No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and only by persons permitted to sell these securities.

FIRST ASSET
EXCHANGE TRADED FUNDS

July 17, 2017

PROSPECTUS

Continuous Offering

First Asset Active Canadian Dividend ETF	(“**FDV**”)
First Asset Active Utility & Infrastructure ETF	(“**FAI**”)
First Asset Canadian REIT ETF	(“**RIT**”)
First Asset European Bank ETF	(“**FHB**”)
First Asset Investment Grade Bond ETF	(“**FIG**”)
First Asset U.S. & Canada Lifeco Income ETF	(“**FLI**”)

(individually, a “First Asset ETF” and collectively, the “First Asset ETFs”)

The First Asset ETFs are actively managed exchange traded mutual fund trusts established under the laws of Ontario. Common units (the “**Units**”) of the First Asset ETFs are being offered for sale on a continuous basis by this prospectus.

First Asset Investment Management Inc. (the “**Manager**”), a registered portfolio manager and investment fund manager, is the trustee and manager of the First Asset ETFs. See “Organization and Management Details of the First Asset ETFs”.

Investment Objectives

First Asset Active Canadian Dividend ETF

FDV’s investment objective is to seek long-term total returns consisting of regular dividend income and long-term capital appreciation from an actively managed portfolio comprised primarily of dividend-paying and other equity securities of Canadian issuers.

First Asset Active Utility & Infrastructure ETF

FAI’s investment objectives are to provide holders of Units with monthly cash distributions and the opportunity for capital appreciation from an actively managed portfolio comprised primarily of equity securities of Utility and Infrastructure Issuers (as defined herein).

First Asset Canadian REIT ETF

RIT’s investment objective is to seek long-term total returns consisting of regular income and long-term capital appreciation from an actively managed portfolio comprised primarily of securities of Canadian real estate investment trusts, real estate operating corporations and entities involved in real estate related services.

First Asset European Bank ETF

FHB's investment objective is to seek long-term total returns consisting of long-term capital appreciation and regular dividend income from an actively managed portfolio comprised primarily of equity securities of European banks.

First Asset Investment Grade Bond ETF

FIG's investment objectives are: (i) to provide Unitholders with monthly cash distributions; and (ii) to maximize total returns for Unitholders consisting primarily of monthly distributions, while reducing risk and preserving capital. Under normal market conditions, FIG will be primarily invested in investment grade bonds, and investment grade debt securities.

First Asset U.S. & Canada Lifeco Income ETF

FLI's investment objectives are to provide holders of Units with (i) quarterly cash distributions; (ii) the opportunity for capital appreciation; and (iii) lower overall volatility of portfolio returns than would be experienced by owning a portfolio of publicly-traded common equity securities of the ten largest U.S. and Canadian life insurance companies by market capitalization directly.

See "Investment Objectives" for further information.

Listing of Units

The Units of each First Asset ETF are currently listed on the Toronto Stock Exchange (the "**TSX**") and investors can buy or sell such Units on the TSX through registered brokers and dealers in the province or territory where the investor resides. Investors may incur customary brokerage commissions in buying or selling Units of the First Asset ETFs. No fees are paid by investors to the Manager or any First Asset ETF in connection with buying or selling of Units on the TSX.

Additional Considerations

No underwriter or dealer has been involved in the preparation of the prospectus or has performed any review of the contents of the prospectus. The Canadian securities regulators have provided each of the First Asset ETFs with a decision exempting it from the requirement to include a certificate of an underwriter in this prospectus. The applicable designated broker and dealers are not underwriters of any First Asset ETF in connection with the distribution of Units under this prospectus. While each of the First Asset ETFs is a mutual fund under the securities legislation of certain provinces and territories of Canada, each First Asset ETF has been granted exemptive relief from certain provisions of Canadian securities legislation applicable to conventional mutual funds.

Provided that a First Asset ETF qualifies as a "mutual fund trust" within the meaning of the Tax Act, or the Units of the First Asset ETF are listed on a "designated stock exchange" within the meaning of the Tax Act, the Units of that First Asset ETF, if issued on the date hereof, would on such date be qualified investments under the Tax Act for a trust governed by a registered retirement savings plan, a registered retirement income fund, a registered disability savings plan, a deferred profit sharing plan, a registered education savings plan or a tax-free savings account.

For a discussion of the risks associated with an investment in Units, see "Risk Factors".

During the period in which the First Asset ETFs are in continuous distribution, additional information about the First Asset ETFs will be available in the most recently filed annual financial statements, any interim financial statements filed after those annual financial statements, the most recently filed annual management report of fund performance, any interim management report of fund performance filed after that annual management report of fund performance and the most recently filed ETF Summary Document. These documents will be incorporated by reference into this prospectus which means that they legally form part of this prospectus. For further details, see "Documents Incorporated by Reference".

You can get a copy of these documents at your request, and at no cost, by calling 416-642-1289 or 1-877-642-1289 (toll-free) or by e-mail at info@firstasset.com or from your dealer. These documents will also be available on the internet at www.firstasset.com. These documents and other information about the First Asset ETFs will also be available on the website of SEDAR (the System for Electronic Document Analysis and Retrieval) at www.sedar.com.

First Asset Investment Management Inc.	**Toll Free:**	**1-877-642-1289**
2 Queen Street East, 12^{th} Floor		
Toronto, Ontario M5C 3G7		**416-642-1289**

TABLE OF CONTENTS

TABLE OF CONTENTS
(continued)

GLOSSARY

Unless otherwise indicated, the references to dollar amounts in this prospectus are to Canadian dollars and all references to times in this prospectus are to Toronto time. The following terms have the following meaning:

"**ADRs, ADSs, GDRs and IDRs**" means American Depositary Receipts, American Depositary Shares, Global Depositary Receipts and International Depositary Receipts, respectively, each of which are a type of negotiable financial security that is traded on a local stock exchange but represent a security that is issued by a foreign publicly-listed company;

"**allowable capital loss**" has the meaning ascribed to such term under the heading "Income Tax Considerations – Taxation of Holders";

"**Basket of Securities**" means, in relation to a particular First Asset ETF, a group of securities and/or assets determined by the Manager from time to time representing the constituents of the First Asset ETF;

"BNY Lending Agent" means the Bank of New York Mellon;

"BNY SLA" has the meaning ascribed to such term under the heading "Investment Strategies – Securities Lending";

"**Canadian securities legislation**" means the securities laws in force in each province and territory of Canada, all regulations, rules, orders and policies made thereunder and all multilateral and national instruments adopted by the securities regulatory authorities in such jurisdictions;

"**Cash Creation Fee**" means the fee payable in connection with cash-only payments for subscriptions of a PNU of the applicable First Asset ETF, representing, as applicable, brokerage expenses, commissions, transaction costs and other costs or expenses that the First Asset ETF incurs or expects to incur in purchasing securities on the market with such cash proceeds;

"**Cash Exchange Fee**" means the fee payable in connection with cash-only payments for exchange of a PNU of the applicable First Asset ETF, representing, as applicable, brokerage expenses, commissions, transaction costs and other costs or expenses that the First Asset ETF incurs or expects to incur in selling securities on the market to obtain the necessary cash for the exchange;

"**CDS**" means CDS Clearing and Depositary Services Inc.;

"**CDS Participant**" means a participant in CDS that holds security entitlements in Units on behalf of beneficial owners of those Units;

"**CMGS Agent**" means CIBC Mellon Global Securities Services Company;

"CMT" means CIBC Mellon Trust Company;

"**CMT Custody Agreement**" means, in respect of FIG, the master custodian agreement dated May 17, 2006 between the First Asset family of exchange traded funds, the Manager, in its capacity as trustee and manager of the First Asset family of exchange traded funds, and CMT, as acceded to by FIG, as may be further supplemented, amended and/or amended and restated from time to time;

"**counterparty**" has the meaning ascribed to such term under the heading "Risk Factors – Securities Lending, Repurchase and Reverse Repurchase Transaction Risk";

"**CRA**" means the Canada Revenue Agency;

"**credit default swap**" means a credit default swap, which is a derivative contract in which one counterparty, the seller, agrees to pay the other counterparty, the buyer, the value of a debt instrument in the event of a default during the period of the contract;

"**Custodian**" means, (a) SSTC in its capacity as the current custodian of the First Asset ETFs (other than FIG), or (b) CMT, in its capacity as custodian of FIG;

"**Dealer**" means a registered dealer (that may or may not be a Designated Broker) that has entered into a Dealer Agreement with the Manager, on behalf of one or more First Asset ETFs, pursuant to which the Dealer may subscribe for Units as described under "Purchases of Units";

"**Dealer Agreement**" means an agreement between the Manager, on behalf of one or more of the First Asset ETFs, and a Dealer;

"**Declaration of Trust**" means, as applicable, the amended and restated declaration of trust for the First Asset ETFs, as supplemented, amended or amended and restated from time to time;

"**derivatives**" means an instrument, agreement or security, the market price, value or payment obligations of which is derived from, referenced to or based on an underlying interest;

"**Designated Broker**" means a registered dealer that has entered into a Designated Broker Agreement with the Manager, on behalf of one or more First Asset ETFs pursuant to which the Designated Broker agrees to perform certain duties in relation to the First Asset ETFs;

"**Designated Broker Agreement**" means an agreement between the Manager, on behalf of one or more First Asset ETFs, and a Designated Broker;

"**DFA Rules**" has the meaning ascribed to such term under the heading "Income Tax Considerations – Taxation of the First Asset ETFs";

"**Distribution Record Date**" means a date determined by the Manager as a record date for the determination of Unitholders of a First Asset ETF entitled to receive a distribution;

"**DPSP**" means a deferred profit sharing plan within the meaning of the Tax Act;

"**ETF Summary Document**" means a summary document in respect of an exchange traded fund, which summarizes certain features of the exchange traded fund and which is publicly available at www.sedar.com and provided or made available to registered dealers for delivery to purchasers of securities of an exchange traded fund;

"FAI" means First Asset Active Utility & Infrastructure ETF;

"FDV" means First Asset Active Canadian Dividend ETF;

"FHB" means First Asset European Bank ETF;

"**FIG**" means First Asset Investment Grade Bond ETF;

"**First Asset**" means First Asset Investment Management Inc.;

"**First Asset ETFs**" means exchange traded funds managed by First Asset listed on the cover page hereof, and "**First Asset ETF**" means any one of them;

"FLI" means First Asset U.S. & Canada Lifeco Income ETF;

"**forward contracts**" means agreements between two parties to buy or sell an asset at a specified point of time in the future at a predetermined price;

"**futures contracts**" means standardized contracts entered into on domestic or foreign exchanges which call for the future delivery of specified quantities of various assets such as stocks, bonds, agricultural commodities, industrial commodities, currencies, financial instruments, energy products or metals at a specified time and place. The terms and conditions of futures contracts of a particular commodity are standardized and as such are not subject to any negotiation between the buyer and seller. The contractual obligations, depending upon whether one is a buyer or a seller, may be satisfied either by taking or making, as the case may be, physical delivery of an approved grade of commodity or by making an offsetting sale or purchase of an equivalent but opposite futures contract on the same exchange prior to the designated date of delivery. The difference between the price at which the futures contract is sold or purchased and the price paid for brokerage commissions, constitutes the profit or loss to the trader. In market terminology, a trader who purchases a futures contract is "long" in the market and a trader who sells a futures contract is "short" in the market. Before a trader closes out his or her long or short position by an offsetting sale or purchase, his or her outstanding contracts are known as "open trades" or "open positions". The aggregate amount of open long or short positions held by traders in a particular contract is referred to as the "open interest" in such contract;

"**GST/HST**" means taxes exigible under Part IX of the *Excise Tax Act* (Canada) and the regulations made thereunder;

"**IFRS**" means the International Financial Reporting Standards;

"**Income Participating Securities**" or "**Income Deposit Securities**" mean the securities of an Issuer that are typically issued in securities comprised of a dividend-bearing common share and a promissory note, the two components of which, after an initial period during which separation is prohibited, can be split and traded separately;

"**Income Trust**" means a fund, trust, limited partnership, corporation or other entity, the securities of which are listed on a stock exchange or traded on a stock market, structured to own debt and/or equity of an underlying company or partnership, or a royalty in revenues generated by the assets thereof, which carries on an active business including royalty trusts, income funds, certain limited partnerships, certain corporations and other income vehicles including, without limitation, Income Participating Securities and Income Deposit Securities, provided that the determination by the Manager that an issuer of securities is an Income Trust shall be conclusive for all purposes herein;

"**IRC**" means the independent review committee of a First Asset ETF established under NI 81-107;

"**Issuer**" means a corporation, trust, limited partnership or other entity, the securities of which are listed on a stock exchange or traded on a stock market including, without limitation, Income Participating Securities and Income Deposit Securities, provided that the determination by the Manager that an issuer of securities is an Issuer shall be conclusive for all purposes;

"**Lifeco Companies**" means U.S. or Canadian life insurance companies and "**Lifeco Company**" means any one of them;

"**Management Fee**" has the meaning ascribed to such term under the heading "Fees and Expenses – Fees and Expenses Payable by the First Asset ETFs";

"**Management Fee Distribution**", as described under "Fees and Expenses", means an amount equal to the difference between the Management Fee otherwise chargeable by the Manager and a reduced fee determined by the Manager, at its discretion, from time to time, and that is distributed quarterly in cash, at the discretion of the Manager, to the applicable Unitholders who hold large investments in a First Asset ETF;

"**Manager**" means First Asset, in its capacity as investment fund manager of the First Asset ETFs pursuant to the Declaration of Trust;

"**minimum distribution requirements**" has the meaning ascribed to such term under the heading "Income Tax Considerations – Status of the First Asset ETFs";

"**net asset value**" or "**NAV**" means, in relation to a particular First Asset ETF, the net asset value of the First Asset ETF as calculated on each Valuation Day in accordance with the Declaration of Trust;

"**NI 81-102**" means National Instrument 81-102 *Investment Funds*;

"**NI 81-106**" means National Instrument 81-106 *Investment Fund Continuous Disclosure*;

"**NI 81-107**" means National Instrument 81-107 *Independent Review Committee for Investment Funds*;

"**Non-Portfolio Income**" has the meaning ascribed to such term under the heading "Income Tax Considerations – Taxation of the First Asset ETFs";

"**NP 11-203**" means National Policy 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions*;

"**Other Fund**" has the meaning ascribed to such term under the heading "Investment Strategies – Investment in Other Investment Funds";

"**Payment Date**" has the meaning ascribed to such term under the heading "Distribution Policy – Distribution Reinvestment Plan";

"**Permitted Merger**" has the meaning ascribed to such term under the heading "Unitholder Matters - Permitted Mergers";

"**Plan**" has the meaning ascribed to such term under the heading "Income Tax Considerations – Status of the First Asset ETFs";

"**Plan Agent**" means Computershare Trust Company of Canada, plan agent for the Reinvestment Plan;

"**Plan Participant**" has the meaning ascribed to such term under the heading "Distribution Policy – Distribution Reinvestment Plan";

"**Plan Units**" has the meaning ascribed to such term under the heading "Distribution Policy – Distribution Reinvestment Plan";

"**PNU**" means, in relation to a particular First Asset ETF, the prescribed number of Units determined by the Manager from time to time for the purpose of subscription orders, redemptions or for other purposes;

"Portfolio Manager" means, (a) First Asset in its capacity as portfolio manager of FDV, FAI, RIT and FLI; (b) Signature Global Asset Management, a division of CI Investments Inc., in its capacity as portfolio manager of the FHB; and (c) Marret Asset Management Inc., a subsidiary of CI Financial Corp., in its capacity as portfolio manager of FIG;

"**Promoter**" means First Asset, in its capacity as promoter of the First Asset ETFs;

"**RDSP**" means a registered disability savings plan within the meaning of the Tax Act;

"**Registrar and Transfer Agen**t" means Computershare Trust Company of Canada;

"**Reinvestment Plan**" means the distribution reinvestment plan for the First Asset ETFs, as described under the heading "Distribution Policy – Distribution Reinvestment Plan";

"**REIT**" means real estate investment trust;

"**REOC**" means real estate operating corporation;

"**RESP**" means a registered education savings plan within the meaning of the Tax Act;

"**RIT**" means First Asset Canadian REIT ETF;

"**RRIF**" means a registered retirement income fund within the meaning of the Tax Act;

"**RRSP**" means a registered retirement savings plan within the meaning of the Tax Act;

"**Sales Tax**" means all applicable provincial and federal sales, value added or goods and services taxes, including GST/HST;

"**securities regulatory authorities**" means the securities commission or similar regulatory authority in each province and territory of Canada that is responsible for administering the Canadian securities legislation in force in such jurisdictions;

"**SSB Lending Agent**" means State Street Bank and Trust Company;

"**SSB SLA**" has the meaning ascribed to such term under the heading "Investment Strategies – Securities Lending";

"**SSFS Agent**" means State Street Fund Services Toronto Inc.

"**SSTC**" means State Street Trust Company Canada, in its capacity as custodian of the First Asset ETFs (other than FIG)

"**SSTC Custody Agreement**" means, in respect of the First Asset ETFs (other than FIG), the master custodian agreement dated May 16, 2011 between the First Asset ETFs, the Manager, in its capacity as trustee and manager of the First Asset ETFs, and SSTC, as acceded to by the First Asset ETFs (other than FIG), as may be further supplemented, amended and/or amended and restated from time to time;

"**substituted property**" has the meaning ascribed to such term under the heading "Income Tax Considerations – Taxation of the First Asset ETFs";

"**swap**" means a credit default swap or a forward-type financial derivative contract in which two counterparties agree to exchange cash flows determined with reference to prices of currencies or interest rates, according to predetermined rules. At inception, this instrument typically has zero market value, but as market prices change the swap acquires value;

"**Tax Act**" means the *Income Tax Act* (Canada) as amended from time to time, and the regulations thereunder;

"**Tax Amendment**" means a proposed amendment to the Tax Act publicly announced by the Minister of Finance (Canada) prior to the date hereof;

"**Tax Treaties**" has the meaning ascribed to such term under the heading "Risk Factors – Tax Risk"

"**taxable capital gain**" has the meaning ascribed to such term under the heading "Income Tax Considerations – Taxation of Holders";

"**TFSA**" means a tax-free savings account within the meaning of the Tax Act;

"**Trading Day**" means a day on which a session of the TSX is held;

"**Trustee**" means First Asset, in its capacity as trustee of the First Asset ETFs pursuant to the Declaration of Trust;

"**TSX**" means the Toronto Stock Exchange;

"**Unitholder**" means a holder of Units of a First Asset ETF;

"**Units**" means, in relation to a particular First Asset ETF, redeemable, transferable common units of that First Asset ETF, each of which represents an undivided interest in the net assets of that First Asset ETF, and "**Unit**" means any one of them;

"**Utility and Infrastructure Issuers**" are Issuers that: derive their revenue from the distribution, wholesale or retail, of oil, natural gas or other refined products typically pursuant to fixed rate transportation tolls or from power generation and sale including hydroelectric, gas-fired, coal-fired and wind, among others, typically pursuant to long term fixed price contracts; service and support these industries; or are otherwise in the energy infrastructure industry, provided that the determination by the Portfolio Manager that an Issuer is a Utility and Infrastructure Issuer shall be conclusive for all purposes;

"**Valuation Day**" means a day upon which a session of the TSX is held; and

"**Valuation Time**" means, in relation to a First Asset ETF, 4:00 p.m. (EST) on a Valuation Day.

PROSPECTUS SUMMARY

The following is a summary of the principal features of the Units of the First Asset ETFs and should be read together with the more detailed information, financial data and financial statements contained elsewhere in this prospectus or incorporated by reference in this prospectus. Capitalized terms not defined in this summary are defined in the Glossary.

Issuers:	First Asset Active Canadian Dividend ETF	(“**FDV**”)
	First Asset Active Utility & Infrastructure ETF	(“**FAI**”)
	First Asset Canadian REIT ETF	(“**RIT**”)
	First Asset European Bank ETF	(“**FHB**”)
	First Asset Investment Grade Bond ETF	(“**FIG**”)
	First Asset U.S. & Canada Lifeco Income ETF	(“**FLI**”)

Offerings:

The First Asset ETFs are actively managed exchange traded mutual fund trusts established under the laws of Ontario. The First Asset ETFs are offering Units pursuant to this prospectus.

See “Overview of the Legal Structure of the First Asset ETFs”.

Continuous Distribution:

Units of each First Asset ETF will be offered for sale on a continuous basis by this prospectus, and there is no maximum number of Units of a First Asset ETF that may be issued. The Units shall be offered for sale at a price equal to the net asset value of the Units determined at the Valuation Time on the effective date of the subscription order.

The Units of each First Asset ETF are currently listed on the TSX and investors can buy or sell such Units on the TSX through registered brokers and dealers in the province or territory where the investor resides. Investors may incur customary brokerage commissions in buying or selling Units of the First Asset ETFs. No fees are paid by investors to the Manager or any First Asset ETF in connection with buying or selling of Units on the TSX.

The First Asset ETFs issue Units directly to Designated Brokers and Dealers. From time-to-time and as may be agreed between a First Asset ETF and the Designated Broker and Dealers, such Designated Broker and Dealers may deliver a Basket of Securities as payment for Units.

See “Plan of Distribution” and “Purchases of Units – Issuance of Units of a First Asset ETF”.

Investment Objectives:

First Asset Active Canadian Dividend ETF

FDV’s investment objective is to seek long-term total returns consisting of regular dividend income and long-term capital appreciation from an actively managed portfolio comprised primarily of dividend-paying and other equity securities of Canadian issuers.

First Asset Active Utility & Infrastructure ETF

FAI’s investment objectives are to provide holders of Units with monthly cash distributions and the opportunity for capital appreciation from an actively managed portfolio comprised primarily of equity securities of Utility and Infrastructure Issuers.

First Asset Canadian REIT ETF

RIT’s investment objective is to seek long-term total returns consisting of regular income and long-term capital appreciation from an actively managed portfolio comprised primarily of securities of Canadian REITs, REOCs and entities involved in real estate related services.

First Asset European Bank ETF

FHB's investment objective is to seek long-term total returns consisting of long-term capital appreciation and regular dividend income from an actively managed portfolio comprised primarily of equity securities of European banks.

First Asset Investment Grade Bond ETF

FIG's investment objectives are: (i) to provide Unitholders with monthly cash distributions; and (ii) to maximize total returns for Unitholders consisting primarily of monthly distributions, while reducing risk and preserving capital. Under normal market conditions, FIG will be primarily invested in investment grade bonds and investment grade debt securities.

First Asset U.S. & Canada Lifeco Income ETF

FLI's investment objectives are to provide Unitholders with (i) quarterly cash distributions; (ii) the opportunity for capital appreciation; and (iii) lower overall volatility of portfolio returns than would be experienced by owning a portfolio of publicly-traded common equity securities of the ten largest Lifeco Companies by market capitalization directly.

See "Investment Objectives".

Investment Strategies:

The investment strategy of each of the following First Asset ETFs is to invest in and hold a portfolio of securities selected by the applicable Portfolio Manager in order to achieve its investment objective as follows:

First Asset Active Canadian Dividend ETF

FDV invests in an actively managed portfolio comprised primarily of dividend-paying and other equity securities of Canadian issuers. FDV may also invest up to 30% of its net asset value in dividend-paying and other equity securities of non-Canadian issuers.

The Portfolio Manager's investment process incorporates both a top-down approach to sector allocation and a bottom-up approach to security selection. Specifically, in constructing and managing the portfolio, the Portfolio Manager intends to apply a top-down, macroeconomic approach to sector allocation and rotation, based on its views of the stage of the economic cycle. In selecting individual securities within a particular sector, the Portfolio Manager intends to use a research driven, fundamental approach that highlights issuers that are either undervalued in the Portfolio Manager's opinion, or have attractive valuations relative to their peers in the sector.

First Asset Active Utility & Infrastructure ETF

FAI invests in an actively managed portfolio comprised primarily of equity securities of Utility and Infrastructure Issuers in accordance with the provisions of NI 81-102.

The Portfolio Manager will not (a) invest in a Utility and Infrastructure Issuer unless its securities are listed on a North American stock exchange, and (b) purchase securities of an Issuer if, after such purchase, more than 30% of its net asset value would be comprised of securities solely listed on non-Canadian stock exchanges.

First Asset Canadian REIT ETF

RIT invests in an actively managed portfolio comprised primarily of securities of Canadian REITs, REOCs and entities involved in real estate related services. RIT may also invest up to 30% of its net asset value in securities of non-Canadian REITs, REOCs and entities involved in real estate related services.

First Asset European Bank ETF

FHB's portfolio is managed by Signature Global Asset Management, a division of CI Investments Inc., an affiliate of the Manager.

FHB seeks to achieve its investment objective through the application of specialized analysis and expertise and intends to invest in a portfolio of equity securities that in the view of the Portfolio Manager represents a diversified portfolio of the most attractive opportunities in the European banking sector. FHB's investments may be selected from any sub-sector or capitalization level of the European banking sector and may include investments in European non-bank financial services issuers. Generally, the portfolio will consist of between 20 and 30 holdings, and may include ADRs, ADSs, GDRs and IDRs. The Portfolio Manager believes that: (a) valuations in the various financial services sub-sectors, including European banks, around the globe represent the expectations and analysis formed by generalist investors and, as a result, the prices of these securities often do not represent their intrinsic value, (b) there are opportunities to exploit by applying its specialized expertise, and (c) differences between price and intrinsic value may exist for differing time horizons, and therefore it may be appropriate to adopt varying strategies to capitalize on these different time periods. The Portfolio Manager's primary focus during the recovery phase of the credit cycle will be on fundamental analysis, seeking to find banks priced at valuations that do not reflect their earnings capacity in a normal economic, credit and interest rate environment. However, the Portfolio Manager will utilize a multi-strategy approach which, in addition to fundamental analysis, may include, without limitation, an analysis of the relative value between issuers.

First Asset Investment Grade Bond ETF

FIG's portfolio is managed by Marret Asset Management Inc., a subsidiary of CI Financial Corp., an affiliate of the Manager.

FIG's portfolio consists primarily of U.S., Canadian and European investment grade bonds and investment grade debt securities. FIG may also invest up to 20% of the portfolio in non-investment grade debt securities or high-yield corporate bonds rated, in each case, BB- or better (by Standard and Poors, or the equivalent rating of another nationally recognized credit rating agency).

In addition, FIG will not purchase debt securities other than investment grade debt securities and non-investment grade debt securities or high-yield corporate bonds rated BB- or better (by Standard and Poors, or the equivalent rating of another nationally recognized credit rating agency), provided that such non-investment grade debt securities or high-yield corporate bonds will not exceed 20% of the net asset value of FIG at the time of purchase; and in the case where any such securities are downgraded by any qualified credit rating agency causing this restriction to be contravened, the Portfolio Manager will replace such securities as soon as reasonably practicable, but in any event within 90 days.

First Asset U.S. & Canada Lifeco Income ETF

FLI invests on an equal weight basis in the portfolio which consists of publicly-traded common equity securities of the ten largest Lifeco Companies.

The portfolio is rebalanced and reconstituted annually after each calendar year or in connection with corporate events, such as mergers or take-over bids, so that immediately following such rebalancing, the portfolio will be comprised of publicly-traded common equity securities of the Lifeco Companies on an approximately equal weight basis based on the market capitalization at the end of the calendar year with respect to an annual rebalancing or the prior business day with respect to other rebalancings.

In addition, FLI sells call options each month on up to 25% of the portfolio securities of each Lifeco Company held in the portfolio. The Portfolio Manager, on behalf of FLI, writes options on the same percentage of the portfolio securities of each Lifeco Company. Call options sold by FLI may be either options traded on a North American stock exchange or "over-the-counter" options sold pursuant to an agreement with a counterparty with an approved credit rating as defined in NI 81-102. The Portfolio Manager intends that such options will be sold at a strike price which is "at the money" (that is at or close to the current market price of the portfolio securities), but may sell options, on behalf of FLI, in respect of the portfolio securities of a Lifeco Company that are "out-of-the-money" or "in-the-money" at its discretion. The Portfolio Manager may decide, in its discretion, not to sell call options in any month.

See "Investment Strategies".

General Investment Strategies

Investment in other Investment Funds

In accordance with applicable securities legislation, including NI 81-102, and as an alternative to or in conjunction with investing in and holding securities directly, the First Asset ETFs may also invest in one or more other investment funds, including other investment funds managed by the Manager or an affiliate thereof (each, an "**Other Fund**"), provided that no management fees or incentive fees are payable by the First Asset ETF that, to a reasonable person, would duplicate a fee payable by the Other Fund for the same service. A First Asset ETF's allocation of investments in other investment funds, if any, will vary from time to time depending on the relative size and liquidity of the investment fund, and the ability of the Portfolio Manager to identify appropriate investment funds that are consistent with the First Asset ETF's investment objectives and strategies.

Use of Derivative Instruments

The First Asset ETFs may use derivative instruments to reduce transaction costs and increase the liquidity and efficiency of trading and may, from time to time, use derivatives to hedge their exposure to securities.

Such First Asset ETFs may invest in or use derivative instruments, including futures contracts, forward contracts and swaps, provided that the use of such derivative instruments is in compliance with NI 81-102 or the appropriate regulatory exemptions have been obtained, and is consistent with the investment objective and strategy of the applicable First Asset ETF.

Currency Hedging

At the discretion of the Portfolio Manager, the First Asset ETFs may choose to enter into currency forward agreements to hedge all or a portion of the value of the First Asset ETFs' non-Canadian currency exposure back to the Canadian dollar. All such currency forward agreements will be entered into in compliance with NI 81-102 with financial institutions that have a "designated rating" as defined in NI 81-102. Hedging currency exposure to reduce the impact of fluctuations in exchange rates is intended to reduce the direct exposure to foreign currency risk for Unitholders.

Securities Lending

The First Asset ETFs may enter into securities lending transactions, repurchase and reverse repurchase transactions in compliance with NI 81-102 to earn additional income for the First Asset ETFs.

Short Selling (other than FLI)

The First Asset ETFs may engage in short selling in compliance with NI 81-102 in order to manage volatility or enhance the performance of the First Asset ETFs in declining or volatile markets.

See "Investment Strategies".

Special Considerations for Purchasers:

The provisions of the so-called "early warning" requirements set out in Canadian securities legislation do not apply in connection with the acquisition of Units of a First Asset ETF. In addition, each First Asset ETF is entitled to rely on exemptive relief from the securities regulatory authorities to permit a Unitholder of that First Asset ETF to acquire more than 20% of the Units of that First Asset ETF through purchases on the TSX without regard to the takeover bid requirements of applicable Canadian securities legislation, provided that such Unitholder, and any person acting jointly or in concert with such Unitholder, undertakes to the Manager not to vote more than 20% of the Units of that First Asset ETF at any meeting of Unitholders of that First Asset ETF.

See "Attributes of the Securities - Description of the Securities Distributed".

Distributions:

Any cash distributions of income on the Units are expected to be made at least quarterly (in respect of FDV, FHB and FLI) or monthly (in respect of FAI, RIT and FIG).

The First Asset ETFs will not have a fixed distribution amount. The amount of ordinary cash distributions, if any, will be based on the Manager's assessment of anticipated cash flow and anticipated expenses of the First Asset ETF from time to time. The date of any ordinary cash distribution of each First Asset ETF will be announced in advance by issuance of a press release. Subject to compliance with the investment objectives of each First Asset ETF, the Manager may, in its complete discretion, change the frequency of these distributions and any such change will be announced by press release.

