the simplified prospectus dated October 29, 2018, will change if the Merger occurs, as Counsel intends to eliminate the allocation to BlueBay Emerging Markets Corporate Bond Fund, and reallocate those assets across other holdings already held by the Continuing Fund. Therefore, the investment strategies provided above are the revised investment strategies to be put in place if the Merger is approved and implemented.

Recommendation

Counsel recommends that you vote in favour of the proposed Merger as set out in the applicable Resolution attached hereto as Schedule A.

Procedures for the Proposed Merger

If a Merger receives all necessary investor and regulatory approvals, the Terminating Fund is expected to be merged into the Continuing Fund after the close of business on or about the Merger Date. Once the Merger is completed, if you held Terminating Fund Units, you will no longer hold Terminating Fund Units; instead, you will hold Continuing Fund Units.

Merger Process

On the date immediately preceding the Merger Date, both Funds will pay any distributions of undistributed capital gains and/or net income.

The Terminating Fund will be closed to new purchases made by wire on the Merger Date at 4:00 p.m. (Toronto time). For switches and direct-buy orders, the Terminating Fund will be closed on the Merger Date at 4:00 p.m. (Toronto time).

After the close of business on the Merger Date,

- the Terminating Fund will transfer all of its net assets to the applicable Continuing Fund in exchange for Continuing Fund Units;
- the value of the Continuing Fund Units received by the Terminating Fund will equal the value of the net assets that the Terminating Fund transferred to the Continuing Fund;
- the Terminating Fund will then redeem the Terminating Fund Units. You will receive your *pro rata* share of the Continuing Fund Units that were held by the Terminating Fund; and
- the Terminating Fund will then cease to exist.

Pre-Authorized Chequing Plan and Systematic Transfer and Exchange Program

If you participate in a pre-authorized chequing plan or Systematic Transfer and Exchange Program (“STEP”), in connection with the Terminating Fund, this plan will be continued with the Continuing Fund following the Merger Date.

Counsel will bear all of the expenses incurred to effect each Merger. No charges will be payable by you, Terminating Fund or Continuing Fund in connection with a Merger.

Canadian Federal Income Tax Considerations for Terminating Fund Unitholders

This is a general summary of certain Canadian federal income tax considerations applicable to you as a holder of Terminating Fund Units. It is based on the current provisions of the Tax Act. This summary assumes that you are an individual (other than a trust) and, for the purposes of the Tax Act, you are resident in Canada and that you hold Terminating Fund Units as capital property or in a Registered Plan (as defined below). **This summary is not intended to be legal advice or tax advice and it is not exhaustive of all possible tax consequences. Accordingly, you should consult your own tax advisor, having regard to your own particular circumstances.**

The tax consequences of a Merger depends on whether you hold Terminating Fund Units inside or outside of an account that is one of the following (each a “Registered Plan”):

- a registered retirement savings plan;
- a registered retirement income fund;
- a registered education savings plan;

- a deferred profit-sharing plan;
- a life income fund;
- a locked-in retirement account;
- a locked-in retirement income fund;
- a locked-in retirement savings plan;
- a prescribed retirement income fund;
- a restricted life income fund;
- a restricted locked-in savings plan;
- a registered disability savings plan; or
- a tax-free savings account.

If you hold Terminating Fund Units inside a Registered Plan

Generally, you will not pay tax on distributions paid by a Terminating Fund or a Continuing Fund, and you will not be subject to tax on capital gains from redeeming or switching Terminating Fund Units or Continuing Fund Units.

All Continuing Fund Units are qualified investments for Registered Plans.

If you hold Terminating Fund Units outside of a Registered Plan

The tax consequences of

- (i) redeeming or switching Terminating Fund Units before the Merger Date, and
- (ii) holding Continuing Fund Units after the Merger Date (in the event a Merger proceeds)

are described in the relevant simplified prospectuses under “**Income Tax Considerations**”.

Fees and Expenses Payable by a Fund

Each Fund pays management fees, administration fees and fund costs. The management fees and administration fees are paid to Counsel as manager of each of the Funds.

The annual management fees and administration fees for each Fund vary by series. The management fees for Series I of each of the Funds are payable directly to Counsel.

