

A copy of this preliminary short form base shelf prospectus has been filed with the securities regulatory authorities in each of the provinces and territories of Canada but has not yet become final for the purpose of the sale of securities. Information contained in this preliminary short form base shelf prospectus may not be complete and may have to be amended. The securities may not be sold until a receipt for the short form base shelf prospectus is obtained from the securities regulatory authorities.

This short form base shelf prospectus has been filed under legislation in each of the provinces and territories of Canada that permits certain information about these securities to be determined after this prospectus has become final and that permits the omission from this prospectus of that information. The legislation requires the delivery to purchasers of a prospectus supplement containing the omitted information within a specified period of time after agreeing to purchase any of these securities.

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

Information has been incorporated by reference in this short form base shelf prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from Big Banc Split Corp. at its head office located at 130 Adelaide Street West, Suite 3100, P.O. Box 109, Toronto, Ontario M5H 3P5, or by calling 1-877-789-1517, and are also available electronically at www.sedarplus.ca.

New Issue

PRELIMINARY SHORT FORM BASE SHELF PROSPECTUS

November 5, 2025

BIG BANC SPLIT CORP.

\$100,000,000

Preferred Shares and Class A Shares

During the 25-month period that this short form base shelf prospectus, including any amendments hereto, remains effective, Big Banc Split Corp. (the “**Company**”) may from time to time offer and issue preferred shares (“**Preferred Shares**”) and class A shares (“**Class A Shares**”) in an aggregate principal amount of up to \$100,000,000. Preferred Shares and Class A Shares may be offered in such amount as may be determined in light of market conditions. The specific terms of the Preferred Shares and Class A Shares in respect of which this short form base shelf prospectus is being delivered will be set forth in one or more prospectus supplements (each a “**Prospectus Supplement**”) to be delivered to purchasers together with this short form base shelf prospectus, and may include, where applicable, the aggregate offered amount, the number of Preferred Shares and Class A Shares offered, the issue price, the dividend rate, the dividend payment dates and any terms for redemption at the option of the Company or the holder. Each such Prospectus Supplement will be incorporated by reference into this short form base shelf prospectus for the purposes of securities legislation as of the date of each such Prospectus Supplement and only for the purposes of the distribution of Preferred Shares and Class A Shares to which such Prospectus Supplement pertains.

Preferred Shares and Class A Shares are generally issued on the basis that an equal number of Preferred Shares and Class A Shares will be outstanding at all times. The Company is a mutual fund corporation incorporated under the laws of the Province of Ontario. The Company invests, on an approximately equally weighted basis, in a portfolio (the “**Portfolio**”) of equity securities (the “**Portfolio Shares**”) of the following publicly traded Canadian banks: Bank of Montreal, Canadian Imperial Bank of Commerce, National Bank of Canada, Royal Bank of Canada, The Bank of Nova Scotia and The Toronto-Dominion Bank. In order to seek to generate additional returns and enhance the Portfolio’s income, the Manager (as defined below) may write covered call options and cash covered put options in respect of some or all of the Portfolio Shares held in the Portfolio. See “*The Company – Investment Strategies*”.

The Company may sell Preferred Shares and Class A Shares to or through underwriters or dealers or directly to investors or through agents. The Prospectus Supplement relating to the Preferred Shares and Class A Shares offered by the Company will identify each person who may be deemed to be an underwriter with respect to such Preferred Shares and Class A Shares and will set forth the terms of the offering of such Preferred Shares and Class A Shares, including, to the extent applicable, the offering price, the proceeds to the Company, the underwriting commissions and any other fees, discounts or concessions to be allowed or reallocated to dealers. The sale of Preferred Shares and Class A Shares may be effected from time to time in one or more transactions at non-fixed prices pursuant to transactions that are deemed to be “at-the-market distributions” as defined in National Instrument 44-102 – *Shelf Distributions* (“**NI 44-102**”), including sales made directly on the Toronto Stock Exchange (the “**TSX**”) or other existing trading markets for the Preferred Shares and Class A Shares, and as set forth in a Prospectus Supplement for such purpose. The lead underwriter or lead agent or underwriters or agents with respect to the Preferred Shares and Class A Shares sold to or through underwriters or agents will be named in the related Prospectus Supplement. See “*Plan of Distribution*”.

Subject to applicable laws, in connection with any offering of Preferred Shares and Class A Shares, other than an “at-the-market distribution” of Preferred Shares and Class A Shares, the underwriters or agents may over-allot or effect transactions which stabilize or maintain the market price of the Preferred Shares and/or Class A Shares offered at a level above that which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time.

Sales of Preferred Shares and Class A Shares under an “at-the-market distribution”, if any, will be made pursuant to an accompanying Prospectus Supplement. Sales of Preferred Shares and Class A Shares under any “at-the-market” program will be made in transactions that are deemed to be “at-the-market distributions” as defined in NI 44-102. The volume and timing of any “at-the-market distributions” will be determined at the Company’s sole discretion.

No underwriter or agent involved in an “at-the-market distribution”, no affiliate of such underwriter or agent and no person or company acting jointly or in concert with such underwriter or agent may over-allot Preferred Shares or Class A Shares in connection with the distribution or may effect any other transactions that are intended to stabilize or maintain the market price of the Preferred Shares or Class A Shares in connection with an “at-the-market distribution”. See “*Plan of Distribution*”.

The Preferred Shares and the Class A Shares are listed on the TSX under the symbols BNK and BNK.PR.A, respectively. On October 31, 2025 the closing price on the TSX of the Preferred Shares and the Class A Shares was \$11.00 and \$16.70, respectively.

An investment in the Preferred Shares or the Class A Shares involves a degree of risk. It is important for prospective investors to consider the risk factors described in this short form base shelf prospectus. See “*Risk Factors*”.

All shelf information permitted under applicable law to be omitted from this short form base shelf prospectus will be contained in one or more Prospectus Supplements that will be delivered to purchasers together with this prospectus. Each Prospectus Supplement will be incorporated by reference into this short form base shelf prospectus for the purposes of securities legislation as of the date of the Prospectus Supplement and only for the purposes of the distribution of the Preferred Shares and Class A Shares to which the Prospectus Supplement pertains.