Depending on the underlying investments of a First Asset ETF, distributions on Units may consist of ordinary income, including foreign source income and taxable dividends from taxable Canadian corporations, interest or distributions received by the First Asset ETF but may also include net realized capital gains, in any case, less the expenses of that First Asset ETF and may include returns of capital. To the extent that the expenses of a First Asset ETF exceed the income generated by such First Asset ETF in any applicable distribution period, it is not expected that a distribution for that period will be paid.

See "Distribution Policy".

Distribution Reinvestment: At any time, a Unitholder may elect to participate in the Reinvestment Plan by contacting the CDS Participant through which the Unitholder holds its Units. Under the Reinvestment Plan, cash distributions (net of any required withholding tax) will be used to acquire additional Units in the market and will be credited to the account of the Unitholder through CDS.

See "Distribution Policy – Distribution Reinvestment Plan".

Redemptions: In addition to the ability to sell Units on the TSX, Unitholders may redeem Units for cash at a redemption price per Unit equal to 95% of the closing price for the Units on the TSX on the effective day of the redemption. The First Asset ETFs will also offer additional redemption or exchange options which are available where a Dealer, Designated Broker, or Unitholder redeems or exchanges a PNU.

See "Exchange and Redemption of Units".

Income Tax Considerations: A Unitholder of a First Asset ETF who is resident in Canada will generally be required to include, in computing income for a taxation year, the amount of income (including any net realized taxable capital gains) that is paid or becomes payable to the Unitholder by that First Asset ETF in that year (including such income that is reinvested in additional Units of the First Asset ETF).

A Unitholder of a First Asset ETF who disposes of a Unit of that First Asset ETF that is held as capital property, including on a redemption or otherwise, will generally realize a capital gain (or capital loss) to the extent that the proceeds of disposition (which do not include any amount of capital gains made payable by the First Asset ETF to the Unitholder which represents capital gains realized by the First Asset ETF in connection with dispositions to fund the redemption) net of costs of disposition, exceed (or are less than) the adjusted cost base of that Unit.

Each investor should satisfy himself or herself as to the federal and provincial tax consequences of an investment in Units of a First Asset ETF by obtaining advice from his or her tax advisor.

See "Income Tax Considerations".

Eligibility for Investment: Provided that a First Asset ETF qualifies as a "mutual fund trust" within the meaning of the Tax Act, or the Units of the First Asset ETF are listed on a "designated stock exchange" within the meaning of the Tax Act, Units of that First Asset ETF, if issued on the date hereof, would on such date be qualified investments under the Tax Act for a trust governed by an RRSP, a RRIF, an RDSP, a DPSP, an RESP or a TFSA.

See "Income Tax Considerations – Taxation of Registered Plans".

Documents Incorporated by Reference:	During the period in which the First Asset ETFs are in continuous distribution, additional information about the First Asset ETFs will be available in the most recently filed annual financial statements, any interim financial statements filed after those annual financial statements, the most recently filed annual management report of fund performance, any interim management report of fund performance filed after that annual management report of fund performance, and the most recently filed ETF Summary Document, of each First Asset ETF. These documents will be incorporated by reference into this prospectus. Documents incorporated by reference into this prospectus legally form part of this prospectus just as if they were printed as part of this prospectus. These documents will be publicly available on the website of the First Asset ETFs at www.firstasset.com and may be obtained upon request, at no cost, by calling 416-642-1289 or toll-free 1-877-642-1289 or by contacting your dealer. These documents and other information about the First Asset ETFs are also publicly available at www.sedar.com. See “Documents Incorporated by Reference”.
Termination:	The First Asset ETFs do not have a fixed termination date but may be terminated at the discretion of the Manager in accordance with the terms of the Declaration of Trust. See “Termination of the First Asset ETFs”.
Risk Factors:	An investment in Units is subject to certain risk factors, including: (a) No assurances on achieving investment objective; (b) Securities market risk; (c) Specific issuer risk; (d) Equity risk; (e) Interest rate risk; (f) Credit risk; (g) Regulatory risk; (h) Currency exposure risk; (i) Derivatives risk; (j) Short selling risk; (k) Corresponding net asset value risk; (l) Fluctuations in NAV and market price of units risk; (m) Designated broker/dealer risk; (n) Reliance on key personnel risk; (o) Potential conflicts of interest risk; (p) Cease trading of securities risk; (q) Exchange risk; (r) Early closing risk; (s) Concentration risk; (t) Reliance on historical data risk; (u) Small capitalization risk;

(v) Illiquid securities risk;

(w) Convertible securities risk;

(x) Market disruptions risk;

(y) Global financial developments risk;

(z) Tax risk;

(aa) Withholding tax risk;

(bb) Securities lending, repurchase and reverse repurchase risk;

(cc) Fund of funds investment risk;

(dd) Income trust investment risk;

(ee) Exchange traded funds risk;

(ff) Liability of unitholders; and

(hh) Absence of an active market and lack of operating history risk.

See “Risk Factors – General Risk Factors”.

In addition to the general risk factors, the First Asset Active Utility & Infrastructure ETF is subject to additional risk factors, including:

(a) Risk of fluctuations in distributions from and value of Utility & Infrastructure Issuers;

(b) Commodity price risk; and

(c) Oil and gas industry risk.

In addition to the general risk factors, the First Asset Canadian REIT ETF is subject to an additional risk factor, including:

(a) Real estate risk.

In addition to the general risk factors, FLI is subject to additional risk factors, including:

(a) Performance of the Lifeco Companies and other considerations risk;

(b) Use of options risk; and

(c) Tax treatment of options and currency hedging risk.

See “Risk Factors – Risk Factors Specific to the First Assets”.

Organization and Management of the First Asset ETFs

The Manager and Trustee: First Asset Investment Management Inc., a registered portfolio manager and investment fund manager, is the trustee and manager of the First Asset ETFs. The Manager is responsible for providing or arranging for the provision of administrative services and management functions, including the day-to-day management of the First Asset ETFs. The principal office of the Manager is 2 Queen Street East, 12th Floor, Toronto, Ontario M5C 3G7.

Portfolio Managers: First Asset Investment Management Inc., a registered portfolio manager and investment fund manager, is also the Portfolio Manager of all of the First Asset ETFs other than FHB and FIG. In this capacity, First Asset provides investment

	advisory and portfolio management services to such First Asset ETFs. Signature Global Asset Management, a division of CI Investments Inc., an affiliate of the Manager, is the Portfolio Manager of FHB and provides investment advisory and portfolio management services to FHB. Marret Asset Management Inc., a subsidiary of CI Financial Corp., an affiliate of the Manager, is the Portfolio Manager of FIG and provides investment advisory and portfolio management services to FIG. The principal office of each Portfolio Manager is 2 Queen Street East, 20th Floor, Toronto, Ontario M5C 3G7. See "Organization and Management Details of the First Asset ETFs – Manager and Portfolio Managers".
Custodians:	SSTC is the current custodian of the First Asset ETFs (other than FIG), and provides custodial services to the First Asset ETFs (other than FIG). SSTC is located in Toronto, Ontario, and is independent of the Manager. CMT will replace SSTC as the custodian of the First Asset ETFs (other than FIG) in or around the fourth quarter of 2017. CMT is the custodian of FIG, and provides custodial services to FIG. CMT is located in Toronto, Ontario, and is independent of the Manager. See "Organization and Management Details of the First Asset ETFs – Custodians".
Accounting and Valuation Agents:	SSFS Agent currently provides accounting and valuation services in respect of the First Asset ETFs (other than FIG). SSFS Agent is located in Toronto, Ontario. CMGS Agent will replace SSFS Agent as the accounting and valuation agent of the First Asset ETFs (other than FIG) in or around the fourth quarter of 2017. CMGS Agent provides accounting and valuation services in respect of FIG. CMGS Agent is located in Toronto, Ontario. See "Organization and Management Details of the First Asset ETFs – Valuation Agents".
Auditors:	Ernst & Young LLP is responsible for auditing the annual financial statements of the First Asset ETFs. The auditors are independent with respect to the First Asset ETFs within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario. The head office of Ernst & Young LLP is located in Toronto, Ontario. See "Organization and Management Details of the First Asset ETFs – Auditors".
Registrar and Transfer Agent:	Computershare Trust Company of Canada, at its principal offices in Toronto, Ontario is the registrar and transfer agent for the Units pursuant to a registrar and transfer agency agreement. Computershare Trust Company of Canada is independent of the Manager. See "Organization and Management Details of the First Asset ETFs – Transfer Agent and Registrar".
Securities Lending Agents:	SSB Lending Agent currently acts as the lending agent for each of the First Asset ETFs (other than FIG). SSB Lending Agent is located in Toronto, Ontario. BNY Lending Agent will replace SSB Lending Agent as the securities lending agent for each of the First Asset ETFs (other than FIG) in or around the fourth

quarter of 2017.

BNY Lending Agent acts as the securities lending agent for FIG. BNY Lending Agent is located in New York, New York.

See “Organization and Management Details of the First Asset ETFs – Securities Lending Agents”.

Promoter: First Asset is also the promoter of the First Asset ETFs. First Asset took the initiative in founding and organizing the First Asset ETFs and is, accordingly, the promoter of the First Asset ETFs within the meaning of securities legislation of certain provinces and territories of Canada.

See “Organization and Management Details of the First Asset ETFs – Promoter”.

Summary of Fees and Expenses

The following table lists the fees and expenses payable by the First Asset ETFs, and the fees and expenses that Unitholders may have to pay if they invest in the First Asset ETFs. Unitholders may have to pay some of these fees and expenses directly. Alternatively, each First Asset ETF may have to pay some of these fees and expenses, which will therefore reduce the value of an investment in that First Asset ETF.

Fees and Expenses Payable by the First Asset ETFs

Type of Charge:	Description
Management Fee:	Each First Asset ETF will pay an annual management fee (the “**Management Fee**”) to the Manager equal to an annual percentage of its net asset value, calculated daily and payable monthly in arrears, plus applicable taxes. Signature Global Asset Management, the Portfolio Manager of FHB, will be remunerated by the Manager out of the Management Fee it receives in respect of FHB. Marret Asset Management Inc., the Portfolio Manager of FIG, will be remunerated by the Manager out of the Management Fee it receives in respect of FIG. The Management Fee of each First Asset ETF is as follows:

	Annual Management Fee Units
First Asset Active Canadian Dividend ETF	0.55% of net asset value
First Asset Active Utility & Infrastructure ETF	0.65% of net asset value
First Asset Canadian REIT ETF	0.75% of net asset value
First Asset European Bank ETF	0.85% of net asset value

First Asset Investment Grade Bond ETF	0.65% of net asset value
First Asset U.S. & Canada Lifeco Income ETF	0.75% of net asset value

The Manager may, at its discretion, agree to charge a reduced fee as compared to the fee it would otherwise be entitled to receive from a First Asset ETF with respect to large investments in the First Asset ETF by Unitholders. Such a reduction will be dependent upon a number of factors, including the amount invested, the total assets of the First Asset ETF under administration and the expected amount of account activity. In such cases, an amount equal to the difference between the fee otherwise chargeable and the reduced fee will be distributed to the applicable Unitholders as Management Fee Distributions.

See "Fees and Expenses" and "Income Tax Considerations – Taxation of Holders".

See "Fees and Expenses".

Operating Expenses:

In addition to the Management Fee, each of the First Asset ETFs will pay for all ordinary expenses incurred in connection with its operation and administration. Unless otherwise waived or reimbursed by the Manager, and subject to compliance with NI 81-102, it is expected that the expenses for the First Asset ETFs will include, as applicable, without limitation: all costs of portfolio transactions; audit fees; fees payable to third party service providers; trustee and custodial expenses; valuation, accounting and record keeping costs; legal expenses; permitted prospectus preparation and filing expenses; costs associated with delivering documents to Unitholders; listing fees and expenses and other administrative expenses and costs incurred in connection with the continuous public filing requirements; costs and expenses of preparing financial and other reports, costs and expenses arising as a result of complying with all applicable laws, regulations and policies; CDS fees; bank related fees and interest charges; extraordinary expenses; Unitholder reports and servicing costs; registrar and transfer agent fees; fees and expenses of the members of the IRC; expenses related to compliance with NI 81-107; fees and expenses relating to the voting of proxies by a third party; premiums for directors' and officers' insurance coverage for the members of the IRC; income taxes; Sales Taxes (including GST/HST); brokerage expenses and commissions; and withholding taxes. Such expenses will also include expenses of any action, suit or other proceedings in which or in relation to which the Manager, the Custodian, the IRC and/or any of their respective officers, directors, employees, consultants or agents is entitled to indemnity by a First Asset ETF.

Costs and expenses payable by the Manager, or an affiliate of the Manager, include the initial organization costs of the First Asset ETFs (other than FLI), including the costs of the preparation and filing of the preliminary prospectus and initial prospectus.

See "Fees and Expenses".

Expenses of the Issue:

Apart from the initial organizational costs of the First Asset ETFs (other than FLI), all expenses related to the issuance of Units of a First Asset ETF shall be borne by that First Asset ETF unless otherwise waived or reimbursed by the Manager.

See "Fees and Expenses".

Fees and Expenses Payable Directly by Unitholders

Redemption Fee: The Manager may, at its discretion, charge exchanging or redeeming Unitholders a redemption fee of up to 0.25% (0.05% in the case of FLI) of the exchange or redemption proceeds to offset certain transaction costs associated with the exchange or redemption of Units. The Manager will publish the current redemption fee, if any, on its website, www.firstasset.com. Any such redemption fee charged by the Manager will accrue to the applicable First Asset ETF.

See "Exchange and Redemption of Units".

Annual Returns, Management Expense Ratio and Trading Expense Ratio

The following chart provides the annual returns, the management expense ratios and the trading expense ratios for the First Asset ETFs, as disclosed in the applicable First Asset ETF's most recently filed annual management report of fund performance, for the past five fiscal years or since the First Asset ETFs' inception, as applicable. The indicated rates of return are historical total returns. These returns assume the reinvestment of distributions, which increases returns, but do not take into account customary brokerage commissions for buying or selling Units on the TSX, redemption fees or income taxes payable by any Unitholder that would have reduced the returns. Where a First Asset ETF was in distribution for less than a full financial year, the management expense ratio indicated has been annualized. See "Annual Returns, Management Expense Ratio and Trading Expense Ratio".

First Asset Active Canadian Dividend ETF

	2016	2015	2014(1)
Units			
Annual Return (%)	5.00	0.60	-3.20
MER (%)(2)	1.25	1.01	0.69
TER (%)(3)	0.32	0.17	0.07

First Asset Active Utility & Infrastructure ETF

	2016	2015	2014	2013	2012
Units					
Annual Return (%)(4)	13.4	-4.50	19.40	9.70	4.10
MER (%)(2)	1.34	1.05	1.70	1.37	2.51
MER (%) excluding original issue expenses (2)	1.34	1.05	1.70	1.69	1.56
TER (%)(3)	0.11	0.09	0.16	0.31	0.33

First Asset Canadian REIT ETF

	2016	2015	2014	2013	2012
Units(5)					
Annual Return (%)	17.80	8.0	12.40	0.0	16.40
MER (%)(2)	0.97	1.24	1.44	1.24	2.00
TER (%)(3)	0.07	0.12	0.08	0.17	0.15

First Asset European Bank ETF

	2016	2015	2014[6]
Units			
Annual Return (%)	-14.90	-3.40	-3.80
MER (%)[2]	1.26	1.25	1.15
TER (%)[3]	0.14	0.48	0.71
TER (adjusted)(%) [3]	0.14	0.37	0.32

First Asset Investment Grade Bond ETF

	2016	2015	2014	2013	2012[7]
Units					
Annual Return (%)[8]	4.60	0.20	5.40	-0.60	1.00
MER (%)[2]	1.03	0.98	0.84	1.58	1.46
TER (%)[3]	-	-	-	-	-

First Asset U.S. & Canada Lifeco Income ETF

	2016	2015	2014	2013
Units				
Annual Return (%)	20.40	5.80	10.10	15.00[9]
MER (%)[2]	0.99	0.91	1.14	6.48
MER (%) excluding original issue expenses [2]	0.99	0.91	1.14	0.74
TER (%)[3]	0.16	0.13	0.13	0.29

(1) Returns for the period September 3, 2014 to December 31, 2014.

(2) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. In respect of the First Asset Active Canadian Dividend ETF, the Manager has absorbed some of the First Asset ETF's expenses for the period ended December 31, 2014 and the years ended December 31, 2015 and December 31, 2016. If it had not done so, the First Asset ETF's MER would have been higher. In respect of the First Asset European Bank ETF, the Manager has absorbed some of the First Asset ETF's expenses for the period ended December 31, 2014. If it had not done so, the First Asset ETF's MER would have been higher. In respect of the First Asset Active Utility & Infrastructure ETF, MER for the years ended December 31 2011, 2012 and 2013 includes agents' fees and other offering expenses related to the original issuance of units of First Asset Pipes & Power Income Fund, which are one-time expenses and therefore are not annualized. In respect of FLI, MER for the period ended December 31, 2013 includes agents' fees and other offering expenses related to the original issuance of units of First Asset U.S. & Canada Lifeco Income Fund, which are one-time expenses and therefore are not annualized.

(3) Trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. In respect of First Asset European Bank ETF, the adjusted trading expense ratio reflects fees paid to the First Asset ETF during the period by certain securityholders in connection with cash-only subscriptions or redemptions of a prescribed number of units of the First Asset ETF, to offset, as applicable, brokerage expenses, commissions, transaction costs and other costs or expenses that the First Asset ETF incurs or expects to incur in purchasing or selling portfolio securities on the market in connection with such cash-only subscriptions or redemptions.

(4) On January 16, 2015, First Asset Pipes & Power Income Fund converted from a closed-end fund into an exchange traded mutual fund trust and changed its name to First Asset Active Utility & Infrastructure ETF. In connection with the conversion, the annual management fee payable to First Asset, as manager, in respect of the outstanding common Units as at the date of conversion was reduced to 0.65% (from 1.05%) of the NAV per Unit and certain changes were made to the investment objectives, investment strategies and investment restrictions applicable to the First Asset ETF. Material among these changes is the ability for the First Asset ETF to invest up to 30% of its portfolio in securities of issuers listed on non-Canadian stock exchanges. Prior to the conversion date, the First Asset ETF was not permitted to invest in securities of non-Canadian issuers. Had the First Asset ETF been invested in the securities of non-Canadian issuers during the periods shown, the performance of the First Asset ETF could have been different.

[5] On July 14, 2015, First Asset Canadian REIT Income Fund converted from a closed-end fund into an exchange traded mutual fund trust. In connection with the conversion, the annual management fee payable by the fund to First Asset, as manager, in respect of the outstanding common Units as at the date of the conversion was reduced to 0.75% (from 1.05%) of the NAV per Unit and certain changes were made to the investment objectives, investment strategies and investment restrictions applicable to the First Asset ETF. Material among these changes is that the First Asset ETF can no longer utilize leverage. Prior to the date of the conversion, the First Asset ETF was permitted to borrow against its assets to a maximum of 10% of its NAV, determined at the time of borrowing, by way of a prime brokerage account. Had the First Asset ETF not been able to utilize leverage during the periods shown, the performance of the First Asset ETF could have been different.

[6] Returns for the period July 23, 2014 to December 31, 2014.

[7] For financial years beginning on or after January 1, 2013 the financial highlights are derived from the financial statements prepared in accordance with International Financial Reporting Standards ("**IFRS**"). IFRS allows net assets to be calculated based on the last traded market price for financial assets and financial liabilities where the last traded price falls within the day's bid-ask spread. There are no differences between the net assets calculated for purpose of processing unitholders transactions and the net assets attributable to holders of redeemable units used for financial statement reporting purposes. For financial years before January 1, 2013, the financial highlights are derived from the financial statements prepared in accordance with Canadian GAAP. Under Canadian GAAP net assets for financial statement purposes were calculated based on bid/ask price while for purpose of processing unitholder transactions net assets were calculated based on the closing market price.

[8] On August 19, 2016, Marret Investment Grade Bond Fund converted from a closed-end fund into an exchange traded mutual fund trust. In connection with the conversion, the annual management fee payable by the fund to First Asset, as manager, in respect of the outstanding common Units as at the date of the conversion was increased to 0.65% (from 0.50%) of the NAV per Unit and the annual trustee fee of $5,000 plus applicable taxes was eliminated. In addition, certain changes were made to the investment objectives, investment strategies and investment restrictions applicable to the First Asset ETF. Material among these changes is that the First Asset ETF can no longer utilize leverage. Prior to the date of the conversion, the First Asset ETF was permitted to borrow against its assets to a maximum of 25% of its NAV. Had these changes been in place during the periods shown, the performance of the First Asset ETF could have been different.

[9] Return for the period August 22, 2013 to December 31, 2013.

OVERVIEW OF THE LEGAL STRUCTURE OF THE FIRST ASSET ETFs

The First Asset ETFs are exchange traded mutual fund trusts established under the laws of Ontario, the Units of which are offered pursuant to this prospectus. The promoter, trustee and manager of the First Asset ETFs is First Asset Investment Management Inc., a registered portfolio manager and investment fund manager ("**First Asset**" or the "**Manager**").

FAI was originally established as a closed-end investment trust under the laws of Ontario. On January 16, 2015, pursuant to amendments to the Declaration of Trust approved at an adjourned meeting of Unitholders held on December 18, 2014, First Asset Pipes & Power Income Fund converted from a closed-end fund into an exchange traded mutual fund trust. In connection with the conversion, the Declaration of Trust was amended and restated, among other matters, in order to effect the conversion and to permit FAI to offer Units and advisor class units. The units of First Asset Pipes & Power Income Fund outstanding on the date of the conversion were redesignated as Units and continue to be listed on the TSX.

RIT was originally established as a closed-end investment trust under the laws of Ontario. Effective on July 14, 2015, the Declaration of Trust permitted First Asset Canadian REIT Income Fund to effect the conversion and permitted the First Asset ETF to offer two classes of units called Units and advisor class units. The units of First Asset Canadian REIT Income Fund outstanding on the date of conversion were redesignated as Units and continue to be listed on the TSX.

FIG was originally established as a closed-end investment trust (as Marret Investment Grade Bond Fund) under the laws of Ontario. On August 19, 2016, in accordance with the terms of its declaration of trust, Marret Investment Grade Bond Fund converted from a closed-end fund into an exchange traded mutual fund trust. The units of Marret Investment Grade Bond Fund outstanding on the date of conversion were redesignated as Units of FIG and continue to be listed on the TSX.

FLI was originally established as a closed-end investment trust under the laws of Ontario. On September 3, 2014, pursuant to the provisions of the Declaration of Trust, First Asset U.S. & Canada Lifeco Income Fund automatically converted from a closed-end fund into an exchange traded mutual fund trust. In connection with the conversion, the Declaration of Trust was amended and restated, among other matters, in order to effect the conversion and to permit FLI to offer Units and advisor class units. The units of First Asset U.S. & Canada Lifeco Income Fund outstanding on the date of the conversion were redesignated as Units and continue to be listed on the TSX.

On July 14, 2017, the Manager reduced the management fee on the previously issued advisor class units of the First Asset ETFs by an amount equal to the applicable service fee payable in respect of that class and concurrently converted all such advisor class units into the corresponding common Units of the same First Asset ETF.

The First Asset ETFs exist pursuant to and are governed by the Declaration of Trust. The head office of the Manager and the First Asset ETFs is 2 Queen Street East, 12th Floor, Toronto, Ontario M5C 3G7. The Manager is an indirect, wholly-owned subsidiary of CI Financial Corp. (TSX: CIX).

The following chart sets out the full legal name as well as the TSX ticker symbol for each of the First Asset ETFs:

Name of First Asset ETF	**TSX Ticker Symbol (Units)**
First Asset Active Canadian Dividend ETF	FDV
First Asset Active Utility & Infrastructure ETF	FAI
First Asset Canadian REIT ETF	RIT
First Asset European Bank ETF	FHB
First Asset Investment Grade Bond ETF	FIG
First Asset U.S. & Canada Lifeco Income ETF	FLI

While each First Asset ETF is a mutual fund trust under the securities legislation of certain provinces and territories of Canada, certain First Asset ETFs are entitled to rely on exemptive relief from certain provisions of Canadian securities legislation applicable to conventional mutual funds.

INVESTMENT OBJECTIVES

The investment objective of each of the First Asset ETFs is described below.

First Asset Active Canadian Dividend ETF

FDV's investment objective is to seek long-term total returns consisting of regular dividend income and long-term capital appreciation from an actively managed portfolio comprised primarily of dividend-paying and other equity securities of Canadian issuers.

First Asset Active Utility & Infrastructure ETF

FAI's investment objectives are to provide holders of Units with monthly cash distributions and the opportunity for capital appreciation from an actively managed portfolio comprised primarily of equity securities of Utility and Infrastructure Issuers.

First Asset Canadian REIT ETF

RIT's investment objective is to seek long-term total returns consisting of regular income and long-term capital appreciation from an actively managed portfolio comprised primarily of securities of Canadian REITs, REOCs and corporations involved in real estate related services.

First Asset European Bank ETF

FHB's investment objective is to seek long-term total returns consisting of long-term capital appreciation and regular dividend income from an actively managed portfolio comprised primarily of equity securities of European banks.

First Asset Investment Grade Bond ETF

FIG's investment objectives are: (i) to provide Unitholders with monthly cash distributions; and (ii) to maximize total returns for Unitholders consisting primarily of monthly distributions, while reducing risk and preserving capital. Under normal market conditions, FIG will be primarily invested in investment grade bonds and investment grade debt securities.

First Asset U.S. & Canada Lifeco Income ETF

FLI's investment objectives are to provide Unitholders with (i) quarterly cash distributions; (ii) the opportunity for capital appreciation; and (iii) lower overall volatility of portfolio returns than would be experienced by owning a portfolio of publicly-traded common equity securities of the ten largest Lifeco Companies by market capitalization directly.

The investment objectives of a First Asset ETF may not be changed except with the approval of its Unitholders. See "Unitholder Matters".

INVESTMENT STRATEGIES

The investment strategy of each First Asset ETF is to invest in and hold a portfolio of securities selected by the applicable Portfolio Manager in order to achieve its investment objective as follows:

First Asset Active Canadian Dividend ETF

FDV invests in an actively managed portfolio comprised primarily of dividend-paying and other equity securities of Canadian issuers. FDV may also invest up to 30% of its net asset value in dividend-paying and other equity securities of non-Canadian issuers.

The Portfolio Manager's investment process incorporates both a top-down approach to sector allocation and a bottom-up approach to security selection. Specifically, in constructing and managing the portfolio, the Portfolio Manager intends to apply a top-down, macroeconomic approach to sector allocation and rotation, based on its views of the stage of the economic cycle. In selecting individual securities within a particular sector, the Portfolio Manager intends to use a research driven, fundamental approach that highlights issuers that are either undervalued in the Portfolio Manager's opinion, or have attractive valuations relative to their peers in the sector.

First Asset Active Utility & Infrastructure ETF

FAI invests in an actively managed portfolio comprised primarily of equity securities of Utility and Infrastructure Issuers in accordance with the provisions of NI-81-102.

The Portfolio Manager will not (a) invest in a Utility and Infrastructure Issuer unless its securities are listed on a North American stock exchange, and (b) purchase securities of an Issuer if, after such purchase, more than 30% of its net asset value would be comprised of securities solely listed on non-Canadian stock exchanges.

First Asset Canadian REIT ETF

RIT invests in an actively managed portfolio comprised primarily of securities of Canadian REITs, REOCs and entities involved in real estate related services. RIT may also invest up to 30% of its net asset value in securities of non-Canadian REITs, REOCs and entities involved in real estate related services.

First Asset European Bank ETF

FHB seeks to achieve its investment objective through the application of specialized analysis and expertise and intends to invest in a portfolio of equity securities that in the view of the Portfolio Manager represents a diversified portfolio of the most attractive opportunities in the European banking sector. FHB's investments may be selected from any subsector or capitalization level of the European banking sector and may include investments in European non-bank financial services issuers. Generally, the portfolio will consist of between 20 and 30 holdings, and may include ADRs, ADSs, GDRs and IDRs. ADRs, ADSs, GDRs and IDRs are each a type of negotiable financial security that is traded on a local stock exchange but represent a security that is issued by a foreign publicly-listed company. Since these securities trade in local markets and are therefore available for trading during North American trading hours, it may be more efficient for the Portfolio Manager to gain exposure to the underlying foreign equity securities it wishes to hold in its portfolio through investments in ADRs, ADSs, GDRs or IDRs representing the securities of these issuers.

The Portfolio Manager believes that: (a) valuations in the various financial services subsectors, including European banks, around the globe represent the expectations and analysis formed by generalist investors and, as a result, the prices of these securities often do not represent their intrinsic value, (b) there are opportunities to exploit by applying its specialized expertise, and (c) differences between price and intrinsic value may exist for differing time horizons, and therefore it may be appropriate to adopt varying strategies to capitalize on these different time periods. The portfolio manager's primary focus during the recovery phase of the credit cycle will be on fundamental analysis, seeking to find banks priced at valuations that do not reflect their earnings capacity in a normal economic, credit and interest rate environment. However, the Portfolio Manager will utilize a multi-strategy approach which, in addition to fundamental analysis, may include, without limitation, an analysis of the relative value between issuers.

First Asset Investment Grade Bond ETF

FIG's portfolio consists primarily of U.S., Canadian and European investment grade bonds and investment grade debt securities. FIG may also invest up to 20% of the portfolio in non-investment grade debt securities or high-yield corporate bonds rated, in each case, BB- or better (by Standard and Poors, or the equivalent rating of another nationally recognized credit rating agency).

In addition, FIG will not purchase debt securities other than investment grade debt securities and non-investment grade debt securities or high-yield corporate bonds rated BB- or better (by Standard and Poors, or the equivalent rating of another nationally recognized credit rating agency), provided that such non-investment grade debt securities or high-yield corporate bonds will not exceed 20% of the net asset value of FIG at the time of purchase; and in the case where any such securities are downgraded by any qualified credit rating agency causing this restriction to be contravened, the Portfolio Manager will replace such securities as soon as reasonably practicable, but in any event within 90 days.

FIG's portfolio may also consist of additional securities including Canadian Government and Canadian Government guaranteed securities, Provincial Government and Provincial Government guaranteed securities, U.S. Treasury securities and bonds issued or guaranteed by European Governments or their agencies. If the Portfolio Manager deems it appropriate under certain market conditions, in order to preserve cash, FIG's portfolio may consist entirely of Government and Government guaranteed securities, or cash or cash equivalents.

First Asset U.S. & Canada Lifeco Income ETF

FLI invests in a portfolio of publicly-traded common equity securities of the ten largest Lifecos by market capitalization.

The Portfolio Manager believes that the portfolio securities of FLI are attractive long term investments, but that they may exhibit significant price volatility for the foreseeable future. Accordingly, the Portfolio Manager believes that an investment strategy which incorporates selling call options to capitalize on this volatility while retaining all the upside on a significant portion of FLI's portfolio is an attractive risk adjusted way to own a portfolio of such securities.

This strategy does not involve managing FLI's portfolio to achieve a specific distribution target, but generates attractive option premiums to provide downside protection, lower overall volatility of returns and increased cash flow available for distribution. The Portfolio Manager believes that the size neutral approach to investing afforded by equal weighting, combined with the call option writing, is a balanced approach that provides attractive risk adjusted returns under a variety of market conditions.

FLI's portfolio will be rebalanced and reconstituted annually after each calendar year or in connection with corporate events, such as mergers or take-over bids, so that immediately following such rebalancing, the portfolio will be comprised of publicly-traded common equity securities of the Lifeco Companies on an approximately equal weight basis based on the market capitalization at the end of the calendar year with respect to an annual rebalancing or the prior business day with respect to other rebalancings. To the extent there is any uncertainty over what constitutes a Lifeco Company, the Portfolio Manager's determination shall be conclusive for all purposes.