Other fund costs to which a Fund may be subject include interest and borrowing costs, brokerage commissions and related transaction fees, taxes (including, but not limited to, G.S.T., H.S.T., income tax and withholding tax), all fees and expenses of the Counsel Funds’ IRC, costs of complying with the regulatory requirement to produce Fund Facts, fees paid to external service providers associated with tax reclaims, refunds or the preparation of foreign tax reports on behalf of the Funds, new fees related to external services that were not commonly charged in the Canadian mutual fund industry and introduced after October 29, 2018, fees and expenses of holding or transacting in securities, directly or indirectly, in foreign markets and the costs of complying with any new regulatory requirements, including, without limitation, any new fees introduced after October 29, 2018. Interest and borrowing costs and taxes will be charged to each series directly based on usage. Costs of complying with new regulatory requirements will be assessed based on the extent and nature of these requirements. The remaining Fund Costs will be allocated to each series of each Fund based on their net assets relative to the net assets of all series of the Funds. Counsel may allocate Fund Costs among each series of a Fund based on such other method of allocation as we consider fair and reasonable to the Fund.

The fees and expenses applicable to the Funds are described in the simplified prospectus for the Funds.

Approval of a Resolution

At each Special Meeting, Fund investors will vote on the applicable Resolution. A Resolution will only be effective if approved by the majority of the votes cast in respect of the Resolution. Because a Proposal affects all of a Fund's investors in the same way, the result of the vote will be determined at the overall Fund level, not at the series level.

Investors of record of a Fund as at July 16, 2019, will be entitled to vote at the applicable Special Meeting. As an investor in a Fund, you are entitled to one vote for each whole unit of the Fund that you hold. If you hold fractional units of the Fund, you are entitled to vote in the proportion that such fractional units bear to a whole unit of the Fund.

At the Special Meetings, two or more of the applicable Fund's investors, present in person or represented by proxy, will constitute a quorum. There is no requirement for a minimum number of units to be represented at a Special Meeting in order to comprise a quorum.

Counsel believes that a quorum will be present for each Special Meeting. However, if a quorum is not present within a reasonable time after the Meeting Time, each applicable Special Meeting will be adjourned to the Adjournment Time, at the same location. At an adjourned meeting, the investors present in person or represented by proxy will constitute a quorum.

After the conclusion of the Special Meetings, a notice will be posted on the Counsel website at www.counselservices.com to indicate whether the relevant Resolutions were approved. This notice will also appear on the SEDAR website at www.sedar.com.

Notwithstanding the receipt of all required approvals, Counsel may, in its sole discretion, decide not to proceed with, or to delay, the implementation of a Proposal.

Voting Procedures

Voting by proxy

As an alternative to voting on a Proposal in person at a Special Meeting, you have the right to appoint a person to attend a Special Meeting and act on your behalf. To do this, you must

- **access www.secureonlinevote.com, enter the 12-digit control number that is located on your form of proxy, and follow the simple instructions on that website;**
- **fax your completed form of proxy to Market Connections at 1-888-496-1548 (toll free); or**
- **sign and date the form of proxy and return it using the postage-paid return envelope.**

The persons named in the forms of proxy are officers of Counsel. If you wish to appoint as your proxy a person other than the persons specified in the forms of proxy, you must write that person's name in the blank space provided for this purpose before you sign and return the form of proxy.

To be valid at a Special Meeting, your form of proxy must be received by 5:00 p.m. (Toronto Time) on August 30, 2019.

You may use the form of proxy to specify whether the units registered in your name shall be voted **FOR** or **AGAINST** a Resolution. On any ballot, your units will then be voted for or against the Resolution, in accordance with the instructions you have provided. If you return the form of proxy without specifying how your proxy nominee is required to vote, then your units will be voted **FOR** a Resolution.

The form of proxy confers discretionary authority on the designated individuals relating to amendments to, or variations of matters identified in, the Notice attached to this Information Circular and relating to other matters that may properly come before the Special Meetings. As of the date of this Information Circular, Counsel is not aware of any such amendments, variations or other matters to come before the Special Meetings.

Revocation of proxies

If you have given a proxy for use at a Special Meeting, you may revoke it at any time prior to its use. In addition to revocation in any other manner permitted by law, you or your duly authorized attorney may revoke your proxy by delivering written notice to

- the head office of Counsel, which is located at 5015 Spectrum Way, Suite 300 Mississauga, Ontario L4W 0E4, at any time up to and including the last business day preceding the day of the Special Meeting or adjournment thereof; or
- the Chair of the Special Meeting, on the day of the Special Meeting or the adjournment thereof.

Interest of Counsel in the Proposals

Under the terms of the management agreement entered into with each Fund, Counsel has been appointed the manager of each Fund. Counsel is responsible for all general management and administrative services required by each Fund for day-to-day operations and providing, or causing to be provided by a sub-adviser, investment advisory services, including the following: managing the investment portfolio, providing investment analysis, providing investment recommendations, making investment decisions, and making brokerage arrangements relating to the purchase and sale of the investment portfolio units. Counsel also makes arrangements with dealers for the purchase of all units of each Fund. The management agreement continues in force from year to year unless terminated in accordance with the terms of that agreement.