TABLE OF CONTENTS

GLOSSARY OF TERMS.....	1
FORWARD LOOKING STATEMENTS	5
DOCUMENTS INCORPORATED BY REFERENCE	5
THE COMPANY	7
DESCRIPTION OF THE SHARES OF THE COMPANY.....	8
DESCRIPTION OF SHARE CAPITAL	13
USE OF PROCEEDS	13
PLAN OF DISTRIBUTION.....	13
ORGANIZATION AND MANAGEMENT OF THE COMPANY	14
RISK FACTORS	15
EXCHANGE OF TAX INFORMATION	20
FEES AND EXPENSES	20
LEGAL MATTERS	21
PURCHASERS' STATUTORY RIGHTS	21
CERTIFICATE OF THE COMPANY AND THE MANAGER.....	C-1

GLOSSARY OF TERMS

In this short form base shelf prospectus, the following terms have the meanings set forth below, unless otherwise indicated. Unless otherwise indicated, all references to dollar amounts in this short form base shelf prospectus are to Canadian dollars.

“**1933 Act**” means the United States *Securities Act of 1933*, as it may be amended from time to time.

“**Annual Retraction Date**” means the second last Business Day of November of each year, other than in a year which contains a Maturity Date.

“**Auditor**” has the meaning given to such term under “*Organization and Management of the Company – Auditor*” in this short form base shelf prospectus.

“**Banks**” has the meaning given to such term under “*The Company – Investment Strategies*” in this short form base shelf prospectus.

“**Black-Scholes Model**” means a widely used option pricing model developed by Fischer Black and Myron Scholes in 1973. The model can be used to calculate the theoretical value of an option based on the current price of the underlying security, the strike price and term of the option, prevailing interest rates and the volatility of the price of the underlying security.

“**Board of Directors**” means the Company’s board of directors.

“**Business Day**” means any day on which the TSX is open for business.

“**cash equivalents**” means, and for the purposes of “cash cover” and “cash covered put option”, “cash” as used therein means:

- (a) cash on deposit at the Custodian;
- (b) an evidence of indebtedness that has a remaining term to maturity of 365 days or less and that is issued, or fully and unconditionally guaranteed as to principal and interest, by:
 - (i) any of the federal or provincial Governments of Canada;
 - (ii) the Government of the United States; or
 - (iii) a Canadian financial institution;

provided that, in the case of (ii) and (iii), such evidence of indebtedness has a rating of at least R-1 (low) by a designated rating organization as defined in NI 81-102; or

- (c) other cash cover as defined in NI 81-102.

“**CDS**” means CDS Clearing and Depository Services Inc.

“**CDS Participant**” means a participant in CDS.

“**Class A Share Retraction Price**” has the meaning given to such term under “*Description of the Shares of the Company – Certain Provisions of the Class A Shares – Retractions*” in this short form base shelf prospectus.

“**Class A Shares**” means the class A shares of the Company.

“**Class J Shares**” means the class J shares of the Company.

“**Company**” means Big Banc Split Corp., a mutual fund corporation incorporated under the laws of the Province of Ontario.

“**CRA**” has the meaning given to such term under “*Risk Factors - Taxation*” in this short form base shelf prospectus.

“**Custodial Services Agreement**” means the custodial services agreement entered into by the Company and the Custodian dated as of August 1, 2013, as amended, as it may be further amended from time to time.

“**Custodian**” means CIBC Mellon Trust Company, in its capacity as custodian under the Custodial Services Agreement, as appointed from time to time by the Company.

“**Cyber Security Incidents**” has the meaning given to such term under “*Risk Factors – Cyber Security Risk*” in this short form base shelf prospectus.

“**Extraordinary Resolution**” means a resolution passed by the affirmative vote of at least 66⅔% of the votes cast, either in person or by proxy, at a meeting of shareholders called for the purpose of approving such resolution.

“**International Information Exchange Legislation**” has the meaning given to such term under “*Exchange of Tax Information*” in this short form base shelf prospectus.

“**Investment Strategies**” means the investment guidelines of the Company described under “*The Company – Investment Strategies*” in this short form base shelf prospectus.

“**Investment Objectives**” means the investment objectives of the Company described under “*The Company – Investment Objectives*” in this short form base shelf prospectus.

“**Investment Restrictions**” means the investment restrictions of the Company, including without limitation those described under “*The Company – Investment Restrictions*” in this short form base shelf prospectus.

“**IRC**” means the independent review committee established by the Manager for the Company pursuant to NI 81-107.

“**Management Agreement**” means the management agreement dated as of June 16, 2020 between the Company and the Manager, as it may be amended from time to time.

“**Management Fee**” has the meaning given to such term under “*Fees and Expenses – Management Fee*” in this short form base shelf prospectus.

“**Manager**” means Purpose Investments Inc., in its capacity as manager of the Company, or if applicable, its successor.

“**Maturity Date**” means November 30, 2026, subject to extension for successive terms of up to three years as determined by the Board of Directors. See “*The Company – Maturity Date*” in this short form base shelf prospectus.

“**NAV per Class A Share**” means the greater of (a) NAV per Unit minus \$10.00 plus any accrued and unpaid distributions on a Preferred Share and (b) nil.

“**NAV per Unit**” means (a) if the NAV of the Company is less than or equal to the aggregate redemption price of all Preferred Shares then outstanding and any accrued and unpaid distributions thereon (the “**Preferred Share Amount**”), the NAV per Unit is calculated by dividing the NAV of the Company on such day by the number of Preferred Shares then outstanding; and (b) if the NAV of the Company is greater than the Preferred Share Amount, the NAV per Unit is calculated by (i) subtracting the Preferred Share Amount from the NAV of the Company; (ii) dividing the difference by the number of Class A Shares then outstanding and (iii) adding \$10.00 plus any accrued and unpaid distributions per Preferred Share to the result obtained in (ii) above.