In order to facilitate distributions and/or pay expenses of FLI, the Portfolio Manager may sell portfolio securities at its discretion in which case the weighting of the portfolio will be affected. FLI may also sell portfolio securities that are in a loss position to reduce the capital gain that would otherwise be payable by FLI by way of a special distribution in a particular year where the Manager determines that it is in the best interests of FLI to do so.

In the Portfolio Manager's discretion surplus cash from time to time will be invested by FLI in portfolio securities generally on an approximately pro rata basis at the time of investment.

Covered Option Writing

FLI sells call options each month on up to 25% of the portfolio securities of each Lifeco Company held in the portfolio. The Portfolio Manager will write options on the same percentage of the portfolio securities of each Lifeco Company. Call options sold by FLI may be either options traded on a Canadian or U.S. stock exchange or "over-the-counter" options sold pursuant to an agreement with a counterparty with a designated rating as defined in NI 81-102.

The Portfolio Manager intends that such options will be sold at a strike price which is "at-the-money" (that is at or close to the current market price of the portfolio securities), but may sell options, on behalf of FLI, in respect of the portfolio securities of a Lifeco Company that are "out-of-the-money" or "in-the-money" at its discretion. The Portfolio Manager intends to close out any outstanding options that are in the money prior to their expiry date to avoid having portfolio securities called away pursuant to the terms of the option, but may allow portfolio securities to be called, at its discretion. FLI may also close out options in advance of year-end to reduce the likelihood that gains distributed by way of a special distribution in any year are reversed in a subsequent year. The Portfolio Manager may decide, in its discretion, not to sell call options in any month if it determines that conditions render it undesirable to do so.

The writing of call options by FLI will involve the selling of call options in respect of up to 25% of the portfolio securities of each Lifeco Company held in the portfolio. Such call options are expected to be exchange traded options. Because call options will be written only in respect of securities that are in the portfolio and because the investment restrictions of FLI prohibit the sale of securities subject to an outstanding option, the call options will be covered at all times. If the option is denominated in U.S. dollars, FLI may hedge its exposure to U.S. dollars back to Canadian dollars.

The holder of a call option purchased from FLI will have the option, exercisable during a specific time period or at expiry, to purchase the securities underlying the option from FLI at the strike price per security. By selling call options, FLI will receive option premiums, which are generally paid within one business day of the writing of the option. If, at any time during the term of a call option or at expiry, the market price of the underlying securities is above the strike price, depending on the terms of the option, the holder of the option may exercise the option and FLI would be obligated to sell the securities to the holder at the strike price per security. FLI intends to repurchase a call option which is in-the-money by paying the market value of the call option but, at the Portfolio Manager's discretion, may allow portfolio securities to be called. If, however, the option is out-of-the-money at expiration of the call option, the holder of the option will likely not exercise the option and the option will expire. In each case, FLI will retain the option premium. See "Call Option Pricing".

The amount of option premium depends upon, among other factors, the expected volatility of the price of the underlying security. The higher the volatility, the higher the option premium. In addition, the amount of the option premium will depend upon the difference between the strike price of the option and the market price of the underlying security at the time the option is written. The smaller the positive difference (or the larger the negative difference), the more likely it is that the option will become in-the-money during the term and, accordingly, the greater the option premium. The Portfolio Manager intends that the options sold by FLI will be sold at a strike price which is "at-the-money" (that is at or close to the current market price of the portfolio securities), but may sell options, on behalf of FLI, in respect of the portfolio securities of a Lifeco Company that are "out-of-the-money" or "in-the-money" at its discretion. See "Call Option Pricing".

If a call option is written on a security in the portfolio, the amounts that FLI will be able to realize on the security during the term of the call option will be limited to the distributions received during such period plus an amount equal to the sum of the strike price and the premium received from writing the option. In essence, FLI forgoes potential returns resulting from any price appreciation of the security underlying the option above the strike price because the security will be called away or FLI will pay to close out the option by repurchasing the option at the then current market price of the option. The current market price of an in-the-money option may exceed the premium received when the at-the-market option was sold.

The use of call options may have the effect of limiting or reducing the total returns of FLI, particularly in a rising market, since the premiums associated with writing covered call options may be outweighed by the cost of closing out outstanding options. However, the Portfolio Manager believes that in a slightly rising, flat or downward trending market, a portfolio that is subject to covered call option writing will generally provide higher relative returns and lower volatility than one on which no options are written.

Call Option Pricing

Call options held in FLI's portfolio will be priced using the Black-Scholes Model. Many investors and financial market professionals price call options based on the Black-Scholes Model. In practice, however, actual option premiums are determined in the marketplace and there can be no assurance that the values generated by the Black-Scholes Model can be attained in the market.

Under the Black-Scholes Model (modified to include dividends and distributions), the primary factors that affect the option premium received by the seller of a call option are the following:

(a) *The volatility of the price of the underlying security* – the volatility of the price of a security measures the tendency of the price of the security to vary during a specified period. The higher the price volatility, the more likely that the price of that security will fluctuate (either positively or negatively) and the greater the option premium. Price volatility is generally measured in percentage terms on an annualized basis, based on price changes during a period of time immediately prior to or "trailing" the date of calculation;

(b) *The difference between the strike price and the market price of the underlying security at the time the option is written* – the smaller the positive difference (or the larger the negative difference), the greater the option premium;

(c) *The term of the option* – the longer the term, the greater the call option premium;

(d) *The "risk-free" or benchmark interest rate in the market in which the option is issued* – the higher the risk-free interest rate, the greater the call option premium; and

(e) *The dividends and distributions expected to be paid on the underlying security during the relevant term* – the greater the dividends and distributions, the lower the call option premium.

General Investment Strategies for All First Asset ETFs

Each First Asset ETF may invest in various securities and instruments which may include, but are not limited to, debt securities, equity securities, equity and equity related securities, futures contracts and exchange traded funds. Equity related securities may include but are not limited to, convertible debt, Income Trust units, single issuer equity options, preferred shares and warrants. If market conditions require, in order to preserve capital, a First Asset ETF may seek to invest a substantial portion of its assets in cash and cash equivalents.

Investment in other Investment Funds

In accordance with applicable securities legislation, including NI 81-102, and as an alternative to or in conjunction with investing in and holding securities directly, a First Asset ETF (other than FLI) may also invest in one or more other investment funds, including other investment funds managed by the Manager or an affiliate thereof (each, an "**Other Fund**"), provided that no management fees or incentive fees are payable by the First Asset ETF that, to a reasonable person, would duplicate a fee payable by the Other Fund for the same service. A First Asset ETF's allocation to investments in other investment funds, if any, will vary from time to time depending on the relative size and liquidity of the investment fund and the ability of the portfolio manager of the First Asset ETF to identify appropriate investment funds that are consistent with the First Asset ETF's investment objectives and strategies.

Use of Derivative Instruments

A First Asset ETF may use derivative instruments to reduce transaction costs and increase the liquidity and efficiency of trading, in accordance with the First Asset ETF's investment restrictions. The First Asset ETFs may, from time to time, use derivatives to hedge their exposure to securities.

The First Asset ETFs may invest in or use derivative instruments, including futures contracts, forward contracts and swaps, provided that the use of such derivative instruments is in compliance with NI 81-102 or the appropriate regulatory exemptions have been obtained, and is consistent with the investment objective and strategy of the respective First Asset ETF.

Currency Hedging

In the event a First Asset ETF invests in securities that are denominated in a non-Canadian currency, the First Asset ETF may enter into one or more currency forward agreements that seek to hedge the currency risk associated with such an investment. At the discretion of the Manager, a First Asset ETF may choose to enter into currency forward agreements to hedge all or a portion of the value of the First Asset ETF's non-Canadian currency exposure back to the Canadian dollar. All such currency forward agreements will be entered into in compliance with NI 81-102 with financial institutions that have a "designated rating" as defined in NI 81-102. Hedging currency exposure to reduce the impact of fluctuations in exchange rates is intended to reduce the direct exposure to foreign currency risk for Unitholders.

Securities Lending

A First Asset ETF may enter into securities lending transactions, repurchase and reverse purchase transactions in accordance with NI 81-102 to earn additional income for the First Asset ETF. In respect of the First Asset ETFs (other than FIG), the Manager has entered into a written securities lending authorization agreement (the "**SSB SLA**") with its sub-custodian, SSB Lending Agent, pursuant to which SSB Lending Agent, acting either directly or through certain of its affiliates, administers securities lending transactions for certain funds managed by the Manager, including the First Asset ETFs (other than FIG). The SSB Lending Agent is not an affiliate or an associate of the Manager. The SSB SLA complies with the applicable provisions of NI 81-102 and all securities loans must qualify as ''securities lending arrangements'' for the purposes of the Tax Act. BNY Lending Agent will replace the SSB Lending Agent as the securities lending agent for each of the First Asset ETFs (other than FIG) in or around the fourth quarter of 2017.

In respect of FIG, the Manager has entered into a written securities lending authorization agreement (a "**BNY SLA**") with its sub-custodian, the BNY Lending Agent and certain of its affiliates, pursuant to which the BNY Lending Agent's agent, CMGS Agent, administers securities lending transactions for certain funds managed by the Manager, including FIG. The BNY Lending Agent is not an affiliate or an associate of the Manager. The BNY SLA complies with the applicable provisions of NI 81-102 and all securities loans must qualify as "securities lending arrangements" for the purposes of the Tax Act.

The Manager manages the risks associated with securities lending by a First Asset ETF by requiring the applicable lending agent to, among other things: (a) enter into securities lending transactions with borrowers selected by the applicable lending agent on a basis of certain creditworthiness standards applied by the lending agent; (b) maintain appropriate internal controls and procedures which include, as applicable, transaction and credit limits for borrowers; (c) establish daily the market value of both the securities loaned by the First Asset ETFs under a securities lending transaction and the collateral held by the First Asset ETFs; (d) if on any day the market value of the collateral held by the First Asset ETFs is less than 102% of the market value of the borrowed securities, request that the borrower provide additional collateral to the First Asset ETFs to make up the shortfall; and (e) ensure that the collateral to be delivered to the First Asset ETFs is one or more of cash (if agreed to by the Manager and the applicable lending agent), qualified securities or securities immediately convertible into, or exchangeable for, securities of the same issuer, class or type, and same term, if applicable, as the securities being loaned by the First Asset ETFs. In addition, because FLI may write covered call options on up to 25% of the securities of each portfolio issuer held by it from time to time, the applicable lending agent provides that 25% of such securities shall not be available for lending.

The Manager reviews its written policies and procedures at least annually to ensure that the risks associated with securities lending transactions are being properly managed. The applicable lending agent reviews its written policies and procedures at least annually. The SSB Lending Agent employs a risk management framework of counterparty limits and stringent collateral guidelines, including counterparty and program minimums and maximums for various security classes. Acceptable counterparties, counterparty limits and collateral guidelines are reviewed and amended as dictated by market conditions. At present, there are no simulations used to test the portfolios under stress conditions to measure risk in connection with the use of securities lending transactions.

Short Selling (other than FLI)

A First Asset ETF may engage in short selling in compliance with NI 81-102 in order to manage volatility or enhance the performance of the First Asset ETF in declining or volatile markets. Short selling is an investment strategy whereby a First Asset ETF sells a security that it does not own on the basis that the Portfolio Manager believes that the security is overvalued and that its market value will decline. The resulting trade creates a "short position" which will create a profit for the First Asset ETF if the market value of the security does, in fact, decline. A successful short strategy will allow a First Asset ETF to subsequently purchase the security (and thereby repay its "short position") at a price that is lower than the price the First Asset ETF received for selling the securities, thereby creating a profit for the First Asset ETF.

In periods of little or negative corporate earnings growth and/or extreme market valuations, and in other circumstances when it appears likely that the market price of a particular security will decrease, short selling provides an opportunity for a First Asset ETF to control volatility and possibly enhance performance. The Portfolio Manager is of the view that the First Asset ETFs can benefit from the implementation and execution of a controlled and limited short selling strategy. This strategy would operate as a complement to a First Asset ETF's primary strategy of purchasing securities with the expectation that they will appreciate in market value. Risks associated with short selling are managed by adhering to certain stringent controls.

Portfolio Disclosure

As soon as practicable following the end of each month, the Manager intends to publish on its website (www.firstasset.com) a summary of the investment portfolio disclosing the top ten positions held by each First Asset ETF expressed as an absolute percentage of the net assets of the First Asset ETF.

OVERVIEW OF THE SECTORS THAT THE FIRST ASSET ETFS INVEST IN

FDV invests primarily in dividend-paying and other equity securities of Canadian issuers. FDV may also invest in dividend-paying and other equity securities of non-Canadian issuers.

FAI invests primarily in securities of Utility and Infrastructure Issuers.

RIT invests primarily in securities of Canadian REITs, REOCs and corporations involved in real estate related services. RIT may also invest in securities of non-Canadian REITs, REOCs and corporations involved in real estate related services.

FHB invests in an actively managed portfolio comprised primarily of equity securities of European banks.

FIG's portfolio consists primarily of U.S., Canadian and European investment grade bonds and investment grade debt securities. The portfolio may also consist of additional securities including Canadian Government and Canadian Government guaranteed securities, Provincial Government and Provincial Government guaranteed securities, U.S. Treasury securities and bonds issued or guaranteed by European Governments or their agencies. If the Portfolio Manager deems it appropriate under certain market conditions, in order to preserve cash, FIG's portfolio may consist entirely of Government and Government guaranteed securities, or cash or cash equivalents.

FLI invests in a portfolio of publicly-traded common equity securities of the ten largest U.S. and Canadian life insurance companies by market capitalization.

Please see "Investment Objectives" and "Investment Strategies" for additional information on the sectors applicable to each First Asset ETF.

INVESTMENT RESTRICTIONS

The First Asset ETFs are subject to certain investment restrictions and practices contained in securities legislation, including NI 81-102, which are designed in part to ensure that the investments of the First Asset ETFs are diversified and relatively liquid and to ensure their proper administration. The investment restrictions and practices applicable to the First Asset ETFs which are contained in securities legislation, including NI-81-102, may not be deviated from without the prior consent of the Canadian securities regulatory authorities having jurisdiction over the First Asset ETFs. A change to the fundamental investment objectives of a First Asset ETF would require the approval of the Unitholders of that First Asset ETF. Please see "Unitholder Matters – Matters Requiring Unitholders Approval".

Subject to the following, and the exemptive relief that has been obtained, the First Asset ETFs are managed in accordance with the investment restrictions and practices set out in the applicable securities legislation, including NI 81-102. See "Exemptions and Approvals".

Tax Related Investment Restrictions

The First Asset ETFs will not make an investment or conduct any activity that would result in a First Asset ETF (i) failing to qualify as a "unit trust" or "mutual fund trust" within the meaning of the Tax Act or (ii) being subject to the tax for "SIFT trusts" for purposes of the Tax Act. In addition, each First Asset ETF will not make or hold any investment in property that would be "taxable Canadian property" (if the definition of such term in the Tax Act were read without reference to paragraph (b) thereof) if more than 10% of the First Asset ETF's property consisted of such property.

In addition, FDV, FAI, RIT, FHB and FIG will not (i) invest in or hold (a) securities of or an interest in any non-resident entity, an interest in or a right or option to acquire such property, or an interest in a partnership which holds any such property if the First Asset ETF (or the partnership) would be required to include significant amounts in income pursuant to section 94.1 of the Tax Act, (b) an interest in a trust (or a partnership which holds such an interest) which would require the First Asset ETF (or the partnership) to report significant amounts of income in connection with such interest pursuant to the rules in section 94.2 of the Tax Act, or (c) any interest in a non-resident trust other than an "exempt foreign trust" for the purposes of section 94 of the Tax Act (or a partnership which holds such an interest); (ii) invest in any security that would be a "tax shelter investment" within the meaning of section 143.2 of the Tax Act; or (iii) invest in any security of an issuer that would be a "foreign affiliate" of the First Asset ETF for purposes of the Tax Act. In addition, FIG will not enter into any arrangement (including the acquisition of securities for FIG's portfolio) where the result is a "dividend rental arrangement" for purposes of the Tax Act (including any amendment to such definition).

FEES AND EXPENSES

Fees and Expenses Payable by the First Asset ETFs

Management Fees

Each First Asset ETF will pay an annual management fee (the "**Management Fee**") to the Manager equal to an annual percentage of its net asset value, calculated daily and payable monthly in arrears, plus applicable taxes.

The Management Fee compensates the Manager for services it provides to the First Asset ETFs including, without limitation: investment advisory and portfolio management services, implementation of the First Asset ETFs' investment strategies, negotiating contracts with certain third-party service providers, including, but not limited to, investment managers, custodians, registrars, transfer agents, auditors and printers; authorizing the payment of operating expenses incurred on behalf of the First Asset ETFs; maintaining certain accounting and financial records; calculating the amount and determining the frequency of distributions by the First Asset ETFs; ensuring that Unitholders are provided with financial statements and other reports as are required from time to time by applicable law; ensuring that the First Asset ETFs comply with all other regulatory requirements including continuous disclosure obligations under applicable securities laws; administering purchases, redemptions and other transactions in Units; and arranging for any payments required upon termination of the First Asset ETFs. Signature Global Asset Management, the Portfolio Manager of FHB, will be remunerated by the Manager out of the Management Fee. Marret Asset Management Inc., the Portfolio Manager of FIG, will be remunerated by the Manager out of the Management Fee. The Management Fee of each First Asset ETF is as follows:

Annual Management Fee	
	Units
First Asset Active Canadian Dividend ETF	0.55% of net asset value
First Asset Active Utility & Infrastructure ETF	0.65% of net asset value
First Asset Canadian REIT ETF	0.75% of net asset value

First Asset European Bank ETF	0.85% of net asset value
First Asset Investment Grade Bond ETF	0.65% of net asset value
First Asset U.S. & Canada Lifeco Income ETF	0.75% of net asset value

To encourage very large investments in a First Asset ETF and to ensure the Management Fee is competitive for these investments, the Manager may at its discretion agree to charge a reduced fee as compared to the fee it otherwise would be entitled to receive from the First Asset ETF with respect to investments in the First Asset ETF by Unitholders that hold, on average during any period specified by the Manager from time to time (currently a quarter), Units of the First Asset ETF having a specified aggregate value. Such a reduction will be dependent upon a number of factors, including the amount invested, the total assets of the First Asset ETF under administration and the expected amount of account activity. An amount equal to the difference between the fee otherwise chargeable and the reduced fee of the applicable First Asset ETF will be distributed quarterly in cash by the First Asset ETF, at the discretion of the Manager, to those Unitholders as Management Fee Distributions.

The availability and amount of Management Fee Distributions with respect to Units of a First Asset ETF will be determined by the Manager. Management Fee Distributions for a First Asset ETF will generally be calculated and applied based on a Unitholder's average holdings of Units of the First Asset ETF over each applicable period as specified by the Manager from time to time. Management Fee Distributions will be available only to beneficial owners of Units of a First Asset ETF and not to the holdings of Units of the First Asset ETF by dealers, brokers or other CDS Participants that hold Units of the First Asset ETF on behalf of beneficial owners. Management Fee Distributions will be paid first out of net income of the First Asset ETF then out of capital gains of the First Asset ETF and thereafter out of capital. In order to receive a Management Fee Distribution for any applicable period, a beneficial owner of Units of a First Asset ETF must submit a claim for a Management Fee Distribution that is verified by a CDS Participant on the beneficial owner's behalf and provide the Manager with such further information as the Manager may require in accordance with the terms and procedures established by the Manager from time to time.

The Manager reserves the right to discontinue or change Management Fee Distributions at any time. The tax consequences of Management Fee Distributions made by a First Asset ETF generally will be borne by the Unitholders of the First Asset ETF receiving these distributions from the Manager.

Operating Expenses

In addition to the Management Fee, each of the First Asset ETFs will pay for all ordinary expenses incurred in connection with its operation and administration. Unless otherwise waived or reimbursed by the Manager, and subject to compliance with NI 81-102, it is expected that the expenses for the First Asset ETFs will include, as applicable, without limitation: all costs of portfolio transactions; audit fees; fees payable to third party service providers; trustee and custodial expenses; valuation, accounting and record keeping costs; legal expenses; permitted prospectus preparation and filing expenses; costs associated with delivering documents to Unitholders; listing fees and expenses and other administrative expenses and costs incurred in connection with the continuous public filing requirements; costs and expenses of preparing financial and other reports, costs and expenses arising as a result of complying with all applicable laws, regulations and policies; CDS fees; bank related fees and interest charges; extraordinary expenses; Unitholder reports and servicing costs; registrar and transfer agent fees; fees and expenses of the members of the IRC; expenses related to compliance with NI 81-107; fees and expenses relating to the voting of proxies by a third party; premiums for directors' and officers' insurance coverage for the members of the IRC; income taxes; Sales Taxes (including GST/HST); brokerage expenses and commissions; and withholding taxes. Such expenses will also include expenses of any action, suit or other proceedings in which or in relation to which the Manager, the Custodian, the IRC and/or any of their respective officers, directors, employees, consultants or agents is entitled to indemnity by a First Asset ETF.

Costs and expenses payable by the Manager, or an affiliate of the Manager, include the initial organization costs of the First Asset ETFs (other than FLI), including the costs of the preparation and filing of the preliminary prospectus and initial prospectus.

Expenses of the Issue

Apart from the initial organizational cost of the First Asset ETFs (other than FLI), all expenses related to the issuance of Units shall be borne by the First Asset ETFs unless otherwise waived or reimbursed by the Manager.

Fees and Expenses Payable Directly by the Unitholders

Redemption Fee

The Manager may, at its discretion, charge exchanging or redeeming Unitholders a redemption fee of up to 0.25% (0.05% in the case of FLI) of the exchange or redemption proceeds to offset certain transaction costs associated with the exchange or redemption of Units. The Manager will publish the current redemption fee, if any, on its website, www.firstasset.com. Any such redemption fee charged by the Manager will accrue to the applicable First Asset ETF. The redemption fee will not be charged to a unitholder in connection with the buying or selling of Units of a First Asset ETF on the TSX.

ANNUAL RETURNS, MANAGEMENT EXPENSE RATIO AND TRADING EXPENSE RATIO

Annual Returns, Management Expense Ratio and Trading Expense Ratio

The following chart provides the annual returns, the management expense ratios and the trading expense ratios for the First Asset ETFs, as disclosed in the applicable First Asset ETF's most recently filed annual management report of fund performance, for the past five fiscal years or since the First Asset ETFs' inception, as applicable. The indicated rates of return are historical total returns. These returns assume the reinvestment of distributions, which increases returns, but do not take into account customary brokerage commissions for buying or selling Units on the TSX, redemption fees or income taxes payable by any Unitholder that would have reduced the returns. Where a First Asset ETF was in distribution for less than a full financial year, the management expense ratio indicated has been annualized.

First Asset Active Canadian Dividend ETF

	2016	2015	2014(1)
Units			
Annual Return (%)	5.00	0.60	-3.20
MER (%)(2)	1.25	1.01	0.69
TER (%)(3)	0.32	0.17	0.07

First Asset Active Utility & Infrastructure ETF

	2016	2015	2014	2013	2012
Units					
Annual Return (%)(4)	13.4	-4.50	19.40	9.70	4.10
MER (%)(2)	1.34	1.05	1.70	1.37	2.51
MER (%) excluding original issue expenses (2)	1.34	1.05	1.70	1.69	1.56
TER (%)(3)	0.11	0.09	0.16	0.31	0.33

First Asset Canadian REIT ETF

	2016	2015	2014	2013	2012
Units(5)					
Annual Return (%)	17.80	8.0	12.40	0.0	16.40
MER (%)(2)	0.97	1.24	1.44	1.24	2.00

TER (%)(3)	0.07	0.12	0.08	0.17	0.15

First Asset European Bank ETF

	2016	2015	2014(6)
Units			
Annual Return (%)	-14.90	-3.40	-3.80
MER (%)(2)	1.26	1.25	1.15
TER (%)(3)	0.14	0.48	0.71
TER (adjusted)(%) (3)	0.14	0.37	0.32

First Asset Investment Grade Bond ETF

	2016	2015	2014	2013	2012(7)
Units					
Annual Return (%)(8)	4.60	0.20	5.40	-0.60	1.00
MER (%)(2)	1.03	0.98	0.84	1.58	1.46
TER (%)(3)	-	-	-	-	-

First Asset U.S. & Canada Lifeco Income ETF

	2016	2015	2014	2013
Units				
Annual Return (%)	20.40	5.80	10.10	15.00(9)
MER (%)(2)	0.99	0.91	1.14	6.48
MER (%) excluding original issue expenses (2)	0.99	0.91	1.14	0.74
TER (%)(3)	0.16	0.13	0.13	0.29

(1) Returns for the period September 3, 2014 to December 31, 2014.

(2) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. In respect of the First Asset Active Canadian Dividend ETF, the Manager has absorbed some of the First Asset ETF's expenses for the period ended December 31, 2014 and the years ended December 31, 2015 and December 31, 2016. If it had not done so, the First Asset ETF's MER would have been higher. In respect of the First Asset European Bank ETF, the Manager has absorbed some of the First Asset ETF's expenses for the period ended December 31, 2014. If it had not done so, the First Asset ETF's MER would have been higher. In respect of the First Asset Active Utility & Infrastructure ETF, MER for the years ended December 31 2011, 2012 and 2013 includes agents' fees and other offering expenses related to the original issuance of units of First Asset Pipes & Power Income Fund, which are one-time expenses and therefore are not annualized. In respect of FLI, MER for the period ended December 31, 2013 includes agents' fees and other offering expenses related to the original issuance of units of First Asset U.S. & Canada Lifeco Income Fund, which are one-time expenses and therefore are not annualized.

(3) Trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. In respect of First Asset European Bank ETF, the adjusted trading expense ratio reflects fees paid to the First Asset ETF during the period by certain securityholders in connection with cash-only subscriptions or redemptions of a prescribed number of units of the First Asset ETF, to offset, as applicable, brokerage expenses, commissions, transaction costs and other costs or expenses that the First Asset ETF incurs or expects to incur in purchasing or selling portfolio securities on the market in connection with such cash-only subscriptions or redemptions.

(4) On January 16, 2015, First Asset Pipes & Power Income Fund converted from a closed-end fund into an exchange traded mutual fund trust and changed its name to First Asset Active Utility & Infrastructure ETF. In connection with the conversion, the annual management fee payable to First Asset, as manager, in respect of the outstanding common Units as at the date of conversion was reduced to 0.65% (from 1.05%) of the NAV

per Unit and certain changes were made to the investment objectives, investment strategies and investment restrictions applicable to the First Asset ETF. Material among these changes is the ability for the First Asset ETF to invest up to 30% of its portfolio in securities of issuers listed on non-Canadian stock exchanges. Prior to the conversion date, the First Asset ETF was not permitted to invest in securities of non-Canadian issuers. Had the First Asset ETF been invested in the securities of non-Canadian issuers during the periods shown, the performance of the First Asset ETF could have been different.

(5) On July 14, 2015, First Asset Canadian REIT Income Fund converted from a closed-end fund into an exchange traded mutual fund trust. In connection with the conversion, the annual management fee payable by the fund to First Asset, as manager, in respect of the outstanding common Units as at the date of the conversion was reduced to 0.75% (from 1.05%) of the NAV per Unit and certain changes were made to the investment objectives, investment strategies and investment restrictions applicable to the First Asset ETF. Material among these changes is that the First Asset ETF can no longer utilize leverage. Prior to the date of the conversion, the First Asset ETF was permitted to borrow against its assets to a maximum of 10% of its NAV, determined at the time of borrowing, by way of a prime brokerage account. Had the First Asset ETF not been able to utilize leverage during the periods shown, the performance of the First Asset ETF could have been different.

(6) Returns for the period July 23, 2014 to December 31, 2014.

(7) For financial years beginning on or after January 1, 2013 the financial highlights are derived from the financial statements prepared in accordance with International Financial Reporting Standards ("**IFRS**"). IFRS allows net assets to be calculated based on the last traded market price for financial assets and financial liabilities where the last traded price falls within the day's bid-ask spread. There are no differences between the net assets calculated for purpose of processing unitholders transactions and the net assets attributable to holders of redeemable units used for financial statement reporting purposes. For financial years before January 1, 2013, the financial highlights are derived from the financial statements prepared in accordance with Canadian GAAP. Under Canadian GAAP net assets for financial statement purposes were calculated based on bid/ask price while for purpose of processing unitholder transactions net assets were calculated based on the closing market price.

(8) On August 19, 2016, Marret Investment Grade Bond Fund converted from a closed-end fund into an exchange traded mutual fund trust. In connection with the conversion, the annual management fee payable by the fund to First Asset, as manager, in respect of the outstanding common Units as at the date of the conversion was increased to 0.65% (from 0.50%) of the NAV per Unit and the annual trustee fee of $5,000 plus applicable taxes was eliminated. In addition, certain changes were made to the investment objectives, investment strategies and investment restrictions applicable to the First Asset ETF. Material among these changes is that the First Asset ETF can no longer utilize leverage. Prior to the date of the conversion, the First Asset ETF was permitted to borrow against its assets to a maximum of 25% of its NAV. Had these changes been in place during the periods shown, the performance of the First Asset ETF could have been different.

(9) Return for the period August 22, 2013 to December 31, 2013.

RISK FACTORS

In addition to the considerations set out elsewhere in this prospectus, the following are certain considerations relating to an investment in Units which prospective investors should consider before purchasing such Units:

General Risk Factors

No Assurances on Achieving Investment Objective

There is no assurance that the First Asset ETFs will achieve their investment objectives. The funds available for distributions to Unitholders will vary according to, among other things, the interest, dividends and other distributions paid on the securities in the portfolio and the value of the securities comprising the portfolio of each First Asset ETF. As the interest, dividends and other distributions received by a First Asset ETF may not be sufficient to meet its objectives in respect of the payment of distributions, the First Asset ETF may depend on the realization of capital gains to meet those objectives.

Securities Market Risk

The value of most securities, including a First Asset ETF's portfolio securities, changes with securities market conditions. These conditions are affected by general economic and market conditions.

Specific Issuer Risk

The value of securities will vary positively or negatively with developments within the specific companies or governments that issue such securities.

Equity Risk

Equities such as common shares give the holder part ownership in a company. The value of equity securities change with the fortunes of the company that issued them. General market conditions and the health of the economy as a whole can also affect equity prices. Equity related securities that provide indirect exposure to the equity securities of an issuer can also be affected by equity risk.

Interest Rate Risk

If a First Asset ETF invests in fixed-income or dividend-paying equity securities, the First Asset ETF’s value will be influenced by changes in the general level of interest rates. If interest rates fall, the value of a First Asset ETF’s units will tend to rise. If interest rates rise, the value of a First Asset ETF’s units will tend to fall. Depending on a First Asset ETF’s holdings, short-term interest rates can have a different influence on a First Asset ETF’s value than long-term interest rates. If a First Asset ETF invests primarily in debt securities with longer-term maturities, the biggest influence on the First Asset ETF’s value will be changes in the general level of long-term interest rates. If a First Asset ETF invests primarily in debt securities with shorter-term maturities, the biggest influence on the First Asset ETF’s value will be changes in the general level of shorter-term interest rates.

Credit Risk

Credit risk is dependent upon a company’s financial strength and reflects the possibility that a borrower, or the counterparty to a derivatives contract, is unable or unwilling to repay the loan or obligation, either on time or at all. Companies and governments that borrow money, and the debt securities they issue, are rated by specialized rating agencies. Securities that have a low credit rating have high credit risk. Credit rating downgrades and defaults (failure to make interest or principal payment) may potentially reduce a First Asset ETF’s income and unit price. A deterioration of an issuer’s financial strength may also affect the issuer’s ability to make dividend payments.