As compensation for the investment management advice and other management services that it provides to each Fund, Counsel receives an annual management fee calculated in accordance with the terms of the management agreement. As compensation for Counsel directly providing the vast majority of the services required for each Fund to operate, other than certain fund costs and costs incurred by each Fund related to portfolio transactions, Counsel receives a fixed-rate administration fee calculated in accordance with the terms of the management agreement.

The management fees and administration fees paid by each Fund to Counsel for the year ended March 31, 2019, and the period from April 1, 2019 to June 30, 2019, including G.S.T. / H.S.T., are set out within this Information Circular under the subheadings “**Fees and Expenses**”.

Additional details concerning the management fees and other expenses paid by each Fund (and each Continuing Fund in the case of the Proposals that are Mergers) in prior years are contained in its audited annual financial statements. You can obtain copies of these documents in any of the following ways:

- by calling Counsel, toll free, at 1-877-625-9885;
- by e-mailing Counsel at info@counselservices.com;
- by accessing the Counsel website at www.counselservices.com;
- by accessing the SEDAR website at www.sedar.com; or
- through your investment representative.

Insiders of Counsel

The name, municipality of residence and position of each of the directors and executive officers of Counsel are set out in the following table.

Name and Municipality of Residence	Position
Barry S. McInerney Toronto, Ontario	Director, Chairman, President and Chief Executive Officer of Counsel and Ultimate Designate Person, Chief Executive Officer and Director of Mackenzie Financial Corporation (“Mackenzie”); previously, Director, President and Chief Executive Officer of BMO Asset Management Corp.
Reginald J. Alvares Toronto, Ontario	Executive Vice-President, Information Services of Counsel, Investment Planning Counsel Inc. President, Chief Executive Officer and Ultimate Designate Person of IPC Investment Corporation and IPC Securities Corporation
Earl Bederman Toronto, Ontario	Director of Counsel; retired Founder and Chief Executive Officer, Investor Economics Inc.
Samuel M.R. Febbraro Ancaster, Ontario	President and Chief Executive Officer, Chief Anti-Money Laundering Officer and Chief Privacy Officer of Counsel; Executive Vice President, Advisory Services of Investment Planning Counsel Inc.
Brian M. Flood Toronto, Ontario	Director of Counsel; retired Partner of Torys LLP
Karen L. Gavan Toronto, Ontario	Director of Counsel; retired Director, President and Chief Executive Officer of Economical Mutual Insurance Company
Frank J. Gawlina Burlington, Ontario	Chief Financial Officer and Chief Compliance Officer of Counsel; Chief Financial Officer of Investment Planning Counsel Inc.; Assistant Secretary of IPC Securities Corporation and IPC Investment Corporation
Rhonda Goldberg Toronto, Ontario	Executive Vice-President, General Counsel of IGM Financial Inc. ¹ ; previously, Senior Vice-President, General Counsel of IGM Financial Inc.; and prior thereto, Senior Vice-President, Client and Regulatory Affairs of IGM Financial Inc. 1 and Mackenzie Investments; and prior thereto, Vice President, Regulatory Affairs of Mackenzie Investments; and prior thereto, Director, Investment Funds and Structured Products Division of the Ontario Securities Commission
Kevin D. Hurlburt Toronto, Ontario	Executive Vice President, Products and Services of Counsel and Investment Planning Counsel Inc.
Robert E. Lord Toronto, Ontario	Director of Counsel; retired Partner of Ernst & Young LLP

Name and Municipality of Residence	Position
Paul G. Oliver Markham, Ontario	Director of Counsel; retired Partner of PricewaterhouseCoopers LLP
Christopher S. Reynolds Toronto, Ontario	Director of Counsel; President and Chief Executive Officer of Investment Planning Counsel Inc.; Director and Chairman of IPC Investment Corporation.
Corrado S. Tiralongo Richmond Hill, Ontario	Chief Investment Officer of Counsel and IPC Securities Corporation
Mary L. Turner Beamsville, Ontario	Director of Counsel; retired President, Chief Executive Officer and Director of Canadian Tire Bank; retired Chief Operating Officer of Canadian Tire Financial Services Limited

NOTES

- ¹ Our parent company.

Interest of insiders in each Proposal

None of the insiders of Counsel are paid or otherwise compensated or reimbursed for expenses by a Fund. Other than ownership of units of a Fund, none of the above individuals was indebted to, or had any transaction or arrangement with, a Fund during the most recently completed and publicly disclosed financial year of a Fund. No Fund has paid, or is obligated to pay, any remuneration to any director or officer of Counsel.