“**Net Asset Value**” or “**NAV**” means the net asset value of the Company, which on any particular date will be equal to (a) the aggregate value of the assets of the Company, less (b) the aggregate value of the liabilities of the Company (the Preferred Shares will not be treated as liabilities for these purposes) including any distributions declared and not

paid that are payable to Shareholders on or before such date, less (c) the stated capital of the Class J Shares (\$100) as described in the current annual information form of the Company.

“**NI 44-102**” means National Instrument 44-102 *Shelf Distributions* of the Canadian Securities Administrators (or any successor policy, rule or national instrument), as it may be amended from time to time.

“**NI 81-102**” means National Instrument 81-102 *Investment Funds* of the Canadian Securities Administrators (or any successor policy, rule or national instrument), as it may be amended from time to time.

“**NI 81-107**” means National Instrument 81-107 *Independent Review Committee for Investment Funds* of the Canadian Securities Administrators (or any successor policy, rule or national instrument), as it may be amended from time to time.

“**Portfolio**” means the Company’s investment portfolio.

“**Portfolio Shares**” has the meaning given to such term under “*The Company – Investment Strategies*” in this short form base shelf prospectus.

“**Preferred Shares**” means the preferred shares of the Company and “**Preferred Share**” means any one of them.

“**Preferred Share Retraction Price**” has the meaning given to such term under “*Description of the Shares of the Company – Certain Provisions of the Preferred Shares – Retractions*” in this short form base shelf prospectus.

“**Prospectus Supplement**” means a prospectus supplement to be delivered to purchasers together with this short form base shelf prospectus, and may include, where applicable, the aggregate offered amount, the number of Preferred Shares and Class A Shares offered, the issue price, the dividend rate, the dividend payment dates and any terms for redemption at the option of the Company or the holder.

“**Rebalancing Criteria**” means the Rebalancing Criteria of the Company described in the Company’s most recent annual information form.

“**Recirculation Agent**” has the meaning given to such term under “*Description of the Shares of the Company – Certain Provisions of the Preferred Shares – Resale of Preferred Share Tendered for Retraction*” in this short form base shelf prospectus.

“**Recirculation Agreement**” has the meaning given to such term under “*Description of the Shares of the Company – Certain Provisions of the Preferred Shares – Resale of Preferred Share Tendered for Retraction*” in this short form base shelf prospectus.

“**Registered Plan**” means a registered retirement savings plan, a registered retirement income fund, a deferred profit sharing plan, a registered education savings plan, a registered disability savings plan, a tax-free savings account and a first home savings account.

“**Registrar and Transfer Agent**” has the meaning given to such term under “*Description of the Shares of the Company – Certain Provisions of the Preferred Shares – Retractions*” in this short form base shelf prospectus.

“**Retraction Date**” means the second last Business Day of a month.

“**Retraction Notice**” means a notice delivered by a CDS Participant to CDS (at its office in Toronto) on behalf of a Shareholder who desires to exercise his or her retraction privileges.

“**Retraction Payment Date**” means the date that is on or before the 15th Business Day in the month following a Retraction Date.

“**Securities Lending Agent**” means The Bank of New York Mellon.

“Securities Lending Agreement” means the securities lending authorization among the Company, CIBC Mellon Global Securities Company, Canadian Imperial Bank of Commerce, CIBC Mellon Trust Company and the Securities Lending Agent to provide securities lending services relating to the Portfolio.

“Shares” means more than one Preferred Share and/or Class A Shares, as the case may be and **“Share”** means any one of them.

“Shareholder” means a holder of a Preferred Share or a Class A Share and **“Shareholders”** means more than one holder of a Preferred Share or Class A Share.

“Tax Act” means the *Income Tax Act* (Canada) and the regulations thereunder, as the same may be amended from time to time.

“TSX” means the Toronto Stock Exchange.

“Unit” means a notional unit consisting of one Preferred Share and one Class A Share.

“U.S.” and **“United States”** means the United States of America, its territories and possessions.

“U.S. person” has the meaning given to such term in Regulation S under the 1933 Act.

“volatility” means, in respect of the price of a security, a numerical measure of the tendency of the price to vary over time.

FORWARD LOOKING STATEMENTS

Certain of the statements contained in this short form base shelf prospectus may be forward-looking statements. The use of words such as “may,” “will,” “should,” “could,” “anticipate,” “believe,” “expect,” “intend,” “plan,” “potential,” “continue” and similar expressions have been used to identify these forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in the forward-looking statements including, but not limited to, changes in general economic and market conditions and other risk factors. Although the Manager believes the expectations reflected in the forward-looking statements are reasonable, no assurance can be given that actual results will be consistent with these expectations and forward-looking statements. Potential investors should not place undue reliance on forward-looking statements. These forward-looking statements are made as of the date hereof and the Company and the Manager assume no obligation to update or revise them to reflect new events or circumstances except as may be required by applicable law.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents filed with the securities commissions or similar authorities in each of the provinces and territories of Canada are specifically incorporated by reference into and form an integral part of this short form base shelf prospectus:

- (a) the annual information form of the Company dated March 31, 2025 for the year ended December 31, 2024;
- (b) the annual financial statements of the Company, together with the accompanying report of the auditor, for the fiscal years ended December 31, 2023 and December 31, 2024; and
- (c) the management report of fund performance of the Company dated March 31, 2025 for the fiscal years ended December 31, 2023 and December 31, 2024.

Any of the documents of the type referred to above, including any material change reports (excluding confidential material change reports), annual information forms, interim and annual financial statements and related management reports of fund performance, designated news releases (within the meaning of Companion Policy 44-102CP to NI 44-102), business acquisition reports and information circulars filed by the Company with a securities commission or similar authority in Canada after the date of this short form base shelf prospectus and prior to the termination of an offering of Preferred Shares and Class A Shares, will be deemed to be incorporated by reference in this short form base shelf prospectus.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein will be deemed to be modified or superseded, for purposes of this short form base shelf prospectus, to the extent that a statement contained herein or in any other subsequently filed document which also is, or is deemed to be, incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of such modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this short form base shelf prospectus.