Regulatory Risk

Legal and regulatory changes may occur that may adversely affect the First Asset ETFs and which could make it more difficult, if not impossible, for the First Asset ETFs to operate or to achieve their investment objectives. To the extent possible, the Manager will attempt to monitor such changes to determine the impact such changes may have on the First Asset ETFs and what can be done, if anything, to try and limit such impact.

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

Currency Exposure Risk

As a portion of a First Asset ETF’s portfolio may be invested in securities traded in currencies other than Canadian dollars (“**foreign currencies**”), the net asset value of such First Asset ETF, when measured in Canadian dollars, will, to the extent this has not been hedged against, be affected by changes in the value of the foreign currency relative to the Canadian dollar. A First Asset ETF may not be fully hedged and accordingly no assurance can be given that the First Asset ETF portfolio will not be adversely impacted by changes in foreign exchange rates or other factors. The use of hedges, if used, involves special risks, including the possible default by the other party to the transaction, illiquidity and, to the extent the applicable Portfolio Manager’s assessment of certain market movements is incorrect, the risk that the use of hedges could result in losses greater than if the hedging had not been used. Hedging arrangements may have the effect of limiting or reducing the total returns to a First Asset ETF if the applicable Portfolio Manager’s expectations concerning future events or market conditions prove to be incorrect. In addition, the costs associated with a hedging program may outweigh the benefits of the arrangements in such circumstances.

Derivatives Risk

The use of derivatives does not guarantee that there will not be a loss or that there will be a gain. The following are some examples of the risks associated with the use of derivatives by a First Asset ETF:

- in the case of over-the-counter options and forward contracts, there is no guarantee that a market will exist for these investments when a First Asset ETF wants to close out its position; in the case of exchange traded options and futures contracts, there may be a risk of a lack of liquidity when the First Asset ETF wants to close out its position;

- futures exchanges may impose daily trading limits on certain derivatives, which could prevent a First Asset ETF from closing out its position;
- if the other party to the derivative, in the case of over-the-counter transactions, is unable to fulfil its obligations, a First Asset ETF could experience a loss or fail to realize a gain;
- if the First Asset ETF has an open position in an options, futures or forward contract with a dealer who goes bankrupt, the First Asset ETF could experience a loss and, for an open futures contract, a loss of margin deposits with that dealer; and
- if a derivative is based on a market index and trading is halted on a substantial number of securities in the index, or if there is a change in the composition of the index, it could have an adverse effect on the derivative.

Short Selling Risk

A First Asset ETF may engage in short-selling, as permitted by applicable securities legislation. Generally speaking, short selling is a way of realizing a gain when the Portfolio Manager expects the price of a security to fall.

A “short sale” will occur when a First Asset ETF borrows securities from a lender which are then sold in the open market (or “sold short”). At a later date, the same number of securities are repurchased by the First Asset ETF and returned to the lender. In the interim, the proceeds from the first sale are deposited with the lender and the First Asset ETF pays fees to the lender. If the value of the securities declines between the time that the First Asset ETF borrows the securities (and sells short) and the time it repurchases and returns the securities, the First Asset ETF makes a profit for the difference (less any fees the First Asset ETF is required to pay to the lender). Short selling involves certain risks. There is no assurance that securities will decline in value during the period of the short sale sufficient to offset the fees paid by the First Asset ETF and make a profit for the First Asset ETF, and securities sold short may instead appreciate in value. A First Asset ETF may also experience difficulties repurchasing and returning the borrowed securities if a liquid market for the securities does not exist. Also, the lender from whom the First Asset ETF has borrowed securities may go bankrupt and the First Asset ETF may lose the collateral it has deposited with the lender.

If a First Asset ETF engages in short selling, the First Asset ETF will adhere to controls and limits that are intended to offset these risks by short selling only securities of larger issuers for which a liquid market is expected to be maintained and by limiting the amount of exposure for short sales. The First Asset ETF will also deposit collateral only with lenders that meet certain criteria for creditworthiness and only up to certain limits.

Possible losses from short sales differ from losses that may be incurred from purchases of securities because losses from short sales may be unlimited, whereas losses from purchases are limited to the total amount invested. To deliver securities to a purchaser, a First Asset ETF must arrange through a broker to borrow the securities, and, as a result, the First Asset ETF becomes obligated to replace the securities borrowed at the market price at the time of replacement, whatever that price may be. A short sale therefore involves the theoretically unlimited risk of loss occasioned by an increase in the market price of the security between the date of the short sale and the date on which the First Asset ETF covers its short position. In addition, the borrowing of securities entails the payment of a borrowing fee (which may increase during the borrowing period) and the payment of any dividends or interest payable on the securities until they are replaced.

If a First Asset ETF is engaged in short selling it is required to maintain cash cover for its short positions and other investments may need to be sold quickly (and at potentially unattractive prices) in order to maintain sufficient cash cover.

Corresponding Net Asset Value Risk

Similar to other exchange traded funds, Units of a First Asset ETF may trade below, at, or above its NAV per Unit, and the closing trading price of the Units may be different from its NAV. Such price differences may be due, in large part, to supply and demand factors in the secondary trading market for Units of the First Asset ETF being similar, but not identical, to the same forces influencing the price of the underlying securities of the First Asset ETF at any point in time. As a result, dealers may be able to acquire or redeem a PNU at a discount or a premium to the closing trading price per unit. As the Designated Broker and Dealers may subscribe for or redeem a PNU at the applicable NAV per Unit, the Portfolio Managers expect that large discounts or premiums to the NAV per Unit of any of the First Asset ETFs will not be sustained.

Fluctuations in NAV and Market Price of the Units

Units of a First Asset ETF may trade in the market at a premium or discount to the NAV and there can be no assurance that Units will trade at a price equal to the NAV. Whether Unitholders of a First Asset ETF will realize gains or losses upon a sale of Units will depend not upon the NAV but entirely upon whether the market price of Units at the time of sale is above or below the Unitholder's purchase price for the Units. The market price of the Units of a First Asset ETF will be determined by factors in addition to NAV such as relative supply of and demand for the Units in the market, general market and economic conditions, and other factors.

Designated Broker/Dealer Risk

As the First Asset ETFs will only issue Units directly to Designated Brokers and Dealers, in the event that a purchasing Designated Broker or Dealer is unable to meet its settlement obligations, the resulting costs and losses incurred will be borne by the applicable First Asset ETF.

Reliance on Key Personnel

The investment portfolios of the First Asset ETFs will be actively managed by the applicable Portfolio Manager. Unitholders will be dependent on the abilities of the applicable Portfolio Manager to effectively manage each of the First Asset ETFs in a manner consistent with their investment objectives, investment strategies and investment restrictions. The applicable Portfolio Manager will apply investment techniques and risk analyses in making investment decisions for each of the First Asset ETFs, but there can be no guarantee that these decisions will produce the desired results.

There is no certainty that the individuals who are principally responsible for providing administration and portfolio management services to the First Asset ETFs will continue to be employed by the Manager or the applicable Portfolio Manager, as the case may be.

Potential Conflicts of Interest

The Manager, the Portfolio Managers, and their respective directors and officers and their respective affiliates and associates may engage in the promotion, management or investment management of other accounts, funds or trusts that invest primarily in the securities held by one or more of the First Asset ETFs.

Although officers, directors and professional staff of the Manager and Portfolio Managers will devote as much time to the First Asset ETFs as is deemed appropriate to perform their respective duties, the staff of the Manager and Portfolio Managers may have conflicts in allocating their time and services among the First Asset ETFs and the other funds managed by them.

Cease Trading of Securities Risk

If the securities of an issuer included in the portfolio of a First Asset ETF are cease-traded by order of the relevant securities regulatory authority or are halted from trading by the relevant stock exchange, the applicable First Asset ETF may halt trading in its securities. Accordingly, securities of a First Asset ETF bear the risk of cease trading orders against all issuers whose securities are included in its portfolio, not just one. If portfolio securities of the First Asset ETFs are cease-traded by order of a securities regulatory authority, if normal trading of such securities is suspended on the relevant exchange, or if for any reason it is likely there will be no closing bid price for such securities, the First Asset ETFs may suspend the right to redeem securities for cash, subject to any required prior regulatory approval. If the right to redeem securities for cash is suspended, the First Asset ETFs may return redemption requests to securityholders who have submitted them. If securities are cease-traded, they may not be delivered on an exchange of a PNU for a Basket of Securities until such time as the cease-trade order is lifted.

Exchange Risk

In the event that the TSX closes early or unexpectedly on any day that it is normally open for trading, Unitholders will be unable to purchase or sell Units on the TSX until it reopens and there is a possibility that, at the same time and for the same reason, the exchange and redemption of Units may be suspended until the TSX reopens.

Early Closing Risk

Unanticipated early closings of a stock exchange on which securities held by a First Asset ETF are listed may result in that First Asset ETF being unable to sell or buy securities on that day. If the TSX closes early on a day when a First Asset ETF needs to execute a high volume of securities trades late in the trading day, the First Asset ETF may incur substantial trading losses.

Concentration Risk

A First Asset ETF from time to time may be concentrated to a significant degree in securities of issuers or underlying funds focused in a single industry or sector. If a First Asset ETF concentrates its investments in an industry or sector, the First Asset ETF faces more risks than if it were diversified broadly over numerous industries or sectors. Such industry-based risks, any of which may adversely affect the issuers in which the First Asset ETF invests, may include, but are not limited to, the following: general economic conditions or cyclical market patterns that could negatively affect supply and demand in a particular industry; competition for resources, adverse labour relations, political or world events; regulatory environment; obsolescence of technologies; and increased competition or new product introductions that may affect the profitability or viability of companies in an industry. In addition, at times, such industry or sector may be out of favor and underperform other industries or the market as a whole.

Composition of Portfolio Risk

The composition of the securities included in a First Asset ETF's portfolio taken as a whole may vary widely from time to time and may be concentrated by commodity, industry or geography, resulting in the securities included in the portfolio being less diversified than anticipated. Overweighting investments in certain sectors or industries involves risk that the First Asset ETF will suffer a loss because of declines in the prices of securities in those sectors or industries.

Reliance on Historical Data Risk

Past trends may not be repeated in the future. The accuracy of the historical data used by the Manager and the Portfolio Managers and those individuals who are principally responsible for providing administration and portfolio management services to the First Asset ETFs for research and development, which is often provided by third parties, cannot be guaranteed. The Manager and Portfolio Managers only seeks to obtain such data from companies that it believes to be highly reliable and of high reputation.

Small Capitalization Risk

Capitalization is a measure of the value of a company. It is the current price of a company's stock, multiplied by the number of shares issued by the company. Companies with small capitalization may not have a well-developed market for their securities. As a result, these securities may be difficult to trade, making their prices more volatile than those of large companies.

Illiquid Securities

There is no assurance that an adequate market will exist for the securities in the portfolio. The Portfolio Managers may be unable to acquire or dispose of securities in quantities or at prices which are acceptable to the Portfolio Managers, if the market for such securities is illiquid, nor can it be predicted whether certain securities in the portfolio will trade at a discount to, a premium to, or at their respective par or net asset values.

Convertible Securities Risk

A First Asset ETF's portfolio may contain convertible securities which may be less liquid than other securities and involve the risk that the applicable Portfolio Manager may not be able to dispose of them at current market prices. During periods of thin trading, the spread between bid and ask prices is likely to increase. Convertible securities may experience greater price volatility than conventional bonds, due to, among other things, the volatility of the underlying equity security. There is no guarantee that an investment in convertible securities of an issuer will provide a greater rate of return than either the equity or fixed income securities of such issuer, or any positive return at all. Convertible securities, such as convertible debentures, are often subordinate to conventional debt securities of an issuer, and the analysis of the creditworthiness of convertible securities may be more complex than for rated debt instruments. In addition, convertible securities typically contain provisions which allow the issuer of these securities to call or redeem the securities. In circumstances where an issuer has exercised its call or redemption right, the First Asset ETF would have to seek alternative investment opportunities.

Market Disruptions Risk

War and occupation, terrorism and related geopolitical risks may in the future lead to increased short-term market volatility and may have adverse long-term effects on world economies and markets generally. Those events could also have an acute effect on individual issuers or related groups of issuers. These risks could also adversely affect securities markets, inflation and other factors relating to the portfolio securities of a First Asset ETF.

Global Financial Developments Risk

Significant events in foreign markets and economies can have material impacts on other markets worldwide, including Canada and the United States. Such events could, directly or indirectly, have a material effect on the prospects of a First Asset ETF and the value of the securities in its portfolio.

Foreign Markets Risk

Participation in transactions by a First Asset ETF may involve the execution and clearing of trades on or subject to the rules of a foreign market. None of the securities regulatory authorities or Canadian exchanges regulates activities of any foreign markets, including the execution, delivery and clearing of transactions, or has the power to compel enforcement of any rule of a foreign market or any applicable foreign law. Generally, any foreign transaction will be governed by applicable foreign laws. This is true even if the foreign market is formally linked to a Canadian market so that a position taken on a market may be liquidated by a transaction on another market. Moreover, such laws or regulations will vary depending on the foreign country in which the transaction occurs. For these reasons, entities such as a First Asset ETF may not be afforded certain of the protective measures provided by Canadian legislation or Canadian exchanges. In particular, funds received from investors for transactions by a First Asset ETF on foreign exchanges may not be provided the same protection as funds received in respect of transactions by a First Asset ETF on Canadian exchanges.

Withholding Tax Risk

As a First Asset ETF's portfolio may consist of securities issued by foreign issuers, distributions received by the First Asset ETF on the securities in the First Asset ETF's portfolio may be subject to foreign withholding tax. The return on the First Asset ETF's portfolio will be net of such foreign withholding tax, unless the terms of the securities in the First Asset ETF's portfolio require the issuers of such securities to "gross-up" distributions and gains, as applicable, so that a holder of such securities receives the amount that it would have received in the absence of such withholding tax. There can be no assurances that (i) distributions and gains on securities held in the First Asset ETF's portfolio will not be subject to foreign withholding tax or (ii) the terms of securities held in the First Asset ETF's portfolio will provide for the gross-up referred to above.

Tax Risk

Each First Asset ETF qualifies as a "mutual fund trust" within the meaning of the Tax Act. For a First Asset ETF to qualify as a "mutual fund trust," it must comply on a continuous basis with certain requirements relating to the qualification of its Units for distribution to the public, the number of Unitholders of the First Asset ETF and the dispersal of ownership of its Units.

Currently, a trust will be deemed not to be a mutual fund trust if it is established or maintained primarily for the benefit of non-residents unless, at that time, all or substantially all of its property is property other than property that would be "taxable Canadian property" (if the definition of such term in the Tax Act were read without reference to paragraph (b) thereof). The current law does not provide any means of rectifying a loss of mutual fund trust status if this requirement is not met.

Provided a First Asset ETF complies with its investment restrictions set forth under the heading "Investment Restrictions", no more than 10% of the fair market value of that First Asset ETF's assets will at any time consist of property that would be "taxable Canadian property" (if the definition of such term in the Tax Act were read without reference to paragraph (b) thereof). The First Asset ETFs also contain a restriction on the number of permitted non-resident Unitholders.

If a First Asset ETF were to cease to qualify as a mutual fund trust, the income tax considerations as described under "Income Tax Considerations" would in some respects be materially and adversely different.

There can be no assurance that Canadian federal and provincial income tax laws respecting the treatment of mutual fund trusts will not be changed in a manner that adversely affects the Unitholders.

Pursuant to rules in the Tax Act, a First Asset ETF that experiences a "loss restriction event" (i) will be deemed to have a year-end for tax purposes (which would result in an unscheduled distribution of the First Asset ETF's net income and net realized capital gains, if any, at such time to Unitholders so that the First Asset ETF is not liable for non-refundable income tax on such amounts under Part I of the Tax Act), and (ii) will become subject to the loss restriction rules generally applicable to a corporation that experiences an acquisition of control, including a deemed realization of any unrealized capital losses and restrictions on its ability to carry forward non-capital losses. Generally, a First Asset ETF will be subject to a loss restriction event if a person becomes a "majority-interest beneficiary", or a group of persons becomes a "majority-interest group of beneficiaries", of the First Asset ETF, as those terms are defined in the affiliated persons rules contained in the Tax Act, with certain modifications. Generally, a majority-interest beneficiary of a First Asset ETF is a beneficiary in the income or capital, as the case may be, of the First Asset ETF whose beneficial interests, together with the beneficial interests of persons and partnerships with whom the beneficiary is affiliated, have a fair market value that is greater than 50% of the fair market value of all the interests in the income or capital, as the case may be, of the First Asset ETF. Please see "Income Tax Considerations – Taxation of Holders" for the tax consequences of an unscheduled or other distribution to Unitholders. Trusts that qualify as "investment funds" as defined in the rules in the Tax Act relating to "loss restriction events" are generally excepted from the application of such rules. An "investment fund" for this purpose includes a trust that meets certain conditions, including satisfying certain of the conditions necessary to qualify as a "mutual fund trust" for purposes of the Tax Act, not using any property in the course of carrying on a business and complying with certain asset diversification requirements. If a First Asset ETF were not to qualify as an "investment fund", it could potentially have a "loss restriction event" and thereby become subject to the related tax consequences described above.

The Tax Act contains rules concerning the taxation of publicly traded Canadian trusts and partnerships that own certain types of property defined as "non-portfolio property". A trust that is subject to these rules is subject to trust level taxation, at rates comparable to those that apply to corporations, on the trust's income earned from "non-portfolio property" to the extent that such income is distributed to its unitholders. The First Asset ETFs will not be subject to tax under these rules as long as the First Asset ETFs comply with their investment restrictions in this regard. If a First Asset ETF is subject to tax under these rules, the after-tax return to Unitholders could be reduced, particularly in the case of a Unitholder who is exempt from tax under the Tax Act or is a non-resident of Canada.

Changes in the interpretation and administration of the 5% federal goods and services tax ("**GST**") and federal harmonized sales tax (of up to 15%) applicable in Ontario, Nova Scotia, New Brunswick, Newfoundland and Labrador and Prince Edward Island ("**HST**") may result in the First Asset ETFs being required to pay increased amounts of GST or HST.

The First Asset ETFs may invest in global equity or debt securities. Many foreign countries preserve their right under domestic tax laws and applicable tax conventions with respect to taxes on income and on capital ("**Tax Treaties**") to impose tax on dividends and interest paid or credited to persons who are not resident in such countries. While the First Asset ETFs intend to make investments in such a manner as to minimize the amount of foreign taxes incurred under foreign tax laws and subject to any applicable Tax Treaties, investments in global equity and debt securities may subject the First Asset ETFs to foreign taxes on dividends and interest paid or credited to them or any gains realized on the disposition of such securities. Any foreign taxes incurred by a First Asset ETF will generally reduce the value of its portfolio. To the extent that such foreign tax paid by a First Asset ETF exceeds 15% of the amount included in the First Asset ETF's income from such investments, such excess may generally be deducted by the First Asset ETF in computing its net income for the purposes of the Tax Act. To the extent that foreign tax paid does not exceed 15% of such amount and has not been deducted in computing the First Asset ETF's income and the First Asset ETF designates its income from a foreign source in respect of a Unitholder of the First Asset ETF, the Unitholder will, for the purposes of computing its foreign tax credits, be entitled to treat the Unitholder's proportionate share of foreign taxes paid by the First Asset ETF in respect of such income as foreign taxes paid by the Unitholder. The availability of foreign tax credits to a Unitholder of a First Asset ETF is subject to the detailed rules in the Tax Act.

Tax Treatment of Options and Currency Hedging Risk

In determining its income for tax purposes, FLI treats option premiums received on the writing of covered call options and any gains or losses sustained on closing out such options as capital gains and capital losses in accordance with the CRA's published administrative policies. In determining income for tax purposes, each First Asset ETF takes the position that gains or losses in respect of foreign currency hedges entered into in respect of amounts invested in its portfolio will constitute capital gains and capital losses to the First Asset ETF if the portfolio securities are capital property to the First Asset ETF and there is sufficient linkage. The CRA's practice is not to grant advance income tax rulings on the characterization of items as capital or income and no advance income tax ruling has been applied for or received from the CRA.

If some or all of the transactions undertaken by the First Asset ETF in respect of covered call options, foreign currency hedges or securities in the First Asset ETF's portfolio were treated on income rather than capital account (whether because of the DFA Rules discussed under "Income Tax Considerations – Taxation of the First Asset ETF" or otherwise), the net income of the First Asset ETF for tax purposes and the taxable component of distributions to Unitholders could increase. Any such redetermination by the CRA may result in the First Asset ETF being liable for unremitted withholding taxes on prior distributions made to Unitholders who were not resident in Canada for the purposes of the Tax Act at the time of the distribution. Such potential liability may reduce the net asset value of, or trading prices of, the Units.

Securities Lending, Repurchase and Reverse Repurchase Transaction Risk

The First Asset ETFs are authorized to enter into securities lending, repurchase and reverse repurchase transactions in accordance with NI 81-102**.** In a securities lending transaction, a First Asset ETF lends its portfolio securities through an authorized agent to another party (often called a "**counterparty**") in exchange for a fee and a form of acceptable collateral. In a repurchase transaction, a First Asset ETF sells its portfolio securities for cash through an authorized agent while at the same time assuming an obligation to repurchase the same securities for cash (usually at a lower price) at a later date. In a reverse repurchase transaction, a First Asset ETF buys portfolio securities for cash while at the same time agreeing to resell the same securities for cash (usually at a higher price) at a later date. The following are some examples of the risks associated with securities lending, repurchase and reverse repurchase transactions:

- when entering into securities lending, repurchase and reverse repurchase transactions, a First Asset ETF is subject to the credit risk that the counterparty may default under the agreement and the First Asset ETF would be forced to make a claim in order to recover its investment;
- when recovering its investment on default, a First Asset ETF could incur a loss if the value of the portfolio securities loaned (in a securities lending transaction) or sold (in a repurchase transaction) has increased in value relative to the value of the collateral held by the First Asset ETF; and
- similarly, a First Asset ETF could incur a loss if the value of the portfolio securities it has purchased (in a reverse repurchase transaction) decreases below the amount of cash paid by the First Asset ETF to the counterparty.

The First Asset ETFs may engage in securities lending from time to time. When engaging in securities lending, a First Asset ETF will receive collateral in excess of the value of the securities loaned, and although such collateral is marked to market, the First Asset ETF may be exposed to the risk of loss should a borrower default on its obligations to return the borrowed securities and the collateral is insufficient to reconstitute the portfolio of loaned securities.

Fund of Funds Investment Risk

The First Asset ETFs (other than FLI) may invest in other exchange traded funds, mutual funds, closed-end funds or public investment funds as part of their investment strategy. If a First Asset ETF invests in such underlying funds, its investment performance largely depends on the investment performance of the underlying funds in which it invests. Additionally, if an underlying fund suspends redemptions, the First Asset ETF may be unable to accurately value part of its investment portfolio and may be unable to redeem its Units. Underlying funds in which the First Asset ETFs may invest can be expected to incur fees and expenses for operations, such as investment advisory and administration fees, which would be in addition to those incurred by the First Asset ETFs.

Income Trust Investment Risk

The First Asset ETFs (other than FLI) may invest in real estate, royalty, income and other investment trusts, which are investment vehicles in the form of trusts rather than corporations. To the extent that claims, whether in contract, in tort or as a result of tax or statutory liability, against an investment trust are not satisfied by the trust, investors in the investment trust, including the First Asset ETFs, could be held liable for such obligations. Investment trusts generally seek to make this risk remote in the case of contract by including provisions in their agreements that the obligations of the investment trust will not be binding on investors personally. However, investment trusts could still have exposure to damage claims such as personal injury and environmental claims. Certain jurisdictions have enacted legislation to protect investors in investment trusts from the possibility of such liability.

Exchange Traded Funds Risk

The First Asset ETFs (other than FLI) may invest in exchange traded funds that seek to provide returns similar to the performance of a particular market index or industry sector index. Any such exchange traded fund may not achieve the same return as its benchmark market or industry sector index due to differences in the actual weightings of securities held in the fund versus the weightings in the relevant index and due to the operating and administrative expenses of the fund. For example, an exchange traded fund may incur a number of operating expenses not applicable to the underlying index, and may incur costs in buying and selling securities, especially when rebalancing the exchange traded fund’s securities holdings to reflect changes in the composition of the underlying index.

Liability of Unitholders

The Declaration of Trust provides that no Unitholder will be subject to any personal liability whatsoever for any wilful or negligent acts or omissions or otherwise to any party in connection with the assets of the First Asset ETFs or the affairs of the First Asset ETFs. The Declaration of Trust also provides that the First Asset ETFs must indemnify and hold each Unitholder harmless from and against any and all claims and liabilities to which such Unitholder may become subject, by reason of being or having been a Unitholder and must reimburse such Unitholder for all legal and other expenses reasonably incurred in connection with any such claim or liability. Despite the foregoing, there can be no absolute certainty, outside of Ontario, that a claim will not be made against a Unitholder for liabilities which cannot be satisfied out of the assets of the First Asset ETFs.

Absence of an Active Market for the Units and Lack of Operating History

Certain of the First Asset ETFs have limited operating history. Although the First Asset ETFs may be listed on the TSX, there can be no assurance that an active public market for the Units will develop or be sustained.

Risk Factors More Relevant to Specific First Asset ETFs

First Asset Active Utility & Infrastructure ETF

Fluctuations in Distributions and Value of Utility and Infrastructure Issuers

The value of the Units of FAI vary according to the value of the Utility and Infrastructure Issuers included in its portfolio, which depend, in part, upon the performance of such Utility and Infrastructure Issuers. The amount of distributions available for payment to Unitholders of FAI depends on the amount of distributions paid by the Utility and Infrastructure Issuers included in the portfolio. Some of the issuers included in FAI’s portfolio have limited operating histories or limited histories operating as Utility and Infrastructure Issuers. The amounts which such issuers have distributed may not be sustainable and the forecasted distributions of such issuers may not be realized. The value of FAI’s portfolio is influenced by factors that are not within the control of FAI, including the financial performance of the respective issuers, operational risks relating to the investments in the quality of assets owned by respective issuers, exchange rates, interest rates, the use of leverage, environmental risks, political risks, issues relating to government regulation and other financial market conditions. The amount of the distributions paid by certain Utility and Infrastructure Issuers in the pipeline/energy distribution sector varies with the market demand for transportation of product on the distribution systems. While they are generally not as commodity price sensitive as oil and gas producers, they may be affected by fluctuations in commodity prices in the longer term. Fluctuations in supply and cost of the basic materials from which the electricity is generated can impact Utility and Infrastructure Issuers in the power-generation sector.

Commodity Price Risks

The operations and financial conditions of Utility and Infrastructure Issuers can be dependent upon commodity prices. Prices for commodities vary and are determined by supply and demand factors including weather and general economic and political conditions. A declining commodity price could have an adverse effect on the operations and financial condition of a Utility and Infrastructure Issuer and on the amount of distributions paid on its securities.

Oil and Gas Industry Risk

Certain of the First Asset ETFs may from time to time be concentrated to a significant degree in securities of issuers or underlying funds focused in the oil and gas sector. The profitability of companies in the oil and gas industry is related to worldwide energy prices, exploration costs and production spending. Companies in the oil and gas industry may be at risk for environmental damage claims and other types of litigation. Companies in the oil and gas industry may be adversely affected by natural disasters or other catastrophes, changes in exchange rates, interest rates, changes in prices for competitive energy services, economic conditions, tax treatment, government regulation and intervention, negative public perception and unfavorable events in the regions where companies operate (e.g., expropriation, nationalization, confiscation of assets and property or imposition of restrictions on foreign investments and repatriation of capital, military coups, social unrest, violence or labor unrest). Companies in the oil and gas industry may have significant capital investments in, or engage in transactions involving, emerging market countries, which may heighten these risks.

First Asset Canadian REIT ETF

Real Estate Investments Risk

Investments in REITs, REOCs and other real estate issuers are subject to the general risks associated with real property investments. Real property investments are affected by various factors including changes in general economic conditions (such as the levels of interest rates and the availability of long term mortgage financing) and in local conditions (such as oversupply of space or a reduction in demand for real estate in the area), the attractiveness of the properties to tenants, competition from other available space and various other factors. The value of real property and any improvements thereto may also depend on the credit and financial stability of the tenants. The income of a REIT, REOC or other real estate issuer that is available for payment to its unitholders or shareholders, as the case may be, would be adversely affected if a significant number of tenants were to become unable to meet their obligations to the REIT, REOC or other real estate issuer, or if the REIT, REOC or other real estate issuer was unable to lease a significant amount of available space in its properties on economically favourable lease terms.

First Asset European Bank ETF

Performance of European Banks and Financial Institutions

FHB’s portfolio will be comprised primarily of securities issued by European financial institutions. Accordingly, the performance of FHB will be largely impacted by the performance of such financial institutions as well as the prices at which their securities trade in the market, all of which are in turn impacted by the European financial sector and their respective countries’ economic performance generally. Any adverse changes to the European financial sector or economy would be expected to have an adverse impact on the portfolio securities and the return to Unitholders.

Investing in Europe

As FHB's portfolio will be comprised of the securities of banks in Europe, FHB's performance is expected to be closely tied to economic, political and social conditions within Europe and to be more volatile than the performance of more geographically diverse funds. Most countries in Europe are members of the European Union, and many are also members of the European Monetary Union, which requires compliance with restrictions on inflation rates, deficits, and debt levels. Sovereign debt has risen to varying concerning degrees in recent years and months in the European Union's member countries Greece, Spain, Italy, Portugal and Ireland, heightening market turbulence in Europe. Sovereign debt issues in these European countries have in the past and may in the future affect politics and economics in other member countries of the European Union. The European Union's structure makes its members highly dependent on each other, which creates the possibility of contagion when crisis arises. If the politics and economics in other member countries of the European Union are affected by the sovereign debt issues facing certain European countries currently, it may heighten European market volatility. Unemployment in certain European nations is historically high. In addition, the tight fiscal and monetary controls necessary to join the European Monetary Union can significantly affect every country in Europe.

Generally, investments in foreign markets are subject to certain risks and FHB may be adversely affected by, among other things, political upheaval, financial troubles, natural disasters, reduced government oversight as compared to Canada, difficulty in enforcing contractual obligations, currency volatility and government intervention in markets. The value of FHB's portfolio that may be exposed to Russian securities, if any, involves certain risks associated with the settlement of portfolio transactions and loss of FHB's ownership rights in its portfolio securities, as a result of the system of share registration and custody in Russia. Canada, the United States and the European Union have imposed economic sanctions on certain Russian individuals and institutions, and could also institute broader sanctions on Russia. These sanctions, or even the threat of further sanctions, may result in the decline of the value and liquidity of Russian securities, a weakening of the ruble or other adverse consequences of the Russian economy. These sanctions could also result in the immediate freeze of Russian securities, impairing the ability of FHB to buy, sell, receive or deliver those securities. Sanctions could also result in Russia taking counter measures or retaliatory actions which may further impair the value and liquidity of Russian securities.

First Asset Investment Grade Bond ETF

General Risks of Investing in Bonds

Generally, bonds will decrease in value when interest rates rise and increase in value when interest rates decline. The net asset value of FIG will fluctuate with interest rate changes and the corresponding changes in the value of the securities in the portfolio. The value of bonds is also affected by the risk of default in the payment of interest and principal and price changes due to such factors as general economic conditions and the issuer's creditworthiness. Corporate bonds may not pay interest or their issuers may default on their obligations to pay interest and/or principal amounts. Certain of the bonds that may be included in the portfolio from time to time may be unsecured, which will increase the risk of loss in case of default or insolvency of the issuer.