Recommendation**Management's recommendation**

The Board of Directors of Counsel, the manager of each Fund, recommends that you vote in favour of each applicable Resolution.

Recommendation of the IRC regarding the Merger

The governance of the Funds involves the Funds' IRC, which was formed to review, among other things, conflict-of-interest matters referred to it by Counsel, as manager of the Funds.

The IRC has reviewed the proposed Merger and the process to be followed in connection with the Merger, and has recommended to Counsel that, in the opinion of the IRC, the Merger achieves a fair and reasonable result for the Terminating Fund and the Continuing Fund.

While the IRC has considered and made a recommendation regarding the proposed Merger from a conflict-of-interest perspective, it is not the role of the IRC to recommend that investors of any Fund vote in favour of any Merger. Investors should review the Merger independently and make their own decision.

Auditor

The auditor of each Fund is Deloitte LLP.

If You Do Not Wish to Participate in a Proposal

If you do not wish to participate in a Proposal, you may instead redeem your units or switch to any other mutual fund offered under the Fund's simplified prospectus at any time up to the close of business on the effective date of each Proposal. In this case, you may be subject to redemption charges as outlined in the applicable simplified prospectus, unless otherwise specified in this Information Circular. The tax consequences of any such redemption or switch will be as described in the Fund's simplified prospectus.

For More Information

More information about each Fund (and the Continuing Fund in the case of the Proposal that is a Merger) is contained in the relevant simplified prospectus, annual information form, most recently filed fund facts, most recent annual and interim financial statements and most recent management reports of fund performance. You can obtain copies of these documents in any of the following ways:

- by accessing Counsel's website at www.counsel.services.com
- by accessing the SEDAR website at www.sedar.com
- by emailing Counsel at info@counsel.services.com
- by calling Counsel toll-free during normal business hours at 1-877-625-9885
- by faxing a request to Counsel at 1-844-378-6247
- by mailing a request to Counsel at 5015 Spectrum Way, Suite 300 Mississauga, Ontario L4W 0E4.

Certificates

The contents of this Information Circular and its distribution have been approved by the Board of Directors of Counsel as manager of each Fund.

By order of the Board of Directors of Counsel Portfolio Services Inc., as manager of the Funds

By: 

Nick Westlind
Secretary

July 26, 2019

SCHEDULE A – RESOLUTIONS

Proposed Change of Objectives of Counsel Balanced Growth Portfolio

Resolution of Counsel Balanced Growth Portfolio

WHEREAS the investors of Counsel Balanced Growth Portfolio (the “Fund”) wish to pass a resolution approving the change of investment objectives of the Fund;

BE IT RESOLVED THAT:

- the change of the investment objectives of the Fund to the following:

“The Fund seeks to provide investors with a balance of income and long-term capital appreciation by investing primarily in exchange-traded funds (“ETFs”) to gain exposure to global equity and fixed-income securities. The Fund may also invest in other mutual funds or invest directly in global equity and fixed-income securities and other asset categories. The Fund will follow a responsible approach to investing, primarily through the purchase of ETFs which seek to provide exposure to issuers who meet environmental, social, and governance (“ESG”) criteria.

Any change to the fundamental investment objectives of the Fund must be approved by a majority of votes cast at a meeting of securityholders held for that purpose.”

is approved;

- Counsel Portfolio Services Inc. shall have the discretion, without the further approval of investors of the Fund, to delay the implementation of this change or to elect not to proceed with this change, if it considers such course of action to be in the best interests of investors; and
- any officer or director of Counsel Portfolio Services Inc. is hereby authorized to execute all such documents and do all such other things as are necessary or desirable for the implementation of the foregoing.

Proposed Merger of Counsel Income Portfolio into Counsel High Income Portfolio

Resolution of Counsel Income Portfolio

WHEREAS the investors of Counsel Income Portfolio (the “Fund”) wish to pass a resolution approving the merger of the Fund into Counsel High Income Portfolio (the “Continuing Fund”);

BE IT RESOLVED THAT:

- the merger of the Fund into the Continuing Fund, as described in the information circular dated July 26, 2019, is approved;

- Counsel Portfolio Services Inc. shall have the discretion, without the further approval of investors of the Fund, to delay the implementation of this change or to elect not to proceed with this change, if it considers such course of action to be in the best interests of investors; and
- any officer or director of Counsel Portfolio Services Inc. is hereby authorized to execute all such documents and do all such other things as are necessary or desirable for the implementation of the foregoing.