Upon a new annual information form, semi-annual or annual financial statements and management report on fund performance being filed with and, where required, accepted by the applicable securities regulatory authorities during the currency of this short form base shelf prospectus, the previous annual information form, semi-annual or annual financial statements and management report on fund performance and all material change reports filed prior to the commencement of the then current fiscal year will be deemed no longer to be incorporated into this short form base shelf prospectus for purposes of future offers and sales of Preferred Shares and Class A Shares hereunder.

A Prospectus Supplement containing the specific terms of an offering of Preferred Shares and Class A Shares will be delivered to purchasers of such Preferred Shares and Class A Shares together with this short form base shelf prospectus and will be deemed to be incorporated into this short form base shelf prospectus as of the date of such Prospectus Supplement but only for purposes of the offering of Preferred Shares and Class A Shares covered by that Prospectus Supplement.

THE COMPANY

The Company is a mutual fund corporation incorporated under the laws of the Province of Ontario on May 15, 2020. The Company was formed pursuant to articles of incorporation and is governed by its articles of incorporation, as amended, and the by-laws of the Company.

The manager of the Company is Purpose Investments Inc. and it provides all administrative services required by the Company. The principal office of the Company and the Manager is located at 130 Adelaide St. West, Suite 3100, P.O. Box 109, Toronto, Ontario M5H 3P5.

While the Company is considered to be a mutual fund corporation under the securities legislation of certain provinces and territories of Canada, the Company is not a conventional mutual fund.

The Company differs from conventional mutual funds in a number of respects, most notably as follows: (a) while the Preferred Shares and Class A Shares of the Company may be surrendered at any time for redemption, the redemption price is payable monthly whereas the securities of most conventional mutual funds are redeemable daily, (b) the Preferred Shares and Class A Shares of the Company are stock exchange listed whereas the securities of most conventional mutual funds are not, and (c) unlike most conventional mutual funds, the Preferred Shares and Class A Shares are not offered on a continuous basis.

Investment Objectives

The investment objectives for the Preferred Shares are to provide their holders with fixed cumulative preferential monthly cash distributions in the amount of \$0.07 per Preferred Share (\$0.84 per annum or 8.4% per annum on the issue price of \$10.00 per Preferred Share) until November 30, 2026 and to return the original issue price of \$10.00 to holders on the Maturity Date.

The investment objectives for the Class A Shares are to provide their holders with regular monthly non-cumulative cash distributions initially in the amount of \$0.12 per Class A Share (\$1.44 per annum) and to provide holders with the opportunity for growth in the NAV per Class A Share.

Investment Strategies

The Company invests on an approximately equally weighted basis in a portfolio of equity securities (the “**Portfolio Shares**”) of the following publicly traded Canadian banks: Bank of Montreal, Canadian Imperial Bank of Commerce, National Bank of Canada, Royal Bank of Canada, The Bank of Nova Scotia and The Toronto-Dominion Bank. In order to seek to generate additional returns and enhance the Portfolio’s income, the Manager (as defined below) may write covered call options and cash covered put options in respect of some or all of the Portfolio Shares held in the Portfolio. The Portfolio is rebalanced on a quarterly basis. The Manager may determine the appropriate composition of the Portfolio in the event of mergers or other transactions involving such banks in the Manager’s sole discretion.

The Company may, from time to time, hold a portion of its assets in cash equivalents. The Company may also, from time to time, utilize such cash equivalents to provide cover in respect of the writing of cash covered put options, which is intended to generate additional returns and to reduce the net cost of acquiring the securities subject to the put options and for working capital purposes. Such cash covered put options are only written in respect of securities in which the Company is permitted to invest. See “Investment Restrictions”.

Use of Derivative Instruments

In addition to writing covered call options and cash covered put options, the Company may use derivatives provided that the use of such derivative instruments is in compliance with NI 81-102, or the appropriate regulatory exemptions have been obtained. The Company may use derivatives to, among other things, reduce transaction costs and increase the liquidity and efficiency of trading, purchase call options and put options with the effect of closing out existing call options and put options written by the Company and enter into trades to close out positions in such permitted derivatives. The Company may also purchase put options in order to protect the Company from declines in the market prices of the individual securities in the Portfolio or in the value of the Portfolio as a whole.

Credit Facility

The Company does not intend to borrow money or employ other forms of leverage other than for working capital purposes. The Company may establish a credit facility that may be used by the Company for working capital purposes and expects that the maximum amount it borrows thereunder will be limited 5% of the NAV of the Company. The Company may pledge Portfolio Shares as collateral for amounts borrowed thereunder. Accordingly, at the time such leverage is incurred, the maximum amount of leverage that the Company could obtain is 1:05:1.

Securities Lending

In order to generate additional returns, the Company may lend Portfolio Shares to securities borrowers acceptable to the Company pursuant to the terms of the Securities Lending Agreement. Under the Securities Lending Agreement (a) the Securities Lending Agent pays to the Company a negotiated securities lending fee and makes compensation payments to the Company equal to any distributions received by the Securities Lending Agent on the securities borrowed, (b) the securities loans must qualify as “securities lending arrangements” for the purposes of the Tax Act, and (c) the Company receives collateral security. Any securities lending by the Company complies with the requirements of NI 81-102, including the obligation to mark-to-market the collateral on a daily basis.

Investment Restrictions

The Company is subject to certain investment restrictions (“**Investment Restrictions**”) that, among other things, limit the securities that the Company may acquire for the Portfolio. The Company’s Investment Restrictions may not be changed without the approval of the holders of Preferred Shares and Class A Shares, each voting separately as a class by an Extraordinary Resolution, at a meeting called for such purpose.

In addition, but subject to the Investment Restrictions, the Company has adopted and is managed in accordance with the standard investment restrictions and practices set forth in NI 81-102 (as it may be amended from time to time), other than the restriction on investing more than 10% of the Company’s assets in the securities of any one issuer at the time of investment.

Maturity Date

The Maturity Date of the Company, on which date it will redeem all of the Preferred Shares and Class A Shares is November 30, 2026, subject to extension for successive terms of up to three years, as determined by the Board of Directors.