First Asset U.S. & Canada Lifeco Income ETF

Performance of the Lifeco Companies and Other Considerations

The NAV per Unit varies as the value of the portfolio securities varies. FLI has no control over the factors that affect the value of the portfolio securities. Factors unique to each Lifeco Company included in the portfolio, such as changes in their management, strategic direction, achievement of goals, mergers, acquisitions and divestitures, changes in distribution policies and other events as well as factors unique to the life insurance industry, may affect the value of the common equity securities in the portfolio. A substantial drop in the North American equities markets could have a negative effect on FLI and could lead to a significant decline in the value of the portfolio securities.

Use of Options Risk

FLI is subject to the full risk of its investment position in the securities in its portfolio, including the securities that are subject to call options written by it, should the market price of such securities decline. In addition, FLI is not expected to participate in a gain on a security subject to a call option, if the gain results in the market price of the security exceeding the exercise price of the option. In such circumstances, the holder of the option will likely exercise the option. The premiums associated with writing covered call options may not exceed the returns that would have resulted if FLI had remained directly invested in the securities subject to call options.

The use of options may have the effect of limiting or reducing the total returns of FLI if the Manager's expectations concerning future events or market conditions prove to be incorrect.

There can be no assurance that a liquid exchange or over-the-counter market will exist to permit FLI to write covered call options on desired terms or to close out option positions should it desire to do so. The ability of FLI to close out its positions may also be affected by exchange-imposed daily trading limits. In addition, exchanges may suspend the trading of options in volatile markets. If FLI is unable to repurchase a call option that is in-the money, it will be unable to realize its profits or limit its losses until such time as the option it has written becomes exercisable or expires.

Derivative transactions also involve the risk of the possible default by the other party to the transaction (whether a clearing corporation in the case of exchange traded instruments or other third party in the case of over-the-counter instruments) as the other party may be unable to meet its obligations.

DISTRIBUTION POLICY

Any cash distributions of income on the Units of the First Asset ETFs are expected to be made at least quarterly or, in respect of the First Asset Active Utility & Infrastructure ETF, the First Asset Canadian REIT ETF and the First Asset Investment Grade Bond ETF, monthly. The First Asset ETFs will not have a fixed distribution amount. The amount of ordinary cash distributions, if any, will be based on the Manager's assessment of anticipated cash flow and anticipated expenses of the First Asset ETF from time to time. The date of any ordinary cash distribution of each First Asset ETF will be announced in advance by issuance of a press release. Subject to compliance with the investment objectives of each First Asset ETF, the Manager may, in its complete discretion, change the frequency of these distributions and any such change will be announced by press release.

Depending on the underlying investments of a First Asset ETF, distributions on Units may consist of ordinary income, including foreign source income and taxable dividends from taxable Canadian corporations, interest or distributions received by the First Asset ETF but may also include net realized capital gains, in any case, less the expenses of that First Asset ETF and may include returns of capital. To the extent that the expenses of a First Asset ETF exceed the income generated by such First Asset ETF in any applicable distribution period, it is not expected that a distribution for that period will be paid.

Year-End Distributions

If, in any taxation year, after the ordinary distributions, there would remain in a First Asset ETF additional net income or net realized capital gains, the First Asset ETF will, (i) where such taxation year ends on December 15, after December 15 but on or before December 31 of the calendar year in which such taxation year ends or (ii) in any other case, at the end of the taxation year, be required to pay or make payable such net income and net realized capital gains as one or more special year-end distributions in such year to Unitholders as is necessary to ensure that the First Asset ETF will not be liable for income tax on such amounts under Part I of the Tax Act (after taking into account all available deductions, credits and refunds). Such special distributions may be paid in the form of Units of the First Asset ETF and/or cash. Any special distributions payable in Units of a First Asset ETF will increase the aggregate adjusted cost base of a Unitholder's Units. Immediately following payment of such a special distribution in Units, the number of Units outstanding will be automatically consolidated such that the number of Units outstanding after such distribution will be equal to the number of Units outstanding immediately prior to such distribution, except in the case of a non-resident Unitholder to the extent tax is required to be withheld in respect of the distribution. See "Income Tax Considerations".

Distribution Reinvestment Plan

At any time, Unitholders of a First Asset ETF may elect to participate in the Manager's distribution reinvestment plan (the "**Reinvestment Plan**") by contacting the CDS Participant through which the Unitholder holds its Units. Under the Reinvestment Plan, cash distributions (net of any required withholding tax) will be used to acquire additional Units of that First Asset ETF (the "**Plan Units**") from the market and will be credited to the account of the Unitholder (the "**Plan Participant**") through CDS.

Any eligible Unitholder may enrol in the Reinvestment Plan by notifying the CDS Participant through which the Unitholder holds its Units of such Unitholder's intention to participate in the Reinvestment Plan. Under the Reinvestment Plan, cash distributions will be used to acquire Plan Units in the market and will be credited to the account of the Plan Participant through CDS. The CDS Participant must, on behalf of such Plan Participant, elect on line via CDSX no later than 5:00 p.m. (Toronto time) on each applicable Distribution Record Date in respect of the next expected distribution in which the Unitholder wishes to participate. These elections are received directly by the Plan Agent via CDSX. If this election via CDSX is not received by the Plan Agent by the applicable deadline, the Unitholder will not participate in the Reinvestment Plan for that distribution.

The tax treatment to Unitholders of a First Asset ETF of reinvested distributions is discussed under the heading "Income Tax Considerations".

Fractional Units

No fractional Plan Units will be purchased or sold under the Reinvestment Plan. Payments in cash for any remaining uninvested funds may be made in lieu of fractional Plan Units by the Plan Agent to CDS or CDS Participant, on a monthly or quarterly basis, as the case may be. Where applicable, CDS will, in turn, credit the Plan Participant, via the applicable CDS Participant.

Amendments, Suspension or Termination of the Reinvestment Plan

Any Plan Participant may withdraw from the Reinvestment Plan by contacting the CDS Participant through which the Unitholder holds its Units.

Plan Participants may voluntarily terminate or modify their participation in the Reinvestment Plan. Plan Participants no longer wishing to participate in the Reinvestment Plan must notify their CDS Participant no later than 4:00 p.m. (Toronto time) at least two business days immediately prior to the applicable Distribution Record Date. If notice is received after this deadline, participation will continue for that distribution only. Future distributions will be made in cash to such Unitholders.

The Manager may terminate the Reinvestment Plan with respect to any First Asset ETF in its sole discretion, upon not less than 30 days' notice to: (i) the Plan Participants, via the CDS Participants through which the Plan Participants hold their Units, (ii) the Plan Agent, and (iii) the TSX (if applicable). The Manager may also amend, modify or suspend the Reinvestment Plan with respect to any First Asset ETF at any time in its sole discretion, provided that it complies with certain requirements and gives notice of that amendment, modification or suspension (which notice may be given by issuing a press release containing a summary description of the amendment or in any other manner the Manager determines appropriate) to: (i) CDS Participants through which the Reinvestment Plan Participants hold their Units, (ii) the Plan Agent, and (iii) the TSX (if applicable). The Reinvestment Plan will terminate automatically with respect to any First Asset ETF upon the termination of such First Asset ETF.

The Manager may adopt additional rules and regulations to facilitate the administration of the Reinvestment Plan, subject to the approval of the TSX (if required by the TSX rules). The Manager may, in its sole discretion, and upon at least 30 days' written notice to the Plan Agent, remove the Plan Agent and appoint a new Plan Agent.

Other Provisions

Participation in the Reinvestment Plan is restricted to Unitholders who are residents of Canada for the purposes of the Tax Act. Partnerships (other than "Canadian partnerships" as defined in the Tax Act) are not eligible to participate in the Reinvestment Plan. Upon becoming a non-resident of Canada or a partnership (other than a Canadian partnership), a Plan Participant shall notify their CDS Participant and terminate participation in the Reinvestment Plan immediately. For the purpose of the Reinvestment Plan, the Plan Agent will not have any duty to inquire into the residency status or partnership status of Plan Participants, nor will the Plan Agent be required to know the residency status or partnership status of Plan Participants other than as notified by CDS or the Manager.

The automatic reinvestment of the distributions under the Reinvestment Plan will not relieve Plan Participants of any income tax applicable to such distributions. Each Plan Participant will be mailed annually the information necessary to enable such Unitholder to complete an income tax return with respect to amounts paid or payable by the First Asset ETF to the Unitholder in the preceding taxation year.

PURCHASES OF UNITS

Initial Investment in the First Asset ETFs

In compliance with NI 81-102, no First Asset ETF issued Units to the public until subscriptions aggregating not less than $500,000 had been received and accepted by the First Asset ETF from investors other than persons or companies related to First Asset or its affiliates.

Issuance of Units of a First Asset ETF

Units of the First Asset ETFs are being issued and sold on a continuous basis and there is no maximum number of Units that may be issued.

To Designated Brokers and Dealers

All orders to purchase Units directly from First Asset ETFs must be placed by Designated Brokers or Dealers. The First Asset ETFs reserve the absolute right to reject any subscription order placed by a Designated Broker and/or a Dealer. No fees will be payable by a First Asset ETF to a Designated Broker or a Dealer in connection with the issuance of Units of the First Asset ETF. On the issuance of Units, the Manager may, at its discretion, charge an administrative fee to a Dealer or Designated Broker to offset any expenses (including any applicable TSX additional listing fees) incurred in issuing the Units.

On any Trading Day, a Designated Broker or a Dealer may place a subscription order for the PNU or integral multiple PNU of a First Asset ETF.

If a subscription order is received by a First Asset ETF at or before 9:00 a.m. on a Trading Day, or such other time prior to the Valuation Time on such Trading Day as the Manager may permit, and is accepted by the Manager, the First Asset ETF will generally issue to the Dealer or Designated Broker the PNU (or an integral multiple thereof) within three Trading Days from the effective date of the subscription order. The First Asset ETF must receive payment for the Units subscribed for within three Trading Days from the effective date of the subscription order. The effective date of a subscription order is the Trading Day on which the Valuation Time that applies to such subscription order takes place.

On April 27, 2017, the Canadian securities regulators (other than the British Columbia Securities Commission) published for comment draft amendments to NI 81-102. If the draft amendments come into force in their current form (the “**Draft Amendments**”), from the coming-into-force date onwards the reference to “three Trading Days” in the previous paragraph should be read as “two Trading Days”.

Unless the Manager shall otherwise agree or the Declaration of Trust shall otherwise provide, as payment for a PNU of a First Asset ETF, a Dealer or Designated Broker must deliver subscription proceeds consisting of a Basket of Securities and cash in an amount sufficient so that the value of the Basket of Securities and cash delivered is equal to the net asset value of the applicable PNU of the First Asset ETF determined at the Valuation Time on the effective date of the subscription order.

The Manager may, in its complete discretion, instead accept subscription proceeds consisting of (i) cash only in an amount equal to the net asset value of the applicable PNU of the First Asset ETF determined at the Valuation Time on the effective date of the subscription order, plus (ii) if applicable, the Cash Creation Fee.

The Cash Creation Fee, if any, applicable in respect of any First Asset ETF will be specified from time to time at the discretion of the Manager and will be published on each Trading Day on its website, www.firstasset.com. The Cash Creation Fee, if any, will accrue to the applicable First Asset ETF.

The Manager will, except when circumstances prevent it from doing so, publish the applicable PNU for a First Asset ETF following the close of business on each Trading Day on its website, www.firstasset.com. The Manager may, at its discretion, increase or decrease the applicable PNU from time to time.

To Unitholders of the First Asset ETF as Reinvested Distributions

In addition to the issuance of Units as described above, Units of a First Asset ETF may be issued to Unitholders of a First Asset ETF on the automatic reinvestment of certain distributions in accordance with the distribution policy of the First Asset ETFs. See “Distribution Policy”.

Buying and Selling Units of a First Asset ETF

The Units of each First Asset ETF are currently listed on the TSX and investors can buy or sell such Units on the TSX through registered brokers and dealers in the province or territory where the investor resides.

Investors may incur customary brokerage commissions in buying or selling Units of the First Asset ETFs. No fees are paid by investors to the Manager or any First Asset ETF in connection with buying or selling of Units on the TSX.

Special Considerations for Unitholders

The provisions of the so-called “early warning” requirements set out in Canadian securities legislation do not apply in connection with the acquisition of Units of a First Asset ETF. In addition, the First Asset ETFs are entitled to rely on exemptive relief from the securities regulatory authorities to permit a Unitholder to acquire more than 20% of the Units of a First Asset ETF through purchases on the TSX without regard to the takeover bid requirements of applicable Canadian securities legislation, provided that such Unitholder, and any person acting jointly or in concert with such Unitholder, undertakes to the Manager not to vote more than 20% of the Units at any meeting of Unitholders of that First Asset ETF.

EXCHANGE AND REDEMPTION OF UNITS

Exchange of Units at Net Asset Value per Unit for Baskets of Securities and/or Cash

Unitholders of a First Asset ETF may exchange the applicable PNU (or an integral multiple thereof) of the First Asset ETF on any Trading Day for Baskets of Securities and cash, subject to the requirement that a minimum PNU be exchanged. To effect an exchange of Units of a First Asset ETF, a Unitholder must submit an exchange request in the form and at the location prescribed by the First Asset ETF from time to time at or before 9:00 a.m. (Toronto time) on a Trading Day, or such other time prior to the Valuation Time on such Trading Day as the Manager may permit. The exchange price will be equal to the net asset value of each PNU tendered for exchange determined at the Valuation Time on the effective date of the exchange request, payable by delivery of a Basket of Securities (constituted as most recently published prior to the effective date of the exchange request) and cash. The Units will be redeemed in the exchange. The Manager will also make available to Dealers and Designated Brokers the applicable PNU to redeem Units of the First Asset ETFs on each Trading Day. The effective date of an exchange request is the Trading Day on which the Valuation Time that applies to such redemption request takes place.

Upon the request of a Unitholder, the Manager may, in its complete discretion, satisfy an exchange request by delivering cash only in an amount equal to the net asset value of each PNU tendered for exchange determined at the Valuation Time on the effective date of the exchange request, provided that the Unitholder agrees to pay the Cash Exchange Fee, if applicable.

The Cash Exchange Fee, if any, applicable in respect of any First Asset ETF will be specified from time to time at the discretion of the Manager and will be published on each Trading Day on its website, www.firstasset.com.

If an exchange request is not received by the applicable cut-off time, the exchange order will be effective only on the next Trading Day. Settlement of exchanges for Baskets of Securities and/or cash will generally be made by the third Trading Day after the effective day of the exchange request. If the Draft Amendments come into force, from the coming-into-force date onwards the reference to “third Trading Day” in the previous sentence should be read as “second Trading Day”.

If any securities in which a First Asset ETF has invested are cease traded at any time by order of a securities regulatory authority or other relevant regulator or stock exchange, the delivery of Baskets of Securities to a Unitholder, Dealer or Designated Broker on an exchange in the PNU may be postponed until such time as the transfer of the Baskets of Securities is permitted by law.

As described under “Book-Entry Only System”, registration of interests in, and transfers of, Units will be made only through the book-entry only system of CDS. The redemption rights described below must be exercised through the CDS Participant through which the owner holds Units. Beneficial owners of Units should ensure that they provide redemption instructions to the CDS Participant through which they hold such Units sufficiently in advance of the cut-off times described below to allow such CDS Participant to notify CDS and for CDS to notify the Manager prior to the relevant cut-off time.

Redemption of Units of a First Asset ETF for Cash

On any Trading Day, Unitholders of a First Asset ETF may redeem (i) Units of the First Asset ETF for cash at a redemption price per Unit equal to 95% of the closing price for the Units on the TSX on the effective day of the redemption less any applicable redemption fee determined by the Manager, in its sole discretion, from time to time, or (ii) a PNU of a First Asset ETF or a multiple PNU of a First Asset ETF for cash equal to the net asset value of that number of Units of the First Asset ETF less any applicable redemption fee determined by the Manager, in its sole discretion from time to time. Because Unitholders will generally be able to sell Units at the market price on the TSX through a registered broker or dealer subject only to customary brokerage commissions, Unitholders of the First Asset ETFs are advised to consult their brokers, dealers or investment advisors before redeeming such Units for cash. No fees or expenses are paid by Unitholders to the Manager or any First Asset ETF in connection with selling Units on the TSX.

In order for a cash redemption to be effective on a Trading Day, a cash redemption request with respect to the applicable First Asset ETF must be delivered to the Manager in the form and at the location prescribed by the Manager from time to time at or before 9:00 a.m. (Toronto time) on such Trading Day. Any cash redemption request received after such time will be effective only on the next Trading Day. Where possible, payment of the redemption price will be made by no later than the third Trading Day after the effective day of the redemption. If the Draft Amendments come into force, from the coming-into-force date onwards the reference to “third Trading Day” in the previous sentence should be read as “second Trading Day”. The cash redemption request forms may be obtained from any registered broker or dealer.

Unitholders that have delivered a redemption request prior to the Distribution Record Date for any distribution will not be entitled to receive that distribution.

In connection with the redemption of Units of a First Asset ETF, the First Asset ETF will generally dispose of securities or other financial instruments.

Suspension of Exchanges and Redemptions

The Manager may suspend the exchange or redemption of Units of a First Asset ETF or payment of redemption proceeds of a First Asset ETF: (i) during any period when normal trading is suspended on a stock exchange or other market on which securities owned by the First Asset ETF are listed and traded, if these securities represent more than 50% by value or underlying market exposure of the total assets of the First Asset ETF, without allowance for liabilities, and if these securities are not traded on any other exchange that represents a reasonably practical alternative for the First Asset ETF; or (ii) with the prior permission of the securities regulatory authorities where required, for any period not exceeding 30 days during which the Manager determines that conditions exist which render impractical the sale of assets of the First Asset ETF or which impair the ability of the Custodian to determine the value of the assets of the First Asset ETF. The suspension may apply to all requests for exchange or redemption received prior to the suspension but as to which payment has not been made, as well as to all requests received while the suspension is in effect. All Unitholders making such requests shall be advised by the Manager of the suspension and that the exchange or redemption will be effected at a price determined on the first Valuation Day following the termination of the suspension. All such Unitholders shall have and shall be advised that they have the right to withdraw their requests for exchange or redemption. The suspension shall terminate in any event on the first day on which the condition giving rise to the suspension has ceased to exist, provided that no other condition under which a suspension is authorized then exists. To the extent not inconsistent with official rules and regulations promulgated by any government body having jurisdiction over a First Asset ETF, any declaration of suspension made by the Manager shall be conclusive.

Redemption Fee

The Manager may, at its discretion, charge exchanging or redeeming Unitholders a redemption fee of up to 0.25% (0.05% in the case of First Asset U.S & Canada Lifeco Income ETF) of the exchange or redemption proceeds to offset certain transaction costs associated with the exchange or redemption of Units. The Manager will publish the current redemption fee, if any, on its website, www.firstasset.com. Any such redemption fee charged by the Manager will accrue to the applicable First Asset ETF.

Allocations of Capital Gains to Redeeming or Exchanging Unitholders

Pursuant to the Declaration of Trust, a First Asset ETF may allocate and designate as payable any capital gains realized by the First Asset ETF as a result of any disposition of property of the First Asset ETF undertaken to permit or facilitate the redemption or exchange of Units to a Unitholder whose Units are being redeemed or exchanged. Any such allocations and designations will reduce the redemption price otherwise payable to the redeeming Unitholder.

Book-Entry Only System

Registration of interests in, and transfers of, Units of a First Asset ETF will be made only through the book-entry only system of CDS. Units must be purchased, transferred and surrendered for redemption only through a CDS Participant. All rights of an owner of Units must be exercised through, and all payments or other property to which such owner is entitled will be made or delivered by, CDS or the CDS Participant through which the owner holds such Units. Upon buying Units of a First Asset ETF, the owner will receive only the customary confirmation. References in this prospectus to a holder of Units means, unless the context otherwise requires, the owner of the beneficial interest of such Units.

Neither a First Asset ETF nor the Manager will have any liability for: (i) records maintained by CDS relating to the beneficial interests in Units or the book entry accounts maintained by CDS; (ii) maintaining, supervising or reviewing any records relating to such beneficial ownership interests; or (iii) any advice or representation made or given by CDS and made or given with respect to the rules and regulations of CDS or any action taken by CDS or at the direction of the CDS Participants.

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

A First Asset ETF has the option to terminate registration of Units through the book-entry only system in which case certificates for Units in fully registered form will be issued to beneficial owners of such Units or to their nominees.

Short-Term Trading

Unlike conventional open-end mutual fund trusts in which short term trading by investors may cause the mutual fund to incur additional unnecessary trading costs in connection with the purchase of additional portfolio securities and the sale of portfolio securities to fund unitholder redemptions, the Manager does not believe that it is necessary to impose any short-term trading restrictions on the First Asset ETFs at this time as: (i) the First Asset ETFs are exchange traded funds that are primarily traded in the secondary market; and (ii) the few transactions involving Units of the First Asset ETFs that do not occur on the secondary market involve Designated Brokers and Dealers, who can only purchase Units or redeem Units in a PNU and on whom the Manager may impose a redemption fee. The redemption fee is intended to compensate the First Asset ETFs for any costs and expenses incurred by the First Asset ETFs in order to fund the redemption.

PRIOR SALES

Trading Price and Volume

The following chart provides the price ranges and volume of Units of each First Asset ETF traded on the TSX for each month or partial month, as applicable, during the 12 months preceding the date of this prospectus (or such shorter period as indicated):

First Asset Active Canadian Dividend ETF

Month	Unit Price Range ($)	Volume of Units Traded
2016		
July	9.63 - 9.78	12,501
August	9.46 - 9.77	28,893
September	9.41 - 9.66	17,493
October	9.35 - 9.53	8,468
November	9.04 - 9.38	14,239
December	9.08 - 9.36	17,624
2017		
January	9.32 - 9.51	18,439
February	9.34 - 9.58	11,611
March	9.37 - 9.56	19,979
April	9.48 - 9.74	46,279
May	9.65 - 9.76	50,229
June	9.56 - 9.72	17,048
July 1-11	9.53 - 9.58	2,151

First Asset Active Utility & Infrastructure ETF

Month	Unit Price Range ($)	Volume of Units Traded
2016		
July	10.09 - 10.30	26,954
August	10.23 - 10.39	23,084
September	10.20 - 10.42	43,632
October	10.10 - 10.38	20,596
November	9.60 - 10.21	67,406
December	9.83 - 10.16	95,115
2017		
January	10.08 - 10.22	62,730
February	10.10 - 10.39	8,945
March	10.36 - 10.65	30,475
April	10.61 - 10.82	32,246
May	10.70 - 10.94	32,550
June	10.72 - 10.92	37,925
July 1-11	10.54 - 10.69	13,774

First Asset Canadian REIT ETF

Month	Unit Price Range ($)	Volume of Units Traded
2016		

July	15.38 - 15.77	286,150
August	15.32 - 15.79	279,603
September	15.00 - 15.53	371,910
October	14.78 - 15.27	275,242
November	14.30 - 14.83	626,967
December	14.60 - 15.11	382,840
2017		
January	15.05 - 15.39	459,747
February	15.25 - 15.83	316,394
March	15.41 - 15.82	443,918
April	15.75 - 16.21	217,275
May	15.88 - 16.12	214,351
June	15.84 - 16.24	490,827
July 1-11	15.60 - 15.89	68,178

First Asset European Bank ETF

Month	Unit Price Range ($)	Volume of Units Traded
2016		
July	5.47 - 6.43	215,888
August	5.93 - 6.85	217,045
September	6.29 - 7.01	163,664
October	6.41 - 7.35	179,226
November	6.72 - 7.40	331,057
December	6.81 - 7.76	194,587
2017		
January	7.70 - 8.14	97,102
February	7.42 - 8.01	194,529
March	7.82 - 8.43	83,649
April	7.87 - 9.04	65,397
May	8.98 - 9.40	134,324
June	8.86 - 9.30	214,820
July 1-11	9.17 - 9.30	12,420

First Asset Investment Grade Bond ETF

Month	Unit Price Range ($)	Volume of Units Traded
2016		
July	11.06 - 11.25	67,822
August	11.02 - 11.26	122,096
September	11.10 - 11.30	256,594
October	11.00 - 11.29	349,198
November	11.00 - 11.25	192,165
December	10.87 - 11.11	313,485
2017		
January	11.00 - 11.27	283,748
February	11.01 - 11.23	474,456
March	11.07 - 11.27	365,573
April	11.20 - 11.34	502,022
May	11.25 - 11.37	677,937
June	11.19 - 11.35	1,389,486

July 1-11	11.11 - 11.21	119,965

First Asset U.S. & Canada Lifeco Income ETF

Month	Unit Price Range ($)	Volume of Units Traded
2016		
July	9.75 - 10.68	406,810
August	10.26 - 10.97	450,750
September	10.66 - 11.09	429,901
October	10.83 - 11.39	302,355
November	11.08 - 12.80	532,689
December	12.52 - 13.13	692,181
2017		
January	12.50 - 12.98	546,455
February	12.47 - 13.30	720,048
March	12.60 - 13.54	482,400
April	12.42 - 13.12	358,662
May	12.38 - 13.24	337,467
June	12.45 - 13.07	403,617
July 1-11	12.71 - 12.91	101,102

INCOME TAX CONSIDERATIONS

The following is, as of the date hereof, a summary of the principal Canadian federal income tax considerations under the Tax Act generally applicable to the acquisition, holding and disposition of Units of a First Asset ETF by a Unitholder of the First Asset ETF who acquires Units of the First Asset ETF pursuant to this prospectus. This summary only applies to a prospective Unitholder of a First Asset ETF who is an individual (other than a trust) resident in Canada for purposes of the Tax Act, who deals at arm's length with the First Asset ETF and the Designated Broker or Dealer and is not affiliated with the First Asset ETF or the Designated Broker or Dealer and who holds Units of the First Asset ETF as capital property (a "**Holder**").

Generally, Units of a First Asset ETF will be considered to be capital property to a Holder provided that the Holder does not hold such Units in the course of carrying on a business of buying and selling securities and has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade. Assuming that a First Asset ETF is a "mutual fund trust" for purposes of the Tax Act, certain Holders who might not otherwise be considered to hold Units of the First Asset ETF as capital property may, in certain circumstances, be entitled to have such Units and all other "Canadian securities" owned or subsequently acquired by them treated as capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act. This summary does not apply to a Holder who has entered or will enter into a "derivative forward agreement" as that term is defined in the Tax Act with respect to the Units or any Basket of Securities disposed of in exchange for Units.

This summary assumes that at all times each First Asset ETF will comply with its investment restrictions, that none of the issuers of the securities in the portfolio of a First Asset ETF will be foreign affiliates of the First Asset ETF or of any Holder and that none of the securities in the portfolio of a First Asset ETF will be a "tax shelter investment" within the meaning of section 143.2 of the Tax Act.

Further, this summary assumes that none of the securities in the portfolio of a First Asset ETF will be an "offshore investment fund property" (or an interest in a partnership that holds such property) that would require the First Asset ETF (or the partnership) to include significant amounts in income pursuant to section 94.1 of the Tax Act, or an interest in a trust (or a partnership which holds such an interest) which would require the First Asset ETF (or the partnership) to report significant amounts of income in connection with such interest pursuant to the rules in section 94.2 of the Tax Act, or an interest in a non-resident trust other than an "exempt foreign trust" as defined in section 94 of the Tax Act (or a partnership which holds such an interest).

This summary is also based on the assumption that a First Asset ETF will not be subject to the tax for SIFT trusts for purposes of the Tax Act.

This summary is based on the current provisions of the Tax Act, and an understanding of the current publicly available administrative policies and assessing practices of the CRA published in writing prior to the date hereof This summary takes into account the Tax Amendments. This description is not exhaustive of all Canadian federal income tax consequences and does not take into account or anticipate changes in the law or in administrative policy or assessing practice, whether by legislative, governmental or judicial action other than the Tax Amendments in their present form, nor does it take into account provincial, territorial or foreign tax considerations which may differ significantly from those discussed herein. There can be no assurance that the Tax Amendments will be enacted in the form publicly announced, or at all.

This summary is not exhaustive of all possible Canadian federal income tax considerations applicable to an investment in Units of a First Asset ETF. This summary does not address the deductibility of interest on any funds borrowed by an investor to purchase Units of a First Asset ETF. The income and other tax consequences of investing in Units will vary depending on an investor's particular circumstances including the province or territory in which the investor resides or carries on business. Accordingly, this summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any investor in Units of a First Asset ETF. Prospective investors should consult their own tax advisors with respect to the income tax consequences to them of an acquisition of Units of a First Asset ETF based on their particular circumstances.

Status of the First Asset ETFs

This summary is based on the assumptions that each First Asset ETF qualifies at all times as a "mutual fund trust" within the meaning of the Tax Act, that each First Asset ETF validly elected under the Tax Act to be a mutual fund trust from the date it was established, and that each First Asset ETF has not been established and has not and will not be maintained primarily for the benefit of non-residents at any time unless, at that time, substantially all of its property consists of property other than property that would be "taxable Canadian property" within the meaning of the Tax Act (if the definition of such term were read without reference to paragraph (b) of that definition).

To qualify as a mutual fund trust (i) a First Asset ETF must be a Canadian resident "unit trust" for purposes of the Tax Act, (ii) the only undertaking of the First Asset ETF must be (a) the investing of its funds in property (other than real property or interests in real property or an immovable or a real right in an immovable), (b) the acquiring, holding, maintaining, improving, leasing or managing of any real property (or interest in real property) or of any immovable (or real right in immovables) that is capital property of the First Asset ETF, or (c) any combination of the activities described in (a) and (b), and (iii) the First Asset ETF must comply with certain minimum requirements respecting the ownership and dispersal of Units (the "**minimum distribution requirements**"). In this connection, (i) the Manager intends to cause each First Asset ETF to qualify as a unit trust throughout the life of the First Asset ETF, (ii) each First Asset ETF's undertaking conforms with the restrictions for mutual fund trusts, and (iii) the Manager has no reason to believe that any of the First Asset ETFs will not comply with the minimum distribution requirements at all relevant times.

If a First Asset ETF were not to qualify or be deemed to qualify as a mutual fund trust at all times, the income tax considerations described below would, in some respects, be materially and adversely different in respect of that First Asset ETF.

Provided the Units of a First Asset ETF are listed on a "designated stock exchange" (within the meaning of the Tax Act) or the First Asset ETF qualifies as a "mutual fund trust" within the meaning of the Tax Act, Units of that First Asset ETF will be qualified investments under the Tax Act for a trust governed by an RRSP, a RRIF, a DPSP, an RDSP, an RESP or a TFSA (the "**Plans**"). See "Income Tax Considerations – Taxation of Registered Plans" for the consequences of holding Units in Plans.

Taxation of the First Asset ETFs

Each of the First Asset ETFs has elected to have a taxation year that ends on December 15 of each calendar year. A First Asset ETF must pay tax on its net income (including net realized taxable capital gains) for a taxation year, less the portion thereof that it deducts in respect of the amount paid or payable to its Unitholders in the calendar year in which the taxation year-end falls. An amount will be considered to be payable to a Unitholder of a First Asset ETF in a calendar year if it is paid to the Unitholder in that year by the First Asset ETF or if the Unitholder is entitled in that year to enforce payment of the amount. The Declaration of Trust requires that sufficient amounts be paid or made payable each year so that no First Asset ETF is liable for any non-refundable income tax under Part I of the Tax Act.

A First Asset ETF will be required to include in its income for each taxation year any dividends received (or deemed to be received) by it in such year on a security held in its portfolio.

With respect to indebtedness, including a convertible debenture, a First Asset ETF will be required to include in its income for a taxation year all interest thereon that accrues (or is deemed to accrue) to it to the end of that year (or until the disposition of the indebtedness in the year) or that has become receivable or is received by the First Asset ETF before the end of that year, including on a conversion, redemption or repayment on maturity, except to the extent that such interest was included in computing the First Asset ETF's income for a preceding taxation year and excluding any interest that accrued prior to the time of the acquisition of the indebtedness by the First Asset ETF.

On a conversion by a First Asset ETF of a convertible debenture into shares of a corporation, the First Asset ETF is considered not to have disposed of the convertible debenture and to have acquired the shares at a cost equal to the adjusted cost base to the First Asset ETF of the convertible debenture immediately before the exchange.

On a redemption or repayment of a convertible debenture, a First Asset ETF will be considered to have disposed of the convertible debenture for proceeds of disposition equal to the amount received by the First Asset ETF (other than any amount received on account of interest) on such redemption or repayment.

On any disposition by a First Asset ETF of a convertible debenture, including on a conversion, interest accrued thereon to the date of disposition and not yet due will be included in computing the First Asset ETF's income, except to the extent such amount was otherwise included in the First Asset ETF's income, and will be excluded in computing the First Asset ETF's proceeds of disposition of the convertible debenture.

In general, a First Asset ETF will realize a capital gain (or capital loss) upon the actual or deemed disposition of a security included in its portfolio to the extent the proceeds of disposition net of any amounts included as interest on the disposition of the security and any reasonable costs of disposition exceed (or are less than) the adjusted cost base of such security unless the First Asset ETF were considered to be trading or dealing in securities or otherwise carrying on a business of buying and selling securities or the First Asset ETF has acquired the security in a transaction or transactions considered to be an adventure or concern in the nature of trade. Each First Asset ETF takes the position that gains and losses realized on the disposition of its securities are capital gains and capital losses. Each First Asset ETF has made an election under subsection 39(4) of the Tax Act, so that all securities held by the First Asset ETF that are "Canadian securities" (as defined in the Tax Act), including Canadian securities acquired in connection with a short sale, will be deemed to be capital property to the First Asset ETF.

Each First Asset ETF is entitled for each taxation year throughout which it is a mutual fund trust for purposes of the Tax Act to reduce (or receive a refund in respect of) its liability, if any, for tax on its net realized capital gains by an amount determined under the Tax Act based on the redemptions of Units during the year (the "**Capital Gains Refund**"). The Capital Gains Refund in a particular taxation year may not completely offset the tax liability of a First Asset ETF for such taxation year which may arise upon the sale or other disposition of securities included in the portfolio in connection with the redemption of Units.

In general, gains and losses realized by a First Asset ETF from derivative transactions, including short sales of securities other than Canadian securities, will be on income account except where such derivatives are used to hedge portfolio securities held on capital account provided there is sufficient linkage, subject to the DFA Rules discussed below, and such gains and losses will be recognized for tax purposes at the time they are realized by the First Asset ETF in accordance with the CRA's published administrative practice.

A loss realized by a First Asset ETF on a disposition of capital property will be a suspended loss for purposes of the Tax Act if the First Asset ETF, or a person affiliated with the First Asset ETF, acquires a property (a "**substituted property**") that is the same as or identical to the property disposed of, within 30 days before and 30 days after the disposition and the First Asset ETF, or a person affiliated with the First Asset ETF, owns the substituted property 30 days after the original disposition. If a loss is suspended, a First Asset ETF cannot deduct the loss from the First Asset ETF's capital gains until the substituted property is disposed of and is not reacquired by the First Asset ETF, or a person affiliated with the First Asset ETF, within 30 days before and after the disposition.

Premiums received on covered call options written by FLI which are not exercised prior to the end of the taxation year constitute capital gains of FLI in the taxation year received, unless such premiums are received by FLI as income from a business or FLI has engaged in a transaction or transactions considered to be an adventure or concern in the nature of trade. FLI purchases the securities in its portfolio with the objective of receiving dividends and distributions thereon over the life of FLI and writes covered call options with the objective of increasing the yield on the portfolio beyond the dividends and distributions received. Having regard to the foregoing and FLI's covered option writing strategy, and in accordance with the CRA's published administrative policies, transactions undertaken by FLI in respect of options on the securities in its portfolio are on capital account and FLI reports such transactions on capital account.

Premiums received by FLI on covered call options which are subsequently exercised are added in computing the proceeds of disposition to FLI of the securities disposed of by FLI upon the exercise of such call options. In addition, where a covered call option is exercised after the end of the taxation year in which it was granted and where this results in FLI disposing of securities, the First Asset ETF's capital gain in the previous taxation year in respect of the receipt of the option premium will be reversed.

The First Asset ETFs may enter into transactions denominated in currencies other than the Canadian dollar, including the writing of covered call options and the acquisition of securities in their portfolios. The cost and proceeds of disposition of securities, dividends, interest and all other amounts will be determined for the purposes of the Tax Act in Canadian dollars using the appropriate exchange rates determined in accordance with the detailed rules in the Tax Act in that regard. The amount of income, gains and losses realized by a First Asset ETF may be affected by fluctuations in the value of foreign currencies relative to the Canadian dollar. Subject to the DFA Rules discussed below, gains or losses in respect of currency hedges entered into in respect of covered call options or amounts invested in the portfolio of a First Asset ETF will constitute capital gains and capital losses to the First Asset ETF if the securities in the First Asset ETF's portfolio are capital property to the First Asset ETF and provided there is sufficient linkage. Certain Tax Amendments, if enacted as proposed, would clarify that the DFA Rules generally would not apply to such foreign currency hedges.

The Tax Act contains rules (the "**DFA Rules**") that target certain financial arrangements (described in the DFA Rules as "derivative forward agreements") that seek to reduce tax by converting, through the use of derivative contracts, the return on an investment that would have the character of ordinary income to capital gains. The DFA Rules are broad in scope and could apply to other agreements or transactions (including certain options and currency contracts (subject to the Tax Amendments discussed in the preceding paragraph)). If the DFA Rules were to apply in respect of derivatives to be utilized by a First Asset ETF, gains realized in respect of the property underlying such derivatives could be treated as ordinary income rather than capital gains. Based on FLI's covered option writing strategy, the writing of such covered call option by the First Asset ETF will not be subject to the DFA Rules.

The First Asset ETFs may derive income or gains from investments in countries other than Canada, and as a result, may be liable to pay income or profits tax to such countries. To the extent that such foreign tax paid by a First Asset ETF exceeds 15% of the amount included in the First Asset ETF's income from such investments, such excess may generally be deducted by the First Asset ETF in computing its net income for the purposes of the Tax Act. To the extent that such foreign tax paid does not exceed 15% of such amount and has not been deducted in computing a First Asset ETF's income, the First Asset ETF may designate in respect of a Holder a portion of its foreign source income that can reasonably be considered to be part of the First Asset ETF's income distributed to such Holder so that such income and a portion of the foreign tax paid by the First Asset ETF may be regarded as foreign source income of, and foreign tax paid by, the Holder for the purposes of the foreign tax credit provisions of the Tax Act.

With respect to an issuer that is a trust resident in Canada whose units are included in the portfolio of a First Asset ETF and held as capital property for the purposes of the Tax Act, and that is not subject in a taxation year to tax under the rules in the Tax Act applicable to certain publicly traded trusts and partnerships (the "**SIFT Rules**"), the First Asset ETF will be required to include in the calculation of its income for a taxation year the net income, including net taxable capital gains, paid or payable to the First Asset ETF by such trust in the calendar year in which that taxation year ends, notwithstanding that certain of such amounts may be reinvested in additional units of the trust. Provided that appropriate designations are made by such trust, net taxable capital gains realized by the trust, foreign source income of the trust and taxable dividends from taxable Canadian corporations received by the trust that are paid or payable by the trust to the First Asset ETF will effectively retain their character in the hands of the First Asset ETF. The First Asset ETF will be required to reduce the adjusted cost base of units of such trust by any amount paid or payable by the trust to the First Asset ETF except to the extent that the amount was included in calculating the income of the First Asset ETF or was the First Asset ETF's share of the non-taxable portion of capital gains of the trust, the taxable portion of which was designated in respect of the First Asset ETF. If the adjusted cost base to the First Asset ETF of such units becomes a negative amount at any time in a taxation year of the First Asset ETF, that negative amount will be deemed to be a capital gain realized by the First Asset ETF in that taxation year and the First Asset ETF's adjusted cost base of such units will be increased by the amount of such deemed capital gain to zero.

With respect to an issuer that is a limited partnership whose securities are included in a First Asset ETF's portfolio and held as capital property for the purposes of the Tax Act, and that is not subject in a taxation year to the tax under the SIFT Rules, the First Asset ETF is required to include or, subject to certain restrictions, is entitled to deduct, in computing its income, its share of the net income or loss for tax purposes of the limited partnership allocated to the First Asset ETF for the fiscal period of the limited partnership ending in the First Asset ETF's taxation year, whether or not a distribution is received. In general, the adjusted cost base of such securities is such securities' cost to the First Asset ETF plus the share of the income of the limited partnership allocated to the First Asset ETF for fiscal years of the limited partnership ending before the particular time less the share of losses of the limited partnership allocated to the First Asset ETF for fiscal years of the limited partnership ending before the particular time, and less the First Asset ETF's share of any distributions received from the limited partnership before the particular time. If the adjusted cost base to the First Asset ETF of the securities of such a limited partnership is negative at the end of the fiscal year of the limited partnership, the amount by which it is negative is deemed to be a capital gain realized by the First Asset ETF and the First Asset ETF's adjusted cost base of such securities is increased by the amount of such deemed capital gain.

Under the SIFT Rules, each issuer of securities in a First Asset ETF's portfolio that is a "SIFT trust" or "SIFT partnership" as defined under the SIFT Rules (which will generally include Income Trusts, other than certain real estate investment trusts, and certain partnerships, the units of which are listed or traded on a stock exchange or other public market) will be subject to a special tax in respect of (i) income from business carried on in Canada, and (ii) certain income and capital gains in respect of "non-portfolio properties" (collectively, "**Non-Portfolio Income**"). Non-Portfolio Income that is earned by a partnership that is a SIFT partnership or that is distributed by a SIFT trust to its unitholders will be taxed at a rate that is equivalent to the federal general corporate tax rate plus a prescribed amount on account of provincial tax. Non-Portfolio Income that is earned by a partnership that is a SIFT partnership, or becomes payable by an issuer that is a SIFT trust, will generally be taxed as though it were a taxable dividend from a taxable Canadian corporation and will be deemed to be an "eligible dividend" eligible for the enhanced gross-up and tax credit rules.

The Portfolio Managers expect that most of the real estate investment trusts resident in Canada the units of which are included in the portfolio of a First Asset ETF will be characterized as Income Trusts not subject to tax under the SIFT Rules.

A First Asset ETF is entitled to deduct an amount equal to the reasonable expenses that it incurs in the course of issuing Units. Such issue expenses paid by a First Asset ETF and not reimbursed are deductible by the First Asset ETF rateably over a five-year period subject to reduction in any taxation year which is less than 365 days. In computing its income under the Tax Act, a First Asset ETF may deduct reasonable administrative and other expenses incurred to earn income.

Losses incurred by a First Asset ETF in a taxation year cannot be allocated to Holders, but may be deducted by the First Asset ETF in future years in accordance with the Tax Act.

Taxation of Holders

A Holder will generally be required to include in computing income for a particular taxation year of the Holder such portion of the net income of a First Asset ETF, including the taxable portion of any net realized capital gains, as is paid or becomes payable to the Holder in that particular taxation year (whether in cash or in Units, whether such amount is automatically reinvested in additional Units of the First Asset ETF pursuant to the Reinvestment Plan or whether as a Management Fee Distribution). Amounts paid or payable by a First Asset ETF to a Holder after December 15 and before the end of the calendar year are deemed to have been paid or become payable to the Holder on December 15.

Under the Tax Act, a First Asset ETF is permitted to deduct in computing its income for a taxation year an amount that is less than the amount of its distributions of income for the year, to the extent necessary to enable the First

Asset ETF to use, in that year, losses from prior years without affecting the ability of the First Asset ETF to distribute its income annually. In such circumstances, the amount distributed to a Holder of a First Asset ETF but not deducted by the First Asset ETF will not be included in the Holder's income. However, the adjusted cost base of the Holder's Units of the First Asset ETF will be reduced by such amount. The non-taxable portion of a First Asset ETF's net realized capital gains for a taxation year, the taxable portion of which was designated in respect of a Holder in the calendar year in which that taxation year ends, that is paid or becomes payable to the Holder in the calendar year in which that taxation year ends will not be included in computing the Holder's income for the year. Any other amount in excess of a Holder's share of the net income of a First Asset ETF for a taxation year that is paid or becomes payable to the Holder in the calendar year in which that taxation year ends (i.e. returns of capital) will not generally be included in the Holder's income for the year, but will reduce the adjusted cost base of the Holder's Units of the First Asset ETF. To the extent that the adjusted cost base of a Unit of a First Asset ETF to a Holder would otherwise be a negative amount, the negative amount will be deemed to be a capital gain and the adjusted cost base of the Unit to the Holder will be increased by the amount of such deemed capital gain to zero.

Provided that appropriate designations are made by a First Asset ETF, such portion of the net realized taxable capital gains of the First Asset ETF, the taxable dividends received or deemed to be received by the First Asset ETF on shares of taxable Canadian corporations and foreign source income as is paid or becomes payable to a Holder will effectively retain its character and be treated as such in the hands of the Holder for purposes of the Tax Act. To the extent that amounts are designated as taxable dividends from taxable Canadian corporations, the gross-up and dividend tax credit rules will apply.

Any loss of a First Asset ETF for purposes of the Tax Act cannot be allocated to, and cannot be treated as a loss of, a Holder.

On the disposition or deemed disposition of a Unit of a First Asset ETF, including on a redemption, a Holder will realize a capital gain (or capital loss) to the extent that the Holder's proceeds of disposition (which do not include any amount of capital gains payable by the First Asset ETF to the Holder which represents capital gains realized by the First Asset ETF in connection with dispositions to fund the redemption), net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of the Unit. For the purpose of determining the adjusted cost base of a Holder's Units of a First Asset ETF, when additional Units of the First Asset ETF are acquired by the Holder (pursuant to the Reinvestment Plan or otherwise), the cost of the newly acquired Units of the First Asset ETF will be averaged with the adjusted cost base of all Units of the First Asset ETF owned by the Holder as capital property immediately before that time. For this purpose, the cost of Units that have been issued on a distribution will generally be equal to the amount of the distribution. A consolidation of Units of a First Asset ETF following a distribution paid in the form of additional Units of the First Asset ETF will not be regarded as a disposition of Units of the First Asset ETF and will not affect the aggregate adjusted cost base to a Holder.

In the case of an exchange of Units for a Basket of Securities, a Holder's proceeds of disposition of Units would generally be equal to the aggregate of the fair market value of the distributed property and the amount of any cash received, less any capital gain realized by the First Asset ETF on the disposition of such distributed property. The cost to a Holder of any property received from the First Asset ETF upon the exchange will generally be equal to the fair market value of such property at the time of the distribution, less any amount that is deductible as interest accrued on such property to the date of distribution and not yet due. In the case of an exchange of Units for a Basket of Securities, the investor may receive securities that may or may not be qualified investments under the Tax Act for Plans. If such securities are not qualified investments for Plans, such Plans (and, in the case of certain Plans, the annuitants, beneficiaries or subscribers thereunder or holders thereof) may be subject to adverse tax consequences including, in the case of RESPs, revocation of such Plans. However, pursuant to Tax Amendments released on March 22, 2017, an RESP would no longer be revocable if its holds securities that are not qualified investments for the RESP. Investors should consult their own tax counsel for advice on whether or not such securities would be qualified investments for Plans.

Pursuant to the Declaration of Trust, a First Asset ETF may allocate and designate as payable any capital gains realized by the First Asset ETF as a result of any disposition of property of the First Asset ETF undertaken to permit or facilitate the redemption or exchange of Units to a Holder whose Units are being redeemed or exchanged. Any such allocations and designations will reduce the redemption price otherwise payable to the Holder and therefore the Holder's proceeds of disposition.

In general, one-half of any capital gain (a "**taxable capital gain**") realized by a Holder on the disposition of Units of a First Asset ETF or a taxable capital gain designated by the First Asset ETF in respect of the Holder in a taxation year of the Holder will be included in computing the Holder's income for that year and one-half of any capital loss (an "**allowable capital loss**") realized by the Holder in a taxation year of the Holder must be deducted from taxable capital gains realized by the Holder in the taxation year or designated by the First Asset ETF in respect of the Holder in the taxation year in accordance with the detailed provisions of the Tax Act. Allowable capital losses for a taxation year in excess of taxable capital gains for that taxation year may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains in accordance with the provisions of the Tax Act.

Each Holder who pays for Units of a First Asset ETF by delivering a Basket of Securities will be disposing of securities in exchange for Units. Assuming that such securities are held by the Holder as capital property for purposes of the Tax Act, the Holder will generally realize a capital gain (or a capital loss) in the taxation year of the Holder in which the disposition of such securities takes place to the extent that the proceeds of disposition for such securities, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of such securities to the Holder. For this purpose, the proceeds of disposition to the Holder of securities disposed of will equal the aggregate of the fair market value of the Units received for the securities. The cost to a Holder of Units acquired in exchange for a Basket of Securities and cash (if any) will be equal to the aggregate of the cash paid (if any) to a First Asset ETF plus the fair market value of the securities disposed of in exchange for Units at the time of disposition, which sum would generally be equal to or would approximate the fair market value of the Units received as consideration in exchange for a Basket of Securities and cash (if any).

A Holder will be required to compute all amounts, including the adjusted cost base of Units of the applicable First Asset ETF and proceeds of disposition, in Canadian dollars in accordance with the detailed rules in the Tax Act.

Amounts designated by a First Asset ETF to a Holder of the First Asset ETF as taxable capital gains or dividends from taxable Canadian corporations, and taxable capital gains realized on the disposition of Units of the First Asset ETF may increase the Holder's liability for alternative minimum tax.

Taxation of Registered Plans

Amounts of income and capital gains included in a Plan's income are generally not taxable under Part I of the Tax Act provided the Units are "qualified investments" for the Plan for purposes of the Tax Act.

Holders should consult with their own advisors regarding the tax implications of establishing, amending, terminating or withdrawing amounts from a Plan.

Notwithstanding the foregoing, the holder of a TFSA or the annuitant under an RRSP or RRIF will be subject to a penalty tax in respect of Units held by such TFSA, RRSP or RRIF, as the case may be, if such Units are a "prohibited investment" for such Plans for the purposes of the Tax Act.

The Units of a First Asset ETF will not be a "prohibited investment" for a trust governed by a TFSA, RRSP or RRIF unless the holder of the TFSA or the annuitant under the RRSP or RRIF, as applicable, (i) does not deal at arm's length with the First Asset ETF for purposes of the Tax Act, or (ii) has a "significant interest" as defined in the Tax Act in the First Asset ETF. Generally, a holder or annuitant, as the case may be, will not have a significant interest in a First Asset ETF unless the holder or annuitant, as the case may be, owns interests as a beneficiary under the First Asset ETF that have a fair market value of 10% or more of the fair market value of the interests of all beneficiaries under the First Asset ETF, either alone or together with persons and partnerships with which the holder or annuitant, as the case may be, does not deal at arm's length. In addition, the Units of a First Asset ETF will not be a "prohibited investment" if such Units are "excluded property" as defined in the Tax Act for trusts governed by a TFSA, RRSP or RRIF.

Pursuant to the Tax Amendments released on March 22, 2017, the rules in respect of "prohibited investment" are also proposed to apply to (i) RDSPs and the holders thereof and (ii) RESPs and the subscribers thereof.

Holders, annuitants and subscribers should consult their own tax advisors with respect to whether Units of a First Asset ETF would be prohibited investments, including with respect to whether such Units would be excluded property.

Tax Implications of the First Asset ETF's Distribution Policy

The net asset value per Unit of a First Asset ETF will, in part, reflect any income and gains of the First Asset ETF that have been earned or been realized, but have not been made payable at the time Units of the First Asset ETF were acquired. Accordingly, a Holder of a First Asset ETF who acquires Units of the First Asset ETF, including on a reinvestment of distributions or a distribution of Units, may become taxable on the Holder's share of such income and gains of the First Asset ETF. In particular, an investor who acquires Units of a First Asset ETF at any time in the year but prior to a distribution being paid or made payable will have to pay tax on the entire distribution (to the extent it is a taxable distribution) notwithstanding that such amounts may have been reflected in the price paid by the Holder for the Units. Further, where a Holder acquires Units in a calendar year after December 15 of such year, such Holder may become taxable on income earned or capital gains realized in the taxation year ending on December 15 of such calendar year but that had not been made payable before the Units were acquired.

ORGANIZATION AND MANAGEMENT DETAILS OF THE FIRST ASSET ETFs

Manager of the First Asset ETFs

First Asset, a registered portfolio manager and investment fund manager, is the trustee and manager of the First Asset ETFs. First Asset's principal office is at 2 Queen Street East, 12th Floor, Toronto, Ontario M5C 3G7. First Asset is an indirect, wholly-owned subsidiary of CI Financial Corp. (TSX: CIX). First Asset performs or arranges for the performance of management services for the First Asset ETFs, is responsible for the administration of the First Asset ETFs, and provides investment advisory and portfolio management services to FDV, FAI, RIT and FLI with respect to their respective portfolios. First Asset is be entitled to receive fees as compensation for management services rendered to the First Asset ETFs.

Duties and Services to be Provided by the Manager

Pursuant to the Declaration of Trust, unless a Portfolio Manager has been appointed in respect of a First Asset ETF, the Manager is responsible for execution of each First Asset ETF's investment strategy, and also provides and/or arranges for the provision of required administrative services to the First Asset ETFs including, without limitation: investment advisory and portfolio management services, implementation of the First Asset ETFs' investment strategies, negotiating contracts with certain third-party service providers, including, but not limited to, investment managers, custodians, registrars, transfer agents, auditors and printers; authorizing the payment of operating expenses incurred on behalf of the First Asset ETFs; maintaining accounting records; preparing the reports to Unitholders and to the applicable securities regulatory authorities; calculating the amount and determining the frequency of distributions by the First Asset ETFs; preparing financial statements, income tax returns and financial and accounting information as required; ensuring that Unitholders are provided with financial statements and other reports as are required from time to time by applicable law; ensuring that the First Asset ETFs comply with all other regulatory requirements including continuous disclosure obligations under applicable securities laws; administering purchases, redemptions and other transactions in Units; arranging for any payments required upon termination of the First Asset ETFs; and dealing and communicating with Unitholders. The Manager will provide office facilities and personnel to carry out these services, if not otherwise furnished by any other service provider to the First Asset ETFs. The Manager will also monitor the investment strategy of each First Asset ETF to ensure that each First Asset ETF complies with its investment objective, investment strategies and investment restrictions and practices.

No manager of a First Asset ETF shall be a person who (i) is not a resident of Canada for purposes of the Tax Act, or (ii) does not agree to carry out its functions of managing the First Asset ETF in Canada.

Pursuant to the Declaration of Trust, the Manager has full authority and responsibility to manage and direct the business and affairs of the First Asset ETFs, to make all decisions regarding the business of the First Asset ETFs and to bind the First Asset ETFs. The Manager may delegate certain of its powers to third parties where, in the discretion of the Manager, it would be in the best interests of the First Asset ETFs to do so.

The Manager is required to exercise its powers and discharge its duties honestly, in good faith and in the best interests of the Unitholders of the First Asset ETFs, and to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. The Declaration of Trust provides that the Manager will not be liable to a First Asset ETF or to any Unitholder or any other person for any loss or damage relating to any matter regarding that First Asset ETF, including any loss or diminution of value of the assets of the First Asset ETF if it has satisfied its standard of care set forth above.

The Manager and each of its directors, officers, employees and agents may be indemnified out of the assets of a First Asset ETF from and against all claims whatsoever, including costs, charges and expenses in connection therewith, brought, commenced or prosecuted against it for or in respect of any act, deed, matter or thing whatsoever made, done or omitted in or in relation to the execution of its duties to the First Asset ETF as long as the person acted honestly and in good faith with a view to the best interests of the First Asset ETF.

The Manager may resign upon 90 days' prior written notice to the Trustee or upon such lesser notice period as the Trustee may accept. The Manager may also be removed by the Trustee on at least 90 days' written notice to the Manager. The Trustee shall make every effort to select and appoint a successor manager prior to the effective date of the Manager's resignation.

The Manager is entitled to fees for its services as manager under the Declaration of Trust as described under "Fees and Expenses" and will be reimbursed for all reasonable costs and expenses incurred by the Manager on behalf of the First Asset ETFs. The Manager may, in its discretion, terminate a First Asset ETF without the approval of Unitholders if, in its opinion, it is no longer economically feasible to continue the First Asset ETF and/or it would otherwise be in the best interests of Unitholders to terminate the First Asset ETF.

The administration and management services of the Manager under the Declaration of Trust are not exclusive and nothing in the Declaration of Trust prevents the Manager from providing similar administrative and management services to other investment funds and other clients (whether or not their investment objectives and policies are similar to those of the First Asset ETFs) or from engaging in other activities.

Officers and Directors of the Manager

The name, municipality of residence, position and principal occupation of each of the directors and executive officers of the Manager are as follows:

Name and Municipality of Residence	***Date Individual became a Director***	***Position with the Manager***	***Principal Occupation***
ROHIT D. MEHTA Toronto, Ontario	May 1, 2017	Director and President (acting as Chief Executive Officer)	President, First Asset (since May 2017); Executive Vice-President, Distribution and Strategy, First Asset (since October 2009)
DOUGLAS J. JAMIESON Toronto, Ontario	November 30, 2015	Director and Chief Financial Officer	Chief Financial Officer, First Asset (since May 2017); Executive Vice-President and Chief Financial Officer, CI Financial Corp. (since 2008) and CI Investments Inc. (since 1995)
EDWARD KELTERBORN Toronto, Ontario	May 1, 2017	Director	Senior Vice-President and General Counsel, CI Investments Inc. (since September 2016); Senior Vice-President, Legal and Operations, First Asset (July 2012 – September 2016)

Name and Municipality of Residence	***Date Individual became a Director***	***Position with the Manager***	***Principal Occupation***
Z. EDWARD AKKAWI Toronto, Ontario	N/A	Chief Operating Officer, General Counsel and Corporate Secretary	Chief Operating Officer, General Counsel and Corporate Secretary, First Asset (since 2000)
SHERYL J. CHIDDENTON Campbellville, Ontario	N/A	Chief Compliance Officer	Chief Compliance Officer, First Asset (since 2013); Chief Compliance Officer and Vice-President, Compliance & Investment Services, Creststreet Asset Management Limited (2001-2012)

Where a person has held multiple positions within a company, the above table generally sets out only the current or most recently-held position or positions held at that company, while the start dates generally refer to the date of the first position held at that company or the first of the listed positions held by the person at that company. Each director will hold his position until the next annual general meeting of the Manager at which time he may be re-elected. All companies listed above are or were principally engaged in the business of investment fund management.

Portfolio Management Team

The Manager's portfolio management team is responsible for executing the First Asset ETF's investment strategy. Individual managers work with a team of portfolio managers, and all decisions are reviewed in a team-oriented manner, in which individual inputs of the group members are sought in order to reach a single consensus opinion on an issuer or the market as a whole. Investment decisions made by the portfolio management team are not subject to the oversight, approval or ratification of a committee.

Name	***Title***
LEE GOLDMAN	Senior Vice-President and Portfolio Manager
MANASH GOSWAMI	Senior Vice-President and Portfolio Manager
CRAIG ALLARDYCE	Portfolio Manager
KATE MACDONALD	Portfolio Manager

Except as otherwise indicated in the biographies below, during the past five years, all of the individuals named above have been employed with the Manager in the capacity of Portfolio Manager.

Kate MacDonald. Prior to joining the First Asset organization in 2013, Ms. MacDonald was an Associate Portfolio Manager at Morguard Financial Corporation for six years.

Portfolio Manager of First Asset European Bank ETF

The Portfolio Manager of FHB is Signature Global Asset Management, a division of CI Investments Inc., an affiliate of the Manager. The Portfolio Manager was amalgamated under the Business Corporations Act (Ontario) on January 1, 2015. The Portfolio Manager is registered in Ontario as an investment fund manager, portfolio manager, commodity trading manager, commodity trading counsel, and exempt market dealer. The principal place of business of the signature Portfolio Manager is 2 Queen Street East, 20th Floor, Toronto, Ontario M5C 3G7.

The following representatives of the Portfolio Manager will be primarily responsible for the management of FHB's portfolio:

Name and Municipality of Residence	*Position withPortfolio Manager*	*Principal Occupation*
GOSHEN BENZAQUEN Toronto, ON	Vice-President, Portfolio Management and Associate Portfolio Manager	Same
JOHN HADWEN Cobourg, ON	Vice-President, Portfolio Management and Portfolio Manager	Same

The following is a brief description of the background of the individuals listed above:

Goshen Benzaquen, MBA. Goshen Benzaquen, Vice-President, Portfolio Management and Associate Portfolio Manager, is part of the financial services team covering financial institutions globally. Goshen joined CI Investments Inc. in 2011 after spending four years as an Analyst following financial institutions in emerging markets. Goshen started his career in the financial services industry with RBC Financial Group ("**RBC**") in a specialized management training program graduating into a Senior Analyst position in the Capital Management Group. After leaving RBC, Goshen moved to Deloitte & Touche as a Senior Consultant with the Performance Management Team. Goshen graduated from York University with an Honours B.A in Economics and holds an MBA from the Schulich School of Business.

John Hadwen, Vice-President, Portfolio Management and Portfolio Manager, is responsible for stock selection in the financial services sector. He joined the investment management industry in 1993 in customer service at Mackenzie Financial before moving to mutual fund accounting and money market trading and administration. He joined Infinity Investment Counsel ("**Infinity**") in 1998 as a research analyst. Infinity was acquired by Goodman & Company, where his responsibilities expanded to include portfolio management. In 2006, he joined KBSH Capital Management before joining Signature Global Asset Management the following year. Mr. Hadwen holds an Honours BA in Administrative Studies from Trent University and the Chartered Financial Analyst designation.

Investment decisions by the above named portfolio managers are not subject to oversight, approval or ratification of a committee.

Details of the Investment Advisory Agreement

The Portfolio Manager provides investment advisory and portfolio management services to FHB with respect to the portfolio pursuant to a master investment advisory agreement between the Manager and the Portfolio Manager. Decisions regarding the purchase and sale of portfolio securities and the execution of transactions for the portfolio will be made by the Portfolio Manager, in accordance with and subject to the terms of the investment advisory agreement. Subject to the terms of the investment advisory agreement, the Portfolio Manager will implement the investment strategies of the portfolio of FHB on an ongoing basis.

Under the investment advisory agreement, the Portfolio Manager covenants to exercise its powers and duties fairly, honestly, in good faith and in the best interests of FHB and, in connection therewith, shall devote such time and attention, and shall exercise such degree of care, diligence and skill as may be expected of a prudent and experienced investment advisor in comparable circumstances. The investment advisory agreement provide that the Portfolio Manager will not be liable in any way under the investment advisory agreement for any error of judgement or any other act or omission provided that the Portfolio Manager acted in good faith and in accordance with the standard of care.