DESCRIPTION OF THE SHARES OF THE COMPANY

The Company is authorized to issue an unlimited number of Preferred Shares, Class A Shares and Class J Shares. The following description sets forth certain general terms and provisions of the Preferred Shares and Class A Shares. The particular terms and provisions of the Preferred Shares and Class A Shares offered by a Prospectus Supplement, and the extent to which the general terms and provisions described below may apply thereto, will be described in such Prospectus Supplement.

Certain Provisions of the Preferred Shares

Distributions

Holders of record of Preferred Shares on the last Business Day of each month are entitled to receive fixed cumulative preferential monthly cash distributions in the amount of \$0.07 per Preferred Share (\$0.84 per annum or 8.4% per annum on the issue price of \$10.00 per Preferred Share) until November 30, 2026. Such distributions may consist of ordinary dividends, capital gains dividends or returns of capital and are expected to be paid by the Company before the 15th day of the month following the period in respect of which the distribution was declared payable. There can be no assurance that the Company will be able to pay distributions to holders of Preferred Shares.

All cash distributions are paid through the CDS book-based system or paid in such other manner as may be agreed to by the Company.

Redemptions

The Preferred Shares will be redeemed by the Company on the Maturity Date provided that the term of the Shares may be extended beyond the initial Maturity Date for successive periods of 3 years as determined by the Company's Board of Directors. The redemption price payable by the Company for a Preferred Share on the Maturity Date is equal to the lesser of (a) \$10.00 plus any accrued and unpaid distributions thereon, and (b) the NAV of the Company on the Maturity Date divided by the total number of Preferred Shares then outstanding.

Priority

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

Retractions

Monthly

Preferred Shares may be surrendered at any time for retraction to TSX Trust Company (the “**Registrar and Transfer Agent**”), the Company's registrar and transfer agent, but will be retracted only on a Retraction Date. Preferred Shares surrendered for retraction by 5:00 p.m. (Toronto time) on the tenth Business Day prior to the Retraction Date will be retracted on such Retraction Date and the holder will be paid on or before the Retraction Payment Date. If a Shareholder surrenders its Preferred Shares after 5:00 p.m. (Toronto time) on the tenth Business Day immediately preceding a Retraction Date, the Preferred Shares will be retracted on the Retraction Date in the following month and the Shareholder will receive payment for the retracted Preferred Shares on the Retraction Payment Date in respect of such Retraction Date.

Holders of Preferred Shares whose Preferred Shares are surrendered for retraction will be entitled to receive a retraction price per Preferred Share equal to the lesser of (a) 95% of the NAV per Unit determined as of such Retraction Date, less the cost to the Company of the purchase of a Class A Share for cancellation; and (b) \$10.00 (the “**Preferred Share Retraction Price**”). For this purpose, the cost of the purchase of a Class A Share will include the purchase price of the Class A Share, and commissions and such other costs, if any, related to the liquidation of any portion of the Portfolio to fund the purchase of the Class A Share and the payment of the Preferred Share Retraction Price. Any declared and unpaid distributions payable on or before a Retraction Date in respect of Preferred Shares tendered for retraction on such Retraction Date will also be paid on the Retraction Payment Date.

Annual Concurrent Retraction

A holder of a Preferred Share may concurrently retract an equal number of Preferred Shares and Class A Shares on an Annual Retraction Date at a retraction price equal to the NAV per Unit on the Annual Retraction Date, less any costs associated with the retraction, including commissions and other such costs, if any, related to the liquidation of any portion of the Portfolio required to fund such retraction. The Preferred Shares and Class A Shares must both be surrendered for retraction by 5:00 p.m. (Toronto time) on the tenth Business Day prior to the Annual Retraction Date. Payment of the proceeds of retraction will be made on or before the 15th day following the applicable Annual Retraction Date.

Non-Concurrent Retraction Right

On the Maturity Date and upon any subsequent maturity date as determined by the Board of Directors, holders of Preferred Shares will be entitled to retract their Preferred Shares pursuant to a non-concurrent retraction right and the Company will provide at least 60 days' notice by way of a press release to holders of Preferred Shares of such right, the manner in which the Preferred Shares may be retracted on such date and any new dividend rate on the Preferred Shares for the period until the next Maturity Date, if applicable. The redemption price payable by the Company for a Preferred Share pursuant to the non-concurrent retraction right will be equal to the lesser of (a) \$10.00 plus any accrued and unpaid distributions thereon, and (b) the NAV of the Company on the applicable Maturity Date divided by the

total number of Preferred Shares then outstanding. Payment of the proceeds of retraction will be made on or before the 15th day following the applicable Maturity Date.

If more Preferred Shares than Class A Shares have been redeemed pursuant to the non-concurrent retraction right, the Company will be authorized to redeem Class A Shares on a pro rata basis in a number to be determined by the Company reflecting the extent to which the number of Class A Shares outstanding following the non-concurrent retraction exceeds the number of Preferred Shares outstanding following the non-concurrent retraction. Conversely, if more Class A Shares than Preferred Shares have been redeemed pursuant to the non-concurrent retraction right, the Company may issue Class A Shares to the extent the number of Preferred Shares outstanding following the non-concurrent retraction exceeds the number of Class A Shares outstanding following the non-concurrent retraction.

Resale of Preferred Shares Tendered for Retraction

The Company may enter into a recirculation agreement (a “**Recirculation Agreement**”) with a recirculation agent (a “**Recirculation Agent**”) whereby the Recirculation Agent will use commercially reasonable efforts to find purchasers for any Preferred Shares tendered for retraction. The Company may, but is not obligated to, require the Recirculation Agent to seek such purchasers and, in such event, the amount to be paid to the holder of Preferred Shares on the applicable Retraction Payment Date will be an amount equal to the proceeds of the sale of the Preferred Shares less any applicable commission, provided that such amount will not be less than the retraction price that would otherwise be payable to the holder of such Preferred Shares.

General

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

The retraction right must be exercised by causing written notice to be given within the notice periods prescribed herein and in the manner described under “Book-Based System” in the Company’s annual information form. Such surrender will be irrevocable upon the delivery of a notice to CDS through a CDS Participant, except with respect to those Preferred Shares which are not retracted by the Company on the relevant Retraction Payment Date. The Company may, in its discretion, permit the withdrawal of any Preferred Share retraction request at any time prior to the Retraction Payment Date.

If any Preferred Shares are tendered for retraction and are not resold in the manner described above under “Resale of Preferred Shares Tendered for Retraction”, the Company will direct the Recirculation Agent to purchase for cancellation on behalf of the Company that number of Class A Shares that equals the number of Preferred Shares so retracted. Any Class A Shares so purchased for cancellation will be purchased in the market.

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

Certain Provisions of the Class A Shares

Distributions

The policy of the Board of Directors is to pay monthly non-cumulative cash distributions to the holders of Class A Shares initially in the amount of \$0.12 per Class A Share (\$1.44 per annum). Such distributions may consist of ordinary dividends, capital gains dividends or returns of capital and are expected to be paid by the Company before the 15th day of the month following the period in respect of which the distribution was declared payable. There can be no assurance that the Company will be able to pay distributions to holders of Class A Shares. No distributions will be paid on the Class A Shares (a) if the distributions payable on the Preferred Shares are in arrears, or (b) if after paying

a cash distribution the NAV per Unit would be less than \$15.00. The amount of any distributions on the Class A Shares in any month or months will otherwise be in the discretion of the Board of Directors.

In the event that the Company realizes capital gains, the Company may, at its option, pay a special year-end capital gains dividend in certain circumstances, including where the Company has net realized capital gains in excess of its capital gains dividends previously paid during the year. The Company may also pay ordinary dividends to recover any refundable taxes otherwise payable by the Company in that year in the discretion of the Board of Directors. Such capital gains dividends and/or ordinary dividends may be paid in the form of Class A Shares and/or cash. Immediately following payment of such a distribution in Class A Shares, the number of Class A Shares outstanding will be automatically consolidated such that the number of Class A Shares outstanding after such distribution will be equal to the number of Class A Shares outstanding immediately prior to such distribution.

All cash distributions are paid through the CDS book-based system or paid in such other manner as may be agreed to by the Company.

Redemptions

The Class A Shares will be redeemed by the Company on the Maturity Date provided that the term of the Shares may be extended beyond the initial Maturity Date for successive periods of three years as determined by the Company's Board of Directors. The redemption price payable by the Company for a Class A Share on the Maturity Date will be equal to the greater of (a) the NAV per Unit on the Maturity Date minus the sum of \$10.00 plus any accrued and unpaid distributions on a Preferred Share, and (b) nil.

Priority

The Class A Shares rank subsequent to the Preferred Shares with respect to the payment of distributions and the repayment of capital out of the portfolio on the dissolution, liquidation or winding up of the Company. The Company may sub-divide the Class A Shares into a greater number of Class A Shares in its discretion from time to time.

Retractions

Monthly

Class A Shares may be surrendered at any time for retraction to the Registrar and Transfer Agent but will be retracted only on the applicable Retraction Date. Class A Shares surrendered for retraction by 5:00 p.m. (Toronto time) on the tenth Business Day prior to the Retraction Date will be retracted on such Retraction Date and the Shareholder will be paid on or before the Retraction Payment Date. If a Shareholder makes such surrender after 5:00 p.m. (Toronto time) on the tenth Business Day immediately preceding a Retraction Date, the Class A Shares will be retracted on the Retraction Date in the following month and the Shareholder will receive payment for the retracted Class A Shares on the Retraction Payment Date in respect of such Retraction Date.

Holders of Class A Shares whose Class A Shares are surrendered for retraction will be entitled to receive a retraction price per Class A Share equal to the difference between (a) 95% of the NAV per Unit determined as of such Retraction Date, and (b) the cost to the Company of the purchase of a Preferred Share for cancellation (the “**Class A Share Retraction Price**”). For this purpose, the cost of the purchase of a Preferred Share will include the purchase price of the Preferred Share, commissions and such other costs, if any, related to the liquidation of any portion of the Portfolio to fund the purchase of the Preferred Share and the payment of the Class A Share Retraction Price. If the NAV per Unit is less than \$10.00, plus any accrued and unpaid distributions on a Preferred Share, the retraction price of a Class A Share will be nil. Any declared and unpaid distributions payable on or before a Retraction Date in respect of Class A Shares tendered for retraction on such Retraction Date will also be paid on the Retraction Payment Date.

Annual Concurrent Retraction

A holder of a Class A Share may concurrently retract an equal number of Class A Shares and Preferred Shares on the Annual Retraction Date of each year at a retraction price equal to the NAV per Unit on the Annual Retraction Date, less any costs associated with the retraction, including commissions and other such costs, if any, related to the liquidation of any portion of the Portfolio required to fund such retraction. The Class A Shares and the Preferred

Shares must both be surrendered for retraction by 5:00 p.m. (Toronto time) on the tenth Business Day prior to the Annual Retraction Date. Payment of the proceeds of retraction will be made on or before the 15th day following the applicable Annual Retraction Date.

Non-Concurrent Retraction Right

On the Maturity Date and upon any subsequent maturity date as determined by the Board of Directors, holders of Class A Shares will be entitled to retract their Class A Shares pursuant to a non-concurrent retraction right and the Company will provide at least 60 days' notice by way of a press release to holders of Class A Shares of such right and the manner in which the Class A Shares may be retracted on such date. The redemption price payable by the Company for a Class A Share pursuant to the non-concurrent retraction right will be equal to the greater of (a) the NAV per Unit determined on the applicable Maturity Date minus \$10.00 plus any accrued and unpaid distributions on a Preferred Share, and (b) nil.

If more Preferred Shares than Class A Shares have been redeemed pursuant to the non-concurrent retraction right, the Company will be authorized to redeem Class A Shares on a pro rata basis in a number to be determined by the Company reflecting the extent to which the number of Class A Shares outstanding following the non-concurrent retraction exceeds the number of Preferred Shares outstanding following the non-concurrent retraction. Conversely, if more Class A Shares than Preferred Shares have been redeemed pursuant to the non-concurrent retraction right, the Company may issue Class A Shares to the extent the number of Preferred Shares outstanding following the non-concurrent retraction exceeds the number of Class A Shares outstanding following the non-concurrent retraction.

Resale of Class A Shares Tendered for Retraction

The Company may enter into a Recirculation Agreement with a Recirculation Agent whereby the Recirculation Agent will use commercially reasonable efforts to find purchasers for any Class A Shares tendered for retraction. The Company may, but is not obligated to, require the Recirculation Agent to seek such purchasers and, in such event, the amount to be paid to the holder of Class A Shares on the applicable Retraction Payment Date will be an amount equal to the proceeds of the sale of the Class A Shares less any applicable commission, provided that such amount will not be less than the retraction price that would otherwise be payable to the holder of such Class A Shares.

General

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

The retraction right must be exercised by causing written notice to be given within the notice periods prescribed herein and in the manner prescribed under "Book-Based System" in the Company's annual information form. Such surrender will be irrevocable upon the delivery of notice to CDS through a CDS Participant, except with respect to those Class A Shares which are not retracted by the Company on the relevant Retraction Payment Date. The Company may, in its discretion, permit the withdrawal of any Class A Share retraction request at any time prior to the Retraction Payment Date.

If any Class A Shares are tendered for retraction and are not resold in the manner described above under "Resale of Class A Shares Tendered for Retraction", the Company will direct the Recirculation Agent to purchase for cancellation on behalf of the Company that number of Preferred Shares that equals the number of Class A Shares so retracted. Any Preferred Shares so purchased for cancellation will be purchased in the market.

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

Suspension of Redemptions and Retractions

The Company or the Manager may suspend the redemption and/or retraction of Preferred Shares and/or Class A Shares or payment of redemption or retraction proceeds (a) during any period when normal trading in securities owned by the Company is suspended on the TSX and if those securities represent more than 50% by value, or underlying market exposure, of the total assets of the Company without allowance for liabilities and if those securities are not traded on any other exchange that represents a reasonable practical alternative for the Company, or (b) with the prior permission of the securities regulatory authorities for any period not exceeding 120 days. The suspension may apply to all requests for retraction received prior to the suspension but as to which payment has not been made, as well as to all requests received while the suspension is in effect. All holders of Preferred Shares and Class A Shares making such requests shall be advised by the Manager of the suspension and that the retraction is effected at a price determined on the first Retraction Date following the termination of the suspension. All such Shareholders shall have and shall be advised that they have the right to withdraw their requests for retraction. The suspension shall terminate in any event on the first day on which the condition giving rise to the suspension has ceased to exist provided that no other condition under which a suspension is authorized then exists. To the extent not inconsistent with official rules and regulations promulgated by any government body having jurisdiction over the Company, any declaration of suspension made by the Company or the Manager shall be conclusive.

Purchase for Cancellation

Subject to applicable law, the Company may at any time or times purchase Preferred Shares and Class A Shares for cancellation at prices per Unit not exceeding the NAV per Unit on the Business Day immediately prior to such purchase up to a maximum in any twelve month period of 10% of the outstanding public float of Preferred Shares and Class A Shares.

DESCRIPTION OF SHARE CAPITAL

The Company is authorized to issue an unlimited number of Preferred Shares, Class A Shares and Class J Shares. The holders of Class J Shares are not entitled to receive dividends and are entitled to one vote per Class J Share. The Class J Shares are redeemable and retractable at a price of \$1.00 per Class J Share. The Class J Shares rank subsequent to the Preferred Shares and prior to the Class A Shares with respect to distributions on the dissolution, liquidation or winding-up of the Company. On October 15, 2025, there were 1,342,504 Preferred Shares, 1,340,004 Class A Shares and 100 Class J Shares issued and outstanding. A trust established for the benefit of the holders of the Preferred Shares and the Class A Shares owns all of the issued and outstanding Class J Shares.

USE OF PROCEEDS

Unless otherwise indicated in a Prospectus Supplement, the net proceeds from the sale of Preferred Shares and Class A Shares will be used to fund the purchase of securities for the Portfolio in accordance with the Investment Objectives, Investment Strategies and Investment Restrictions.

PLAN OF DISTRIBUTION

The Company may sell Preferred Shares and Class A Shares to or through underwriters, dealers or agents and also may sell Preferred Shares and Class A Shares directly to purchasers or through agents. The sale of Preferred Shares and Class A Shares may be effected from time to time in one or more transactions at non-fixed prices pursuant to transactions that are deemed to be “at-the-market distributions”, including sales made directly on the TSX or other existing trading markets for the Preferred Shares and Class A Shares, and as set forth in the Prospectus Supplement for such purpose.

The distribution of Preferred Shares and Class A Shares may be effected from time to time in one or more transactions at a fixed price or prices, which may be changed, at market prices prevailing at the time of sale, at prices related to such prevailing market prices or at prices to be negotiated with purchasers.

In connection with the sale of Preferred Shares and Class A Shares, underwriters or agents may receive compensation from the Company (a portion of which may be paid by the Manager, in its sole discretion) or from purchasers of Preferred Shares and Class A Shares for whom they may act as agents in the form of concessions or commissions. Underwriters, dealers and agents that participate in the distribution of Preferred Shares and Class A Shares may be deemed to be underwriters and any commissions received by them from the Company and any profit on the resale of Preferred Shares and Class A Shares by them may be deemed to be underwriting commissions. Any such person that may be deemed to be an underwriter with respect to Preferred Shares and Class A Shares will be identified in the Prospectus Supplement relating to such shares.

The Prospectus Supplement relating to the Preferred Shares and Class A Shares offered by the Company will identify each person who may be deemed to be an underwriter with respect to such Preferred Shares and Class A Shares and will set forth the terms of the offering of such Preferred Shares and Class A Shares, including, to the extent applicable, the offering price, the proceeds to the Company, the underwriting commissions and any other fees, discounts or concessions to be allowed or reallocated to dealers. The lead underwriter or lead agent or underwriters or agents with respect to the Preferred Shares and Class A Shares sold to or through underwriters will be named in the related Prospectus Supplement. The underwriters or agents may over-allot or effect transactions which stabilize or maintain the market price of the Preferred Shares and/or Class A Shares offered at a level above that which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time.

Under agreements which may be entered into by the Company, underwriters, dealers and agents who participate in the distribution of Preferred Shares and Class A Shares may be entitled to indemnification by the Company against certain liabilities, including liabilities under Canadian provincial securities legislation, or to contribution with respect to payments which those underwriters, dealers or agents may be required to make in respect thereof. Those underwriters, dealers and agents may be customers of, engage in transactions with or perform services for the Company or its subsidiaries in the ordinary course of business.

Subject to applicable laws, in connection with any offering of Preferred Shares and Class A Shares, other than an “at-the-market distribution” of Preferred Shares and Class A Shares, the underwriters or agents may over-allot or effect transactions which stabilize or maintain the market price of the Preferred Shares and/or Class A Shares offered at a level above that which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time.

Sales of Preferred Shares and Class A Shares under an “at-the-market distribution”, if any, will be made pursuant to an accompanying Prospectus Supplement. Sales of Preferred Shares and Class A Shares under any “at-the-market” program will be made in transactions that are deemed to be “at-the-market distributions” as defined in NI 44-102. The volume and timing of any “at-the-market distributions” will be determined at the Company’s sole discretion.

No underwriter or agent involved in an “at-the-market distribution”, no affiliate of such an underwriter or agent and no person or company acting jointly or in concert with such an underwriter or agent may over-allot Preferred Shares or Class A Shares in connection with the distribution or may effect any other transactions that are intended to stabilize or maintain the market price of the Preferred Shares or Class A Shares in connection with an “at-the-market distribution”.

The Preferred Shares and the Class A Shares will not be registered under the 1933 Act or any state securities laws and, subject to certain exemptions, may not be offered or sold within the United States or to U.S. persons.

ORGANIZATION AND MANAGEMENT OF THE COMPANY

Manager and Portfolio Manager

Pursuant to the Management Agreement, the Manager is responsible for all investment decisions of the Company in accordance with its investment objectives, strategies and restrictions and for arranging for the execution of all Portfolio transactions including writing covered call options and cash covered put options and for managing and administering

the day-to-day business and affairs of the Company. 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 Company to do so.

In consideration for the services provided by the Manager to the Company, the Company pays a Management Fee to the Manager. See “*Fees and Expenses – Management Fee*”.

Transfer Agent and Registrar

TSX Trust Company at its principal offices in Toronto is the registrar and transfer agent for the Preferred Shares and Class A Shares.

Custodian

CIBC Mellon Trust Company is the Company’s custodian and is responsible for certain aspects of the day-to-day administration of the Company and provides safekeeping and custodial services in respect of the Company’s assets. The address of the Custodian is 1 York Street, Suite 500, Toronto, Ontario M5J 0B6.

Securities Lending Agent

The Company has appointed the Securities Lending Agent as securities lending agent pursuant to the Securities Lending Agreement to provide securities lending services relating to the Portfolio. See “*The Company – Investment Strategies – Securities Lending*”.

Auditor

The auditor of the Company is Ernst & Young LLP (the “**Auditor**”) at its principal office located in Toronto, Ontario. The Auditor has advised that they are independent with respect to the Company within the meaning of the Chartered Professional Accountants of Ontario CPA Code of Professional Conduct.

RISK FACTORS

Certain risk factors relating to the Company and the Shares are described below. Additional risks and uncertainties not currently known to the Manager, or that are currently considered immaterial, may also impair the operations of the Company. If any such risk actually occurs, the business, financial condition, liquidity or results of operations of the Company and the ability of the Company to make distributions on the Shares, could be materially adversely affected.

No Assurances on Achieving Investment Objectives

There is no assurance that the Company will be able to achieve its investment objectives or will return to investors an amount equal to or in excess of the original issue price of the Class A Shares or the Preferred Shares. There is no assurance that the Company will be able to pay monthly distributions on the Preferred Shares or monthly distributions on the Class A Shares. The funds available for distributions to Shareholders will vary according to, among other things, the dividends and distributions paid on all of the securities in the Portfolio, the level of option premiums received and the value of the securities comprising the Portfolio. As the dividends and distributions received by the Company may not be sufficient to meet the Company’s objectives in respect of the payment of distributions, the Company may depend on the receipt of option premiums and the realization of capital gains to meet those objectives. Although many investors and financial market professionals price options based on the Black-Scholes Model, in practice actual option premiums are determined in the marketplace and there is no assurance that the premiums predicted by such pricing model can be attained.

Industry Concentration Risk

In seeking to achieve its investment objectives, the Company invests in the Portfolio Shares and accordingly, its Portfolio holdings are limited to securities of six issuers within the same sector. As a result, the Company faces more risks than if its Portfolio holdings were diversified broadly over numerous industries or sectors and the NAV per Unit

may be more volatile than that of a more broadly diversified portfolio and may fluctuate substantially over short periods of time. This may have a negative impact on the value of the Class A Shares and the Preferred Shares.

Banking Sector Risk

The NAV of the Company fluctuates with interest rate changes and the corresponding changes in the value of the Portfolio Shares in the Portfolio. The value of securities of banking issuers is also affected by such factors as general economic conditions and the customers of such banking issuers' creditworthiness. Losses resulting from financial difficulties of borrowers can negatively impact banking issuers. Customers of banking issuers may default on their obligations to pay interest and/or principal amounts. The extensive governmental regulation to which banking issuers are subject may also affect their profitability.

Risks Related to Investments

Because the Company's investment objective is to invest in the Portfolio Shares, the Portfolio is not actively managed by traditional methods and, accordingly, will not be repositioned to attempt to take defensive positions in declining markets. The adverse financial condition of an issuer will not necessarily result in the removal of its securities from the Portfolio.

Performance of the Portfolio Issuers and Other Considerations

The NAV per Unit varies as the value of the securities in the Portfolio changes. The Company has no control over the factors that affect the value of the Portfolio Shares. Factors unique to each issuer included in the Portfolio, such as changes in its management, strategic direction, achievement