Pursuant to the investment advisory agreement, the Portfolio Manager and its directors, officers, employees, agents and representatives shall be indemnified by the Manager, from the property and assets of FHB, from and against any claims or actions, and all expenses whatsoever which they may suffer or incur arising by reason of the Portfolio Manager having been engaged by the Manager pursuant to the investment advisory agreement or by reason of the Portfolio Manager performing its obligations under the investment advisory agreement, other than a claim or action resulting from the breach of the Portfolio Manager's duties and obligations under the investment advisory agreement, or for any breach of the Portfolio Manager's warranties or any misrepresentation by it set forth in the investment advisory agreement, or the failure of the Portfolio Manager to exercise its powers and duties under the investment advisory agreement in accordance with the standard of care, or to the extent the Portfolio Manager has been negligent, fraudulent or in willful default, in wilful malfeasance or in bad faith in the exercise of its powers and duties under the investment advisory agreement.

The investment advisory agreement may be terminated by either party at any time, and without penalty, by providing the other party 30 days' prior written notice of termination. In the event that the investment advisory agreement is terminated as provided above, the Manager shall promptly appoint a successor portfolio manager to carry out the activities of the portfolio manager of FHB.

The Portfolio Manager receives from the Manager such portion of the Management Fee as they may agree.

Portfolio Manager of First Asset Investment Grade Bond ETF

The Portfolio Manager of FIG is Marret Asset Management Inc., a subsidiary of CI Financial Corp., an affiliate of the Manager. The Portfolio Manager is registered in all provinces as an adviser in the category of portfolio manager, as a dealer in the category of exempt market dealer and as an investment fund manager, and in Ontario as a commodity trading manager. The principal place of business of the Portfolio Manager is 2 Queen Street East, 20th Floor, Toronto, Ontario M5C 3G7.

The following representatives of the Portfolio Manager will be primarily responsible for the management of the First Asset Investment Grade Bond ETF's portfolio:

Name and Municipality of Residence	***Position with Portfolio Manager***	***Principal Occupation***
BARRY S. ALLEN Toronto, Ontario	President , Chief Executive Officer, Chief Investment Officer and Director	Same
PAUL SANDHU Toronto, Ontario	Vice-President, Portfolio Manager	Same

During the past 5 years, Messrs. Allan and Sandhu have held the principal occupations noted opposite their respective names.

Details of the Investment Advisory Agreement

The Portfolio Manager provides investment advisory and portfolio management services to FIG with respect to the portfolio pursuant to an investment advisory agreement between the Manager and the Portfolio Manager. Decisions regarding the purchase and sale of portfolio securities and the execution of transactions for the portfolio will be made by the Portfolio Manager, in accordance with and subject to the terms of the investment advisory agreement . Subject to the terms of the investment advisory agreement , the Portfolio Manager will implement the investment strategies of the FIG's ETF Portfolio on an ongoing basis.

Under the investment advisory agreement , the Portfolio Manager shall exercise its powers and duties fairly, honestly, in good faith and in the best interests of FIG and, in connection therewith, shall devote such time and attention, and shall exercise such degree of care, diligence and skill as may be expected of a prudent and experienced investment advisor in comparable. The investment advisory agreement will provide that the Portfolio Manager will not be liable in any way under the investment advisory agreement for any error of judgement or any other act or omission provided that the Portfolio Manager acted in good faith and in accordance with the standard of care.

Pursuant to the investment advisory agreement , the Manager shall indemnify and save harmless the Portfolio Manager, its directors, officers, employees, agents and representatives from and against any claims or actions, and all expenses which the Portfolio Manager may incur, arising by reason of the Portfolio Manager having been engaged by the Manager under the investment advisory agreement or by reason of the Portfolio Manager performing its obligations under the investment advisory agreement , other than a claim or action arising in respect of any act, deed, matter or thing whatsoever made, done, acquiesced in or omitted prior to the investment advisory agreement , or in respect of a claim or action resulting from the breach of the Portfolio Manager's duties and obligations under the investment advisory agreement , or for any breach of its warranties or any misrepresentation by it set forth in the investment advisory agreement , or the failure of the Portfolio Manager to exercise its powers and duties under the investment advisory agreement in accordance with its standard of care, or to the extent the Portfolio Manager has been negligent, fraudulent or in willful default, in willful misfeasance or in bad faith in the exercise of its powers and duties under the investment advisory agreement . In addition, the Portfolio Manager shall indemnify and save harmless the Manager and its directors, officers, and employees from and against all claims, demands, losses, actions, causes of action, charges, debts, costs, expenses, damages, liabilities or obligations (including judgements, fines, penalties, amounts paid in settlement and legal costs on a solicitor and client basis) suffered or incurred by the Manager arising from or in connection FIG in respect of any act, deed, matter or thing whatsoever made, done, acquiesced in or omitted in or about or in relation to FIG prior to the date of the investment advisory agreement .

The investment advisory agreement may be terminated by either party at any time by providing the other party 30 days' prior written notice of termination. In the event that the investment advisory agreement is terminated as provided above, First Asset shall promptly appoint a successor portfolio manager to carry out the activities of the portfolio manager of FIG.

The Portfolio Manager will receive from the Manager such portion of the Management Fee as they may agree.

Designated Brokers

The Manager, on behalf of each First Asset ETF, has entered into a Designated Broker Agreement with a Designated Broker pursuant to which the Designated Broker has agreed to perform certain duties relating to that First Asset ETF including, without limitation: (i) to subscribe for a sufficient number of Units of that First Asset ETF to satisfy the TSX's original listing requirements; (ii) to subscribe for Units of that First Asset ETF on an ongoing basis, and (iii) to post a liquid two way market for the trading of Units of that First Asset ETF on the TSX. Payment for Units of a First Asset ETF must be made by the Designated Broker, and those Units will be issued, by no later than the third Trading Day after the subscription notice has been delivered. If the Draft Amendments come into force, from the coming-into-force date onwards the reference to "third Trading Day" in the previous sentence should be read as "second Trading Day".

The Designated Broker of a First Asset ETF may terminate the Designated Broker Agreement at any time by giving the Manager at least six months' prior written notice of such termination. The Manager may terminate the Designated Broker Agreement at any time, without prior notice, by sending a written notice of termination to the Designated Broker.

Units do not represent an interest or an obligation of such Designated Broker or Dealers or any affiliate thereof and a Unitholder of a First Asset ETF will not have any recourse against any such parties in respect of amounts payable by the First Asset ETF to such Designated Broker or Dealers.

Brokerage Arrangements

The Portfolio Managers have established policies and procedures for selecting markets, brokers and investment dealers for the execution of transactions in respect of the First Asset ETFs' investments and for seeking to obtain the best price and execution for those transactions. The First Asset ETFs are responsible to pay any commissions negotiated in relation to these brokerage arrangements. The Portfolio Managers will evaluate and review on an ongoing and periodic basis, and not less than annually, each broker's ability to deliver best execution on an aggregate basis over time.

The Portfolio Managers' allocation of brokerage business for effecting portfolio transactions on behalf of the First Asset ETFs is based on decisions made by the portfolio managers, analysts and traders of the Portfolio Managers, and will only be made in compliance with applicable law and in accordance with the Portfolio Managers' policies and procedures. The Portfolio Managers do not allocate brokerage business to affiliates. The allocation of business among brokers is based on a number of factors including, but not limited to, the quality of service and the terms offered for specific transactions including price, volume, speed and certainty of execution, the competitiveness of commission terms and prices, the range of brokerage services provided, the quality of research provided, total transaction cost, the broker's capital strength and stability and the Portfolio Managers' knowledge of any actual or apparent operational problems of the brokers. These same factors are used by the Portfolio Managers in making a good-faith determination as to the reasonableness of the commission rate and such other benefits that may be derived by the First Asset ETFs.

In addition, the Portfolio Managers may, consistent with its duty to seek best price and execution, utilize the services of soft dollar brokerage firms. A portion of the commissions generated through the use of soft dollar brokerage accounts are used to pay for order execution and research goods and services which may include, but are not limited to, order management systems, trading software and raw market data, custody, clearance and settlement services, databases, analytical software and research reports. The order execution and research goods and services may be provided directly from the soft dollar brokerage firm, or indirectly from a third party.

Since the date of the First Asset ETFs' last prospectus, certain brokerage transactions have been directed to soft dollar brokers in return for the provision of market data feeds and research reports. None of these services were provided by an affiliated entity.

The name of any broker or third party that provides research and/or order execution goods and services through a soft dollar arrangement with the Portfolio Managers will be provided upon request by contacting the Portfolio Managers at 1-877-642-1289 or at info@firstasset.com.

Conflicts Of Interest

The Manager, the Portfolio Managers and their affiliates are engaged in a wide range of investment management, investment advisory and other business activities. The services provided by the Manager under the Declaration of Trust and the Portfolio Managers under the Portfolio Management Agreement are not exclusive and nothing in the agreement prevents the Manager, the Portfolio Managers or any of their affiliates from providing similar services to other investment funds or clients (whether or not their investment objectives, strategies and policies are similar to those of the First Asset ETFs) or from engaging in other activities. The Manager and Portfolio Managers therefore will have conflicts of interest in allocating management time, services and functions to the First Asset ETFs and the other persons for which they provide similar services. The Manager's or Portfolio Managers' investment decisions for the First Asset ETFs will be made independently of those made on behalf of their other clients or for their own investments. On occasion, however, the Manager or the Portfolio Managers will make the same investment for a First Asset ETF and for one or more of their other clients. If a First Asset ETF and one or more of the other clients of the Manager or the Portfolio Managers, as applicable, or any of their respective affiliates, are engaged in the purchase or sale of the same security, the transactions will be effected on an equitable basis. In this regard, the Manager or Portfolio Managers will generally endeavour to allocate investment opportunities to the First Asset ETFs on a pro rata basis.

The Manager and the Portfolio Managers may trade and make investments for their own accounts, and the Manager and the Portfolio Managers currently trade and manage and will continue to trade and manage accounts other than a First Asset ETF's accounts utilizing trading and investment strategies which are the same as or different from the ones to be utilized in making investment decisions for the First Asset ETF. In addition, in proprietary trading and investment, the Manager and the Portfolio Managers may take positions the same as, different than or opposite to those of a First Asset ETF. Furthermore, all of the positions held by accounts owned, managed or controlled by the Manager will be aggregated for purposes of applying certain exchange position limits. As a result, a First Asset ETF may not be able to enter into or maintain certain positions if such positions, when added to the positions already held by the First Asset ETF and such other accounts, would exceed applicable limits. All of such trading and investment activities may also increase the level of competition experienced with respect to priorities of order entry and allocations of executed trades. See "Risk Factors".

The Manager and the Portfolio Managers may at times have interests that differ from the interests of the Unitholders. Where the Manager or the Portfolio Managers or their affiliates otherwise perceive in the course of business, that they are or may be in a material conflict of interest position, the matter will be referred to the IRC. The IRC will consider all matters referred to it and provide its recommendations to the Manager as soon as possible.

In evaluating these conflicts of interest, potential investors should be aware that the Manager and the Portfolio Managers each have a responsibility to the Unitholders to exercise good faith and fairness in all dealings affecting the First Asset ETFs. In the event that a Unitholder of a First Asset ETF believes that the Manager or the applicable Portfolio Manager has violated its duty to such Unitholder, the Unitholder may seek relief for itself or on behalf of the First Asset ETF to recover damages from or to require an accounting by the Manager or Portfolio Managers. Unitholders should be aware that the performance by the Manager and the Portfolio Managers of their responsibilities to the First Asset ETFs will be measured in accordance with (i) the provisions of the agreement by which each of the Manager and the Portfolio Managers have been appointed to their positions with the First Asset ETFs; and (ii) applicable laws.

A registered dealer acts as a Designated Broker and one or more registered dealers may act as a Dealer and/or a market maker. These relationships may create actual or perceived conflicts of interest which investors should consider in relation to an investment in a First Asset ETF. In particular, by virtue of these relationships, these registered dealers may profit from the sale and trading of Units. The Designated Broker, as market maker of the First Asset ETFs in the secondary market, may therefore have economic interests which differ from and may be adverse to those of Unitholders.

Any such registered dealer and its affiliates may, at present or in the future, engage in business with the First Asset ETFs, the issuers of securities making up the investment portfolio of the First Asset ETFs, or with the Manager or any funds sponsored by the Manager or its affiliates, including by making loans, entering into derivative transactions or providing advisory or agency services. In addition, the relationship between any such registered dealer and its affiliates, and the Manager and its affiliates may extend to other activities, such as being part of a distribution syndicate for other funds sponsored by the Manager or its affiliates.

No Designated Broker or Dealer has been involved in the preparation of this prospectus or has performed any review of the contents of this prospectus. The applicable Designated Broker and Dealers do not act as underwriters of any First Asset ETF in connection with the distribution of Units under this prospectus. Units of the First Asset ETFs do not represent an interest or an obligation of any Designated Broker, any Dealer or any affiliate thereof, and a Unitholder does not have any recourse against any such parties in respect of amounts payable by a First Asset ETF to the applicable Designated Broker or Dealers. The Canadian securities regulators have provided the First Asset ETFs with a decision exempting the First Asset ETFs from the requirement to include a certificate of any underwriter in the prospectus.

Independent Review Committee

NI 81-107 requires the First Asset ETFs to establish an independent review committee to whom the Manager must refer conflict of interest matters for review or approval. NI 81-107 also imposes obligations upon the Manager to establish written policies and procedures for dealing with conflict of interest matters, maintain records in respect of these matters and provide assistance to the IRC in carrying out its functions. The IRC will be required to conduct regular assessments and provide reports to the Manager and to Unitholders in respect of its functions.

The investment funds in the First Asset family all share the same IRC. The relationship with the IRC is administered by FA Administration Services Inc., an affiliate of First Asset, on behalf of all of the investment funds and their managers. The fees and expenses of the IRC are borne and shared by all of the investment funds in the First Asset family. Each investment fund is also responsible for all expenses associated with insuring and indemnifying the IRC members.

The members of the IRC are:

Douglas A.S. Mills, CPA, C.A. - Mr. Mills is the current Chair of the IRC. Mr. Mills brings over 40 years of experience in the finance and wealth management industry. He is Chairman of The Glencreggan Limited, a consulting firm engaged in corporate advisory and change implementation. Mr. Mills has played leading roles in the financial services industry including Chief Executive of a major Chartered Bank’s Investment Management subsidiary and Vice-President of Barclays Bank Canada and Barclays PLC. Mr. Mills is a Chartered Professional Accountant, Chartered Accountant, sits on several boards and committees, and is an Executive-in-Residence at the Ivey School of Business.

Carl M. Solomon, JD - Mr. Solomon brings over 35 years of experience in the legal profession having been a partner and subsequently counsel to the law firm now known as Gowling Lafleur Henderson LLP until his retirement in 1999. More recently, Mr. Solomon has been involved in assisting numerous small and mid-sized companies to raise capital for their on-going business or buy-out needs.

John Reucassel, CFA - Since March 2014, Mr. Reucassel has been President of The International Group, a privately owned specialty chemicals manufacturer located in Toronto. Prior to this appointment, Mr. Reucassel worked at BMO Capital Markets for 16 years and was a top-ranked sell-side equity analyst covering the financial services industry, including banks, insurers, and asset managers. He was appointed to the Board of Governors of CI Investments Inc. in March 2015. Mr. Reucassel has a master’s degree in economics from McGill University, earned a BA in economics from Queen’s University and holds the Chartered Financial Analyst (CFA) designation.

Mr. Reucassel was appointed to the IRC in September, 2016 to fill a vacancy created when Mr. Henry J. Knowles retired from the IRC.

The IRC will prepare a report, at least annually, of its activities for Unitholders which will be available on the First Asset ETF's website at www.firstasset.com, or at the Unitholder's request at no cost, by contacting the Manager at info@firstasset.com.

The members of the IRC are paid an annual fee for serving on the IRC of the investment funds in the First Asset family of investment funds. Each investment fund, including the First Asset ETFs, is responsible for a portion of that fee which is allocated by the Manager among the various funds. The annual fee payable to each member of the IRC is as follows: Douglas Mills ($53,500), Carl Solomon ($40,000) and John Reucassel ($40,000). Expenses incurred by the members of the IRC in connection with performing their duties are also the responsibility of the investment funds, including the First Asset ETFs.

The Trustee

First Asset is also the trustee of the First Asset ETFs pursuant to the Declaration of Trust. The Trustee may resign and be discharged from all further duties under the Declaration of Trust upon 90 days' prior written notice to the Manager or upon such lesser notice as the Manager may accept. No Trustee of a First Asset ETF shall be a person who (i) is not a resident of Canada for the purposes of the Tax Act, or (ii) does not agree to carry out its functions of managing the First Asset ETF in Canada, and exercise the main powers and discretions of the trustee of the First Asset ETF in Canada. The Manager shall make every effort to select and appoint a successor trustee prior to the effective date of the Trustee's resignation. If the Manager fails to appoint a successor trustee within 90 days after notice is given or a vacancy occurs, the Manager shall call a meeting of Unitholders of the First Asset ETF within 60 days thereafter for the purpose of appointing a successor trustee. If there is no manager, five Unitholders of a First Asset ETF may call a meeting of Unitholders of the First Asset ETF within 31 days after notice is given or a vacancy occurs for the purpose of appointing a successor trustee. In each case, if, upon the expiry of a further 30 days, neither the Manager nor the Unitholders of a First Asset ETF have appointed a successor trustee, the First Asset ETF shall be terminated and the property of the First Asset ETF shall be distributed in accordance with the terms of the Declaration of Trust.

The Trustee is required to exercise its powers and discharge its duties honestly, in good faith and in the best interests of the First Asset ETFs, and to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. The Declaration of Trust provides that the Trustee will not be liable in carrying out its duties under the Declaration of Trust as long as the Trustee has adhered to its standard of care set out above. In addition, the Declaration of Trust contains other customary provisions limiting the liability of the Trustee and indemnifying the Trustee in respect of certain liabilities incurred by it in carrying out its duties.

The Trustee will not receive any fees from the First Asset ETFs but will be reimbursed for all expenses and liabilities that it properly incurs in carrying out activities on behalf of the First Asset ETFs.

Custodians

First Asset ETFs (other than FIG)

SSTC is the current custodian of each First Asset ETF's (other than FIG), assets pursuant to the SSTC Custody Agreement. SSTC is located in Toronto, Ontario. Pursuant to the SSTC Agreement, SSTC is required to exercise its duties with the degree of care, diligence and skill that a reasonably prudent person would exercise in the same circumstances. Provided SSTC has not breached its standard of care as set out in the SSTC Custody Agreement, SSTC shall not be responsible for the holding or control of any property of a First Asset ETF which is not directly held by SSTC, including any property of the First Asset ETF that is loaned or pledged to a counterparty.

Under the SSTC Custody Agreement, a First Asset ETF shall pay fees to SSTC at such rate as determined by the parties from time to time and shall reimburse SSTC for all reasonable expenses and disbursements incurred in the performance of its duties under the SSTC Custody Agreement. Each First Asset ETF shall also indemnify SSTC or any of its officers, directors, employees or agents for any loss, damage, liability, actions, suits, claims, costs and expenses arising in the course of performing the duties of the SSTC Custody Agreement unless arising from negligence, fraud, bad faith, wilful default or breach of SSTC's standard of care. Either party may terminate the

SSTC Custody Agreement in the event that the other party violates any material provision of the SSTC Custody Agreement by giving written notice to the violating party, provided the violating party has not cured or made substantial progress to cure the violation within 90 days of receipt of such written notice.

CMT will replace SSTC as the custodian of the First Asset ETFs (other than FIG) in or around the fourth quarter of 2017.

First Asset Investment Grade Bond ETF ("FIG")

CMT is the custodian of FIG's assets pursuant to the CMT Custody Agreement. CMT is located in Toronto, Ontario. Pursuant to the CMT Custody Agreement, CMT is required to exercise its duties with the same degree of care, diligence and skill that a reasonably prudent person would exercise in the same circumstances, or, if higher, the degree of care, diligence and skill that CMT exercises in respect of its own property of a similar nature in its custody. Provided CMT has not breached its standard of care as set out in the CMT Custody Agreement, CMT shall not be responsible for the holding or control of any property of FIG which is not directly held by CMT, including any property of FIG that is loaned or pledged to a counterparty.

Under the CMT Custody Agreement, FIG shall pay fees to CMT at such rate as determined by the parties from time to time and shall reimburse CMT for all reasonable expenses and disbursements incurred in the performance of its duties under the CMT Custody Agreement. FIG shall also indemnify CMT or any of its officers, directors, employees or agents for any loss, damage or expense, including reasonable counsel fees and expenses, arising in connection with the CMT Custody Agreement, except to the extent caused by a breach by CMT of its standard of care or a material breach of the CMT Custody Agreement. The Manager and FIG will be indemnified in certain circumstances as set out in the CMT Custody Agreement. Either party may terminate the CMT Custody Agreement upon at least 90 days written notice or immediately if the other party becomes insolvent, or makes an assignment for the benefit of creditors, or a petition in bankruptcy is filed by or against that party and is not discharged within 30 days, or proceedings for the appointment of a receiver for that party are commenced and not discontinued within 30 days.

Valuation Agents

SSFS Agent currently provides accounting and valuation services in respect of the First Asset ETFs (other than FIG) pursuant to a valuation services agreement. The Manager has retained CMGS Agent to provide accounting and valuation services in respect of FIG pursuant to a valuation services agreement. CMGS Agent will replace SSFS Agent as the accounting and valuation agent of the First Asset ETFs (other than FIG) in or around the fourth quarter of 2017.

Auditors

Ernst & Young LLP is the auditor of the First Asset ETFs. The office of the auditors is located at Ernst & Young Tower, 100 Adelaide Street West, P.O. Box 1, Toronto, Ontario, M5H 0B3 Canada.

Transfer Agent and Registrar

Computershare Trust Company of Canada, at its principal offices in Toronto, Ontario, is the Registrar and Transfer Agent for each First Asset ETF pursuant to registrar and transfer agency agreements entered into as of the date of the initial issuance of Units of each First Asset ETF.

Securities Lending Agents

First Asset ETFs (other than First Asset Investment Grade Bond ETF)

The SSB Lending Agent currently acts as the lending agent for each of the First Asset ETF (other than FIG), pursuant to the SSB SLA. SSB Lending Agent is located in Toronto, Ontario. The Manager and the SSB Lending Agent may each terminate the SSB SLA upon fifteen (15) business days' written notice to the other at any time. The SSB Lending Agent is not an affiliate of the Manager. The BNY Lending Agent will replace the SSB Lending Agent as the securities lending agent for each of the First Asset ETFs (other than FIG) in or around the fourth quarter of 2017. The BNY Lending Agent is located in New York, New York.

Under the SSB SLA, the collateral posted by a securities borrower to a First Asset ETF is required to have an aggregate value of not less than 102% of the market value of the loaned securities. In addition to the collateral held by the First Asset ETF, the First Asset ETF also benefits from a borrower default indemnity provided by the SSB Lending Agent. The SSB Lending Agent's indemnity provides for the replacement of a number of securities equal to the number of unreturned loaned securities.

First Asset Investment Grade Bond ETF

The BNY Lending Agent acts as the lending agent for FIG pursuant to the BNY SLA. The BNY Lending Agent is located in New York, New York. The Manager and the BNY Lending Agent may each terminate the BNY SLA upon thirty (30) business days' written notice to the other at any time. The BNY Lending Agent is not an affiliate of the Manager.

Under the BNY SLA, the collateral posted by a securities borrower to FIG is required to have an aggregate value of not less than 102% of the market value of the loaned securities. In addition to the collateral held by FIG, FIG also benefits from a borrower default indemnity provided by the BNY Lending Agent. The BNY Lending Agent's indemnity provides for the replacement of a number of securities equal to the number of unreturned loaned securities.

Promoter

First Asset took the initiative in founding and organizing the First Asset ETFs and accordingly, First Asset is the promoter of the First Asset ETFs within the meaning of securities legislation of certain provinces and territories of Canada.

Accounting and Reporting

A First Asset ETF's fiscal year will be the calendar year or such other fiscal period permitted under the Tax Act as that First Asset ETF elects. The annual financial statements of a First Asset ETF shall be audited by that First Asset ETF's auditors in accordance with Canadian generally accepted auditing standards. The auditors will be asked to report on the fair presentation of the annual financial statements in accordance with IFRS. The Manager will arrange for a First Asset ETF's compliance with all applicable reporting and administrative requirements.

The Manager will keep, or arrange for the keeping of, adequate books and records reflecting the activities of a First Asset ETF. A Unitholder or his or her duly authorized representative will have the right to examine the books and records of a First Asset ETF during normal business hours at the offices of the Manager or such other location as the Manager shall determine. Notwithstanding the foregoing, a Unitholder shall not have access to any information that, in the opinion of the Manager, should be kept confidential in the interests of a First Asset ETF.

CALCULATION OF NET ASSET VALUE

The net asset value per Unit of a First Asset ETF will be computed by adding up the cash, securities and other assets of the First Asset ETF, less the liabilities, and dividing the value of the net assets by the total number of Units that are outstanding. The net asset value per Unit of a First Asset ETF so determined will be adjusted to the nearest cent per Unit and will remain in effect until the time as at which the next determination of the net asset value per Unit of the First Asset ETF is made. The net asset value per Unit of a First Asset ETF will be calculated on each Valuation Day.

Typically, the net asset value per Unit of a First Asset ETF will be calculated at its applicable Valuation Time. The net asset value per Unit of a First Asset ETF may be determined at an earlier Valuation Time if the TSX and/or the principal exchange for the securities held by the First Asset ETF closes earlier on that Valuation Day.

Valuation Policies and Procedures of the First Asset ETFs

The Manager will use the following valuation procedures in determining the net asset value of each First Asset ETF on each Valuation Day:

1. The value of any cash on hand, on deposit or on call, bills and notes and accounts receivable, prepaid expenses, cash dividends to be received and interest accrued and not yet received, will be deemed to be the

face amount thereof, unless the Manager determines that any such deposit, call loan, bill, note or account receivable is not worth the face amount thereof, in which event the value thereof will be deemed to be such value as the Manager determines, on such basis and in such manner as may be approved by the board of directors of the Manager to be the reasonable value thereof.

2. The value of any security, commodity or interest therein which is listed or dealt in upon a stock exchange will be determined by:

    (a) in the case of securities which were traded on that Valuation Day, the close price of such securities as determined at the applicable Valuation Time; and

    (b) in the case of securities not traded on that Valuation Day, a price estimated to be the fair value thereof by the Manager on such basis and in such manner as may be approved of by the board of directors of the Manager, such price being between the closing asked and bid prices for the securities or interest therein as reported by any report in common use or authorized as official by a stock exchange.

3. Long positions in clearing corporation options, options on futures, over-the-counter options, debt-like securities and listed warrants will be valued at the current market value thereof. Where a covered clearing corporation option, option on futures or over-the-counter option is written, the premium received shall be reflected as a deferred credit which shall be valued at an amount equal to the current market value of the clearing corporation option, option on futures or over-the-counter option that would have the effect of closing the position. Any difference resulting from any revaluation shall be treated as an unrealized gain or loss on investment. The deferred credit shall be added in arriving at the net asset value of such instrument. The securities, if any, which are the subject of a written clearing corporation option or over-the-counter option shall be valued at the current market value. The value of a future contract or a swap or forward contract shall be the gain or loss with respect thereto that will be realized if, on that Valuation Day, the position in the futures contract, or the forward contract, as the case may be, were to be closed out unless "daily limits" are in effect, in which case fair value shall be based on the current market value of the underlying interest. Margin paid or deposited in respect of futures contracts, forward contracts and swaps shall be reflected as an account receivable and margin consisting of assets other than cash shall be noted as held as margin.

4. In the case of any security or property for which no price quotations are available as provided above, the value thereof will be determined from time to time by the Manager, where applicable, in accordance with the principles described in paragraph 2(b) above, except that the Manager may use, for the purpose of determining the sale price or the ask and bid price of such security or interest, any public quotations in common use which may be available, or where such principles are not applicable, in such manner as may be approved of by the board of directors of the Manager.

5. The liabilities of a First Asset ETF may include:

    - all bills, notes and accounts payable of which the First Asset ETF is an obligor;
    - all brokerage expenses of the First Asset ETF;
    - all Management Fees of the First Asset ETF;
    - all contractual obligations of the First Asset ETF for the payment of money or property, including the amount of any unpaid distribution credited to Unitholders of the First Asset ETF on or before that Valuation Day;
    - all derivative liability from the written options of the First Asset ETF;
    - all allowances of the First Asset ETF authorized or approved by the Manager for taxes (if any) or contingencies; and
    - all other liabilities of the First Asset ETF of whatsoever kind and nature.

6. Each transaction of purchase or sale of a portfolio asset effected by a First Asset ETF shall be reflected by no later than the next time that the net asset value of the First Asset ETF and the net asset value per Unit of the First Asset ETF is calculated.

Prior to the calculation of the net asset value of a First Asset ETF, any foreign currency assets and liabilities of the First Asset ETF will be translated into Canadian currency at the prevailing rate of exchange, as determined by the Manager, on the applicable Valuation Day.

In calculating the net asset value of a First Asset ETF, the First Asset ETF will generally value its investments based on the market value of its investments at the time the net asset value of the First Asset ETF is calculated. If no market value is available for an investment of the First Asset ETF or if the Manager determines that such value is inappropriate in the circumstances (i.e., when the value of an investment of the First Asset ETF has been materially changed by effects occurring after the market closes), the Manager will value such investments using methods that have generally been adopted by the marketplace. Fair valuing the investments of a First Asset ETF may be appropriate if: (i) market quotations do not accurately reflect the fair value of an investment; (ii) an investment's value has been materially affected by events occurring after the close of the exchange or market on which the investment is principally traded; (iii) a trading halt closes an exchange or market early; or (iv) other events result in an exchange or market delaying its normal close. The risk in fair valuing an investment of a First Asset ETF is that the value of the investment may be higher or lower than the price that the First Asset ETF may be able to realize if the investment had to be sold.

Reporting of Net Asset Value

Following the Valuation Time on the Valuation Day, the most recent net asset value or net asset value per Unit of a First Asset ETF will be made available to persons or companies, at no cost, by calling the Manager at 416-642-1289 or toll free 1-877-642-1289, or checking the First Asset ETF's website at www.firstasset.com.

ATTRIBUTES OF THE SECURITIES

Description of the Securities Distributed

Each First Asset ETF is authorized to issue an unlimited number of redeemable, transferable Units of each of the Units, each of which represents an undivided interest in the net assets of that First Asset ETF, pursuant to this prospectus.

On December 16, 2004, the *Trust Beneficiaries' Liability Act*, 2004 (Ontario) came into force. This statute provides that holders of units of a trust are not, as beneficiaries, liable for any default, obligation or liability of the trust if, when the default occurs or the liability arises: (i) the trust is a reporting issuer under the *Securities Act (*Ontario); and (ii) the trust is governed by the laws of Ontario. Each First Asset ETF is or will be a reporting issuer under the *Securities Act* (Ontario) prior to the initial issuance of Units of each such First Asset ETF and each First Asset ETF is governed by the laws of Ontario by virtue of the provisions of the Declaration of Trust.

Each Unit of a First Asset ETF entitles the owner to one vote at meetings of Unitholders of the First Asset ETF. Each Unit of a First Asset ETF is entitled to participate equally with all other Units of the First Asset ETF with respect to all payments made to Unitholders, other than Management Fee Distributions, including distributions of net income and net realized capital gains and, on liquidation, to participate equally in the net assets of the First Asset ETF remaining after satisfaction of any outstanding liabilities that are attributable to Units of the First Asset ETF. Notwithstanding the foregoing, pursuant to the Declaration of Trust, a First Asset ETF may allocate and designate as payable any capital gains realized by the First Asset ETF as a result of any disposition of property of the First Asset ETF undertaken to permit or facilitate the redemption or exchange of Units of the First Asset ETF to a Unitholder whose Units of the First Asset ETF are being redeemed or exchanged. All Units of a First Asset ETF will be fully paid and non-assessable, with no liability for future assessments, when issued and will not be transferable except by operation of law. Unitholders of a First Asset ETF are entitled to require the First Asset ETF to redeem their Units of the First Asset ETF as outlined under the heading "Exchange and Redemption of Units".

Exchange of Units for Baskets of Securities

Unitholders may exchange the applicable PNU (or an integral multiple thereof) of a First Asset ETF on any Trading Day for Baskets of Securities and/or cash, subject to the requirement that a minimum PNU be exchanged. See "Exchange and Redemption of Units".

Redemptions of Units for Cash

On any Trading Day, Unitholders may redeem Units for cash at a redemption price per Unit equal to 95% of the closing price for the Units on the TSX on the effective day of the redemption. See "Exchange and Redemption of Units".

Modification of Terms

Any amendment to the Declaration of Trust that creates a new class of Units of a First Asset ETF will not require notice to existing Unitholders of the First Asset ETF unless such amendment in some way affects the existing Unitholders' rights or the value of their investment. An amendment such as the re-designation of a class of Units of a First Asset ETF, or the termination of a class of Units of the First Asset ETF, which has an effect on a Unitholder's holdings will only become effective after 30 days' notice to Unitholders of the applicable classes of Units of the First Asset ETF.

All other rights attached to the Units of a First Asset ETF may only be modified, amended or varied in accordance with the terms of the Declaration of Trust. See "Unitholder Matters — Amendments to the Declaration of Trust".

Voting Rights in the Portfolio Securities

Unitholders will not have any voting rights in respect of the securities in a First Asset ETF's portfolio.

UNITHOLDER MATTERS

Meetings of Unitholders

Meetings of Unitholders of a First Asset ETF will be held if called by the Manager or upon the written request to the Manager of Unitholders of the First Asset ETF holding not less than 25% of the then outstanding Units of the First Asset ETF.

Matters Requiring Unitholder Approval

NI 81-102 requires a meeting of Unitholders of a First Asset ETF to be called to approve certain changes as follows:

(i) the basis of the calculation of a fee or expense that is charged to the First Asset ETF or its Unitholders is changed in a way that could result in an increase in charges to the First Asset ETF or to its Unitholders, except where:

  (A) the First Asset ETF is at arm's length with the person or company charging the fee; and

  (B) the Unitholders have received at least 60 days' notice before the effective date of the change;

(ii) a fee or expense, to be charged to a First Asset ETF or directly to its Unitholders by the First Asset ETF or the Manager in connection with the holding of Units of the First Asset ETF that could result in an increase in charges to the First Asset ETF or its Unitholders, is introduced;

(iii) the Manager is changed, unless the new manager of the First Asset ETF is an affiliate of the Manager;

(iv) the fundamental investment objective of the First Asset ETF is changed;

(v) the First Asset ETF decreases the frequency of the calculation of its net asset value per Unit;

(vi) other than a Permitted Merger for which Unitholder approval is not required, the First Asset ETF undertakes a reorganization with, or transfers its assets to, another mutual fund, if the First Asset ETF ceases to continue after the reorganization or transfer of assets and the transaction results in the Unitholders of the First Asset ETF becoming securityholders in the other mutual fund;

(vii) the First Asset ETF undertakes a reorganization with, or acquires assets from, another mutual fund, if the First Asset ETF continues after the reorganization or acquisition of assets, the transaction results in the securityholders of the other mutual fund becoming Unitholders, and the transaction would be a material change to the First Asset ETF; or

(viii) any matter which is required by the constitutive documents of the First Asset ETF; by the laws applicable to the First Asset ETF or by any agreement to be submitted to a vote of the Unitholders.

In addition, the auditors of a First Asset ETF may not be changed unless:

(i) the IRC of the First Asset ETF has approved the change; and

(ii) Unitholders have received at least 60 days' notice before the effective date of the change.

Approval of Unitholders will be deemed to have been given if expressed by resolution passed at a meeting of Unitholders, duly called on at least 21 days' notice and held for the purpose of considering the same, by at least a majority of the votes cast.

Amendments to the Declaration of Trust

If a Unitholder meeting is required to amend a provision of the Declaration of Trust, no change proposed at a meeting of Unitholders of a First Asset ETF shall take effect until the Manager has obtained the prior approval of not less than a majority of the votes cast at such meeting of Unitholders of the First Asset ETF or, if separate class meetings are required, at meetings of each class of Unitholders of the First Asset ETF.

Subject to any longer notice requirements imposed under securities legislation, the Trustee is entitled to amend the Declaration of Trust by giving not less than 30 days' notice to Unitholders of each First Asset ETF affected by the proposed amendment in circumstances where:

(a) the securities legislation requires that written notice be given to Unitholders of that First Asset ETF before the change takes effect;

(b) the change would not be prohibited by the securities legislation; or

(c) the Trustee reasonably believes that the proposed amendment has the potential to adversely impact the financial interests or rights of the Unitholders of that First Asset ETF, so that it is equitable to give Unitholders of that First Asset ETF advance notice of the proposed change.

All Unitholders of a First Asset ETF shall be bound by an amendment affecting the First Asset ETF from the effective date of the amendment.

The Trustee may amend the Declaration of Trust, without the approval of or prior notice to any Unitholders, if the Trustee reasonably believes that the proposed amendment does not have the potential to adversely impact the financial interests or rights of Unitholders of a First Asset ETF or that the proposed amendment is necessary to:

(a) ensure compliance with applicable laws, regulations or policies of any governmental authority having jurisdiction over a First Asset ETF or the distribution of its Units;

(b) remove any conflicts or other inconsistencies which may exist between any terms of the Declaration of Trust and any provisions of any applicable laws, regulations or policies affecting a First Asset ETF, the Trustee or its agents;

(c) make any change or correction in the Declaration of Trust which is a typographical correction or is required to cure or correct any ambiguity or defective or inconsistent provision, clerical omission or error contained therein;

(d) facilitate the administration of a First Asset ETF as a mutual fund trust or make amendments or adjustments in response to any existing or proposed amendments to the Tax Act or its administration which might otherwise adversely affect the tax status of a First Asset ETF or its Unitholders;

(e) protect the Unitholders of a First Asset ETF; or

(f) make any change or correction which is necessary or desirable for the purpose of bringing the Declaration of Trust into conformity with current market practice within the securities or investment fund industries or curing or correcting any administrative difficulty.

Permitted Mergers

A First Asset ETF may, without Unitholders' approval, enter into a merger or other similar transaction which has the effect of combining the funds or their assets (a "**Permitted Merger**") with any other investment fund or funds that have investment objectives that are similar to the applicable First Asset ETF's portfolio, subject to:

(a) approval of the merger by the First Asset ETF's IRC in accordance with NI 81-107;

(b) the First Asset ETF being reorganized with, or its assets being transferred to, another mutual fund to which NI 81-102 and NI 81-107 apply, and that is managed by the Manager, or an affiliate of the Manager;

(c) compliance with certain other requirements of applicable securities legislation; and

(d) Unitholders have received at least 60 days' notice which notice may be by way of press release, before the effective date of the Permitted Merger.

In connection with a Permitted Merger, the merging funds will be valued at their respective net asset values for the purpose of such transaction.

Reporting to Unitholders

The Manager, on behalf of a First Asset ETF, will in accordance with applicable laws furnish to each Unitholder, unaudited semi-annual financial statements and an interim management report of fund performance for the First Asset ETF within 60 days' of the end of each semi-annual period and audited annual financial statements and an annual management report of fund performance for the First Asset ETF within 90 days of the end of each financial year. Both the semi-annual and the annual financial statements of each First Asset ETF will contain a statement of financial position, a statement of comprehensive income, a statement of changes in equity, a statement of cashflows and a statement of investment portfolio.

Any tax information necessary for Unitholders to prepare their annual federal income tax returns will also be distributed to them within 90 days after the end of each taxation year of the First Asset ETFs. Neither the Manager nor the Registrar and Transfer Agent are responsible for tracking the adjusted cost base of a Unitholder's Units. Unitholders should consult with their tax or investment adviser in respect of how to compute the adjusted cost base of their Units and in particular how designations made by the First Asset ETF to a Unitholder affect the Unitholder's tax position.

The net asset value per Unit of each First Asset ETF will be determined by the Manager on each Valuation Day and will usually be published daily in the financial press.

TERMINATION OF THE FIRST ASSET ETFs

Subject to complying with applicable securities law, the Manager may terminate a First Asset ETF at its discretion. In accordance with the terms of the Declaration of Trust and applicable securities law, Unitholders of a First Asset ETF will be provided 60 days advance written notice of the termination.

If a First Asset ETF is terminated, the Trustee is empowered to take all steps necessary to effect the termination of the First Asset ETF. Prior to terminating a First Asset ETF, the Trustee may discharge all of the liabilities of the First Asset ETF and distribute the net assets of the First Asset ETF to the Unitholders of the First Asset ETF.

Upon termination of a First Asset ETF, each Unitholder of the First Asset ETF shall be entitled to receive at the Valuation Time on the termination date out of the assets of the First Asset ETF: (i) payment for that Unitholder's Units at the net asset value per Unit of the First Asset ETF determined at the Valuation Time on the termination date; plus (ii) where applicable, any net income and net realized capital gains that are owing to or otherwise attributable to such Unitholder's Units that have not otherwise been paid to such Unitholder; less (iii) any applicable redemption charges and any taxes that are required to be deducted. Payment shall be made by cheque or other means of payment payable to such Unitholder and drawn on the First Asset ETF's bankers and may be mailed by ordinary post to such Unitholder's last address appearing in the registers of Unitholders of that First Asset ETF or may be delivered by such other means of delivery acceptable to both the Manager and such Unitholder.

Procedure on Termination

The Trustee shall be entitled to retain out of any assets of a First Asset ETF, at the date of termination of the First Asset ETF, full provision for all costs, charges, expenses, claims and demands incurred or believed by the Trustee to be due or to become due in connection with or arising out of the termination of the First Asset ETF and the distribution of its assets to the Unitholders of the First Asset ETF. Out of the moneys so retained, the Trustee is entitled to be indemnified and saved harmless against all costs, charges, expenses, claims and demands.

PLAN OF DISTRIBUTION

Units of each First Asset ETF are being offered for sale on a continuous basis by this prospectus and there is no maximum number of Units of a First Asset ETF that may be issued. The Units of a First Asset ETF shall be offered for sale at a price equal to the net asset value of Units determined at the Valuation Time on the effective date of the subscription order.

The Units of each First Asset ETF are currently listed on the TSX and investors can buy or sell such Units on the TSX through registered brokers and dealers in the province or territory where the investor resides. Investors may incur customary brokerage commissions in buying or selling Units of the First Asset ETFs. No fees are paid by investors to the Manager or any First Asset ETF in connection with buying or selling of Units on the TSX.

Non-Resident Unitholders

At no time may (i) non-residents of Canada, (ii) partnerships that are not Canadian partnerships or (iii) a combination of non-residents of Canada and such partnerships (all as defined in the Tax Act) be the beneficial owners of a majority of the Units of a First Asset ETF (on either a number of Units or fair market value basis) and the Manager shall inform the Registrar and Transfer Agent of the First Asset ETF of this restriction. The Manager may require declarations as to the jurisdictions in which a beneficial owner of Units is resident and, if a partnership, its status as a Canadian partnership. If the Manager becomes aware, as a result of requiring such declarations as to beneficial ownership or otherwise, that the beneficial owners of 40% of the Units of a First Asset ETF then outstanding (on either a number of Units or fair market value basis) are, or may be, non-residents and/or partnerships that are not Canadian partnerships, or that such a situation is imminent, the Manager may make a public announcement thereof. If the Manager determines that more than 40% of the Units of a First Asset ETF (on either a number of Units or fair market value basis) are beneficially held by non-residents and/or partnerships that are not Canadian partnerships, the Manager may send a notice to such non-residents and/or partnerships, chosen in inverse order to the order of acquisition or in such manner as the Manager may consider equitable and practicable, requiring them to sell their Units or a portion thereof within a specified period of not less than 30 days. If the Unitholders receiving such notice have not sold the specified number of Units or provided the Manager with satisfactory evidence that they are not non-residents or partnerships other than Canadian partnerships within such period, the Manager may on behalf of such Unitholders sell such Units and, in the interim, shall suspend the voting and distribution rights attached to such Units. Upon such sale, the affected holders shall cease to be beneficial holders of Units and their rights shall be limited to receiving the net proceeds of sale of such Units.

Notwithstanding the foregoing, the Manager may determine not to take any of the actions described above if the Manager has been advised by legal counsel that the failure to take any of such actions would not adversely impact the status of a First Asset ETF as a mutual fund trust for purposes of the Tax Act or, alternatively, may take such other action or actions as may be necessary to maintain the status of the First Asset ETF as a mutual fund trust for purposes of the Tax Act.

RELATIONSHIP BETWEEN THE FIRST ASSET ETFs AND THE DEALERS

The Manager, on behalf of a First Asset ETF, may enter into various Dealer Agreements with registered dealers (that may or may not be Designated Brokers) pursuant to which the Dealers may subscribe for Units of the First Asset ETF as described under “Purchases of Units”. Such registered dealers may be related to the Manager. See “Organization and Management Details of the First Asset ETFs - Conflicts of Interest”.

A Dealer Agreement may be terminated by the registered dealer at any time by notice to First Asset, provided that, except in certain conditions, no such termination will be permitted after the registered dealer has subscribed for Units of the First Asset ETF and such subscription has been accepted by First Asset.

No Designated Broker or Dealer has been involved in the preparation of this prospectus, nor has it performed any review of the contents of this prospectus. The applicable Designated Broker and Dealers do not act as underwriters of any First Asset ETF in connection with the distribution of Units under this prospectus. See “Organization and Management Details of the First Asset ETFs - Conflicts of Interest”.

PRINCIPAL HOLDERS OF UNITS

CDS & Co., the nominee of CDS, is the registered owner of the Units of each of the First Asset ETFs, which it holds for various brokers and other persons on behalf of their clients and others. From time to time, a First Asset ETF or another investment fund managed by the Manager or an affiliate thereof, may beneficially own, directly or indirectly, more than 10% of the Units of a First Asset ETF.

PROXY VOTING DISCLOSURE FOR PORTFOLIO SECURITIES HELD

The First Asset ETF’s proxy voting record for the annual period from July 1 to June 30 will be available at any time after August 31 following the end of that annual period, to any Unitholder on request, at no cost, and will also be available on the internet at www.firstasset.com. Information contained on the First Asset ETF’s website is not part of this prospectus and is not incorporated herein by reference.

First Asset’s Proxy Voting Policies

The proxies associated with the portfolio securities held by FDV, FAI, RIT and FLI will be voted by First Asset in accordance with its proxy voting policy. The objective in voting is to support proposals and director nominees that maximize the value of the investments made by a First Asset ETF – and those of its Unitholders – over the long term. In evaluating proxy proposals, information from many sources will be considered, including management or shareholders of a company presenting a proposal and independent proxy research services. Substantial weight will be given to the recommendations of a company’s board, absent guidelines or other specific facts that would support a vote against management. First Asset has developed guidelines that address the following circumstances: election of directors; contested director elections; classified boards; director/officer indemnification; director ownership; approval of independent auditors; stock based compensation plans; bonus plans; employee stock purchase plans; executive severance agreements; shareholder rights plans; defences; cumulative voting; voting requirements matters related to shareholder meetings, among others.

While serving as a framework, the proxy voting policy cannot contemplate all possible proposals with which the First Asset ETFs may be presented. For non-routine matters, in the absence of a specific guideline for a particular proposal (e.g., in the case of a transactional issue or contested proxy), First Asset will evaluate the issue on a case by case basis and cast a First Asset ETF’s vote in a manner that, in the Manager’s view, will maximize the value of such First Asset ETF’s investment. First Asset may depart from the proxy voting policy in order to avoid voting decisions that may be contrary to the best interests of the First Asset ETFs. The proxy voting policy includes procedures intended to ensure that proxies associated with portfolio securities of a First Asset ETF are received and voted by the Manager on behalf of the First Asset ETF in accordance with the proxy voting policy.

The current proxy voting policy and procedures of the Manager are available to Unitholders on request, at no cost, by calling 416-642-1289 or toll-free 1-877-642-1289, or by emailing info@firstasset.com.

Signature Global Asset Management's Proxy Voting Policy

The proxies associated with the portfolio securities held by FHB will be voted by the Signature Global Asset Management in accordance with the Signature Global Asset Management's proxy voting policy. Signature Global Asset Management is responsible for completing and executing all corporate actions including the voting of proxies on behalf of FHB. Signature Global Asset Management will generally support the management of companies in which they invest, and will accord proper weight to the positions of a company's board of directors. Therefore, in most circumstances, votes will be cast in accordance with the recommendations of the company's board of directors. Signature Global Asset Management is responsible for maintaining records of all proxies voted.

While serving as a framework, the proxy voting policy cannot contemplate all possible proposals with which FHB may be presented. For non-routine matters, in the absence of a specific guideline for a particular proposal (e.g., in the case of a transactional issue or contested proxy), Signature Global Asset Management will evaluate the issue on a case by case basis and cast FHB's vote in a manner that, in Signature Global Asset Management's view, will maximize the value of FHB's investment.

Any conflicts of interests which may arise in connection with the voting of proxies must be reported immediately to Signature Global Asset Management's chief compliance officer and the Manager's chief compliance officer, and if necessary, referred to the Independent Review Committee. The proxy voting policy includes procedures intended to ensure that proxies associated with portfolio securities of FHB are received and voted by Signature Global Asset Management on behalf of FHB in accordance with the proxy voting policy. Proxies must be voted in a timely manner and in the best interests of clients.

The current proxy voting policy and procedures of Signature Global Asset Management are available to Unitholders on request, at no cost, by calling 416-642-1289 or toll-free 1-877-642-1289, or by emailing info@firstasset.com.

Marret Asset Management Inc's Proxy Voting Policy

The proxies associated with the portfolio securities held by FIG will be voted by Marret Asset Management Inc. in accordance with Marret Asset Management Inc.'s proxy voting policy and guidelines, which has been designed to provide general guidance, in compliance with the applicable legislation, for the voting of proxies. Marret Asset Management Inc. is responsible for completing and executing all corporate actions including the voting of proxies on behalf of FIG. Marret Asset Management Inc. will vote all proxies in the best interests of the unitholders of FIG, as determined solely by Marret Asset Management Inc. and subject to the Marret Asset Management Inc's proxy voting policy and applicable legislation.

The proxy voting policy sets out the voting procedures to be followed in voting routine and non-routine matters, together with general guidelines suggesting a process to be followed in determining how and whether to vote proxies. Although the proxy voting policy allows for the creation of a standing policy for voting on certain routine matters, each routine and non-routine matter must be assessed on a case-by-case basis to determine whether the applicable standing policy or the general proxy voting policy should be followed. Marret Asset Management Inc. will evaluate the issue on a case-by-case basis and cast FIG's vote in a manner that, in Marret Asset Management Inc's view, will maximize the value of FIG's investment. The proxy voting policy also addresses situations in which Marret Asset Management Inc. may not be able to vote, or where the costs of voting outweigh the benefits.

Any conflicts of interests which may arise in connection with the voting of proxies must be reported immediately to Marret Asset Management Inc's chief compliance officer and the Manager's chief compliance officer, and if necessary, referred to the Independent Review Committee. The proxy voting policy includes procedures intended to ensure that proxies associated with portfolio securities of FIG are received and voted by Marret Asset Management Inc. on behalf of FIG in accordance with the proxy voting policy. Proxies must be voted in a timely manner and in the best interests of clients.

The current proxy voting policy and procedures of Marret Asset Management Inc. are available to Unitholders on request, at no cost, by calling collect 416-214-5800, or by writing to Marret Asset Management Inc. at 2 Queen Street East, 20th Floor, Toronto, Ontario M5C 3G7.

MATERIAL CONTRACTS

The only contracts material to the First Asset ETFs are the:

(a) **Declaration of Trust.** For additional disclosure related to the Declaration of Trust, see "Organization and Management Details of the First Asset ETF – The Trustee", "Attributes of Securities – Modification of Terms", and "Unitholder Matters – Amendments to the Declaration of Trust";

(b) **SSTC Custody Agreement (other than in respect of FIG).** For additional disclosure related to the SSTC Custody Agreement, see "Organization and Management Details of the First Asset ETF – Custodians";

(c) **CMT Custody Agreement (in respect of FIG).** For additional disclosure related to the CMT Custody Agreement, see "Organization and Management Details of the First Asset ETF – Custodians";

(d) **Investment Advisory Agreement between (in respect of FHB and FIG).** For additional disclosure related to the applicable investment advisory agreements, see "Organization and Management Details of the First Asset ETFs".

Copies of these agreements may be examined at the head office of the Manager at 2 Queen Street East, 12th Floor, Toronto, Ontario M5C 3G7.

LEGAL AND ADMINISTRATIVE PROCEEDINGS

The First Asset ETFs are not involved in any legal proceedings, nor is the Manager aware of existing or pending legal or arbitration proceedings involving the First Asset ETFs.

EXPERTS

Ernst & Young LLP, the auditors of the First Asset ETFs, has consented to the use of their reports dated March 27, 2017 to the securityholders of each of the First Asset ETFs, on the statements of financial position as at December 31, 2016 and 2015 (if applicable), and the statements of comprehensive income, changes in net assets attributable to holders of redeemable securities and cash flows for the applicable years then ended (if applicable), and a summary of significant accounting policies and other explanatory information. Ernst & Young LLP has confirmed that they are independent with respect to the First Asset ETFs within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario.

EXEMPTIONS AND APPROVALS

The First Asset ETFs will rely on exemptive relief from the Canadian securities regulatory authorities:

(a) to permit a Unitholder to acquire more than 20% of the Units through purchases on the TSX without regard to the takeover bid requirements of applicable Canadian securities legislation provided the Unitholder, and any person acting jointly or in concert with such Unitholder, undertakes to the Manager not to vote more than 20% of the Units at any meeting of Unitholders. See "Purchases of Units – Buying and Selling Units";

(b) to relieve the First Asset ETFs from the requirement that a prospectus contain a certificate of the underwriters;

(c) to relieve the First Asset ETFs from the requirement to include in an ETF's prospectus the statement respecting purchasers' statutory rights of withdrawal and remedies of rescission or damages in substantially the form prescribed in item 36.2 of Form 41- 101F2 – *Information Required in an Investment Fund Prospectus*;

(d) to permit FLI to purchase certain securities such that, immediately after the transaction, more than 10 percent of its net assets would be invested in the securities of one issuer for the purposes of determining compliance with the concentration restriction in subsection 2.1(1) of NI 81-102, subject to certain conditions;

(e) to permit FLI to present performance data provided it presents past performance data for the period when it existed prior to its conversion to an exchange trade fund.; and

(f) to permit a First Asset ETF to: (i) invest more than 10 percent of its net asset value in securities of any exchange traded mutual fund that is not an index participation unit and is established and managed by the Manager, or an affiliate or associate of the Manager (each an "Underlying ETF"); (ii) hold securities representing more than 10 percent of the voting or equity securities of any Underlying ETF; and (iii) pay brokerage commissions in relation to its purchase and sale of securities of an Underlying ETF.

(g) to permit a First Asset ETF to use references to Lipper Leader ratings and Lipper Awards in sales communications;

(h) to permit the disclosure and marketing of annual FundGrade A+ Awards and monthly FundGrade Ratings;

(i) to relieve a First Asset ETF from the requirement contained in paragraph 12.2(2)(a) of National Instrument 81-106 *Investment Fund Continuous Disclosure* ("**NI 81-106**") for a person or company that solicits proxies, by or on behalf of management of the First Asset ETF, to send an information circular to each registered holder of securities of a First Asset ETF whose proxy is solicited, and instead allow a First Asset ETF to send a Notice-and-Access Document (as defined in the exemptive relief decision) using the Notice-and-Access Procedure (as defined in the exemptive relief decision); and

(j) to permit the Manager to call meetings of the First Asset ETFs using the Notice-and-Access procedure as permitted by the terms of relief.

Additionally, certain dealers of the First Asset ETFs, including the Designated Brokers and Dealers of the First Asset ETFs, have received exemptive relief from the Canadian securities regulatory authorities from the requirement that a dealer, not acting as agent of the purchaser, who receives an order or subscription for a security offered in a distribution to which the prospectus requirement of the securities legislation of the provinces and territories apply, send or deliver to the purchaser or its agent, unless the dealer has previously done so, the latest prospectus and any amendment either before entering into an agreement of purchase and sale resulting from the order or subscription, or not later than midnight on the second business day after entering into that agreement. As a condition of this exemptive relief, the dealer is required to deliver a copy of the ETF Summary Document of the applicable First Asset ETF to a purchaser if the dealer does not deliver a copy of this prospectus.

OTHER MATERIAL FACTS

International Information Reporting

Pursuant to the Canada-United States Enhanced Tax Information Exchange Agreement entered into between Canada and the United States on February 5, 2014 (the "**IGA**") and related Canadian legislation in the Tax Act, the dealers through which Unitholders hold their Units are required to report certain information with respect to Unitholders who are U.S. residents or U.S. citizens (including U.S. citizens who are residents and/or citizens of Canada), and certain other "U.S. Persons" as defined under the IGA (excluding Plans, as defined above under "Income Tax Considerations – Status of the First Asset ETFs"), to the CRA. The CRA is expected to provide the information to the U.S. Internal Revenue Service.

Pursuant to the provisions of the Tax Act that implement the Organization for Economic Co-operation and Development Common Reporting Standard (the "**CRS Provisions**"), "Canadian financial institutions" (as defined in the CRS Provisions) would be required to have procedures in place to identify accounts held by residents of foreign countries (other than the U.S.) or by certain entities the "controlling persons" of which are resident in a foreign country (other than the U.S.) and to report required information to the CRA. Such information would be exchanged on a reciprocal, bilateral basis with the countries in which the account holders or such controlling persons are resident, where such countries have agreed to a bilateral information exchange with Canada under the Common Reporting Standard.

Under the CRS Provisions, after June 30, 2017, Unitholders may be required to provide certain information regarding their investment in a First Asset ETF to any applicable Canada financial institution (for instance by completing a Declaration of Tax Residence or similar form) for the purpose of complying with the CRS Provisions and, where applicable, such information exchange (which information exchange is initially required to be provided to the CRA by May 1, 2018), unless the investment is held within the Plans.

Management of the First Asset ETFs

First Asset may, at any time and without seeking Unitholder approval, assign the Declaration of Trust to an affiliate.

PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase mutual fund securities offered in a distribution within two (2) business days after receipt of a prospectus and any amendment. In addition, securities legislation in certain of the provinces of Canada provides purchasers of mutual fund securities with a limited right to rescind the purchase within 48 hours after receipt of a confirmation of such purchase. If the purchase of mutual fund securities is made under a contractual plan, the time period during which the right to rescind is exercisable may be longer. In most of the provinces and territories of Canada, the securities legislation further provides a purchaser with remedies for rescission or damages, or, in Québec, revision of the price, if the prospectus and any amendment is not delivered to the purchaser, provided that the remedies for rescission, damages or revision of the price are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory.

Notwithstanding the foregoing, purchasers of Units of a First Asset ETF will not have the right to withdraw from an agreement to purchase the Units after the receipt of a prospectus and any amendment, and will not have remedies for rescission, damages or revision of the price for non-delivery of the prospectus or any amendment, if the dealer receiving the purchase order has obtained an exemption from the prospectus delivery requirement under a decision pursuant to National Policy 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions* (**NP 11-203**). However, purchasers of Units of a First Asset ETF will, in the applicable provinces of Canada, retain their right under securities legislation to rescind their purchase within 48 hours (or, if purchasing under a contractual plan, such longer time period as applicable) after the receipt of a confirmation of purchase.

In several of the provinces and territories of Canada, the securities legislation further provides a purchaser with remedies for rescission or damages if the prospectus, together with any amendment to the prospectus, contains a misrepresentation, provided that such remedies are exercised by the purchaser within the time limits prescribed by the securities legislation of the purchaser's province or territory. Any remedies under securities legislation that a purchaser of Units may have for rescission or damages, if the prospectus and any amendment to the prospectus contain a misrepresentation, remain unaffected by the non-delivery of the prospectus pursuant to reliance by a dealer upon the decision referred to above.

However, the Manager has obtained exemptive relief from the requirement in securities legislation to include an underwriter's certificate in the prospectus under a decision pursuant to NP 11-203. As such, purchasers of Units of a First Asset ETF will not be able to rely on the inclusion of an underwriter's certificate in the prospectus or any amendment for the statutory rights and remedies that would otherwise have been available against an underwriter that would have been required to sign an underwriter's certificate.

Purchasers should refer to the applicable provisions of the securities legislation and the decisions referred to above for the particulars of their rights or consult with a legal advisor.

DOCUMENTS INCORPORATED BY REFERENCE

Additional information about each of the First Asset ETFs is, or will be, available in the following documents:

(a) the most recently filed comparative annual financial statements of the First Asset ETFs, together with the accompanying reports of the auditor;

(b) any interim financial statements of the First Asset ETFs filed after those annual financial statements;

(c) the most recently filed annual management reports of fund performance of the First Asset ETFs;

(d) any interim management reports of fund performance of the First Asset ETFs filed after that most recently filed annual management reports of fund performance of the First Asset ETFs; and

(e) the most recently filed ETF Summary Documents of the First Asset ETFs.

These documents are or will be incorporated by reference into this prospectus, which means that they legally form part of this document just as if they were printed as part of this document. You can obtain a copy of these documents, at your request, and at no cost, by calling: 416-642-1289 or toll-free 1-877-642-1289 or by contacting your dealer. These documents are available on the First Asset ETF's website at www.firstasset.com. These documents and other information about the First Asset ETFs will also be available on the internet at www.sedar.com.

In addition to the documents listed above, any documents of the type described above that are filed on behalf of the First Asset ETFs after the date of this prospectus and before the termination of the distribution of the First Asset ETFs are deemed to be incorporated by reference into this prospectus.

CERTIFICATE OF THE FIRST ASSET ETFS, THE MANAGER AND PROMOTER

Dated: July 17, 2017

This prospectus, dated July 17, 2017, together with the documents incorporated herein by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this amended and restated prospectus as required by the securities legislation of all of the provinces and territories of Canada.

FIRST ASSET INVESTMENT MANAGEMENT INC.,
AS MANAGER, TRUSTEE AND PROMOTER OF THE FIRST ASSET ETFS

(signed) *Rohit D. Mehta*

President of First Asset Investment Management Inc., the Manager, Trustee and Promoter of the First Asset ETFs, and on behalf of the First Asset ETFs (signed in the capacity of the Chief Executive Officer)

(signed) *Douglas J. Jamieson*

Chief Financial Officer of First Asset Investment Management Inc., the Manager, Trustee and Promoter of the First Asset ETFs, and on behalf of the First Asset ETFs

ON BEHALF OF THE BOARD OF DIRECTORS
OF FIRST ASSET INVESTMENT MANAGEMENT INC.

(signed) *Edward Kelterborn*
Director

(signed) *Rohit D. Mehta*
Director

(signed) *Douglas J. Jamieson*
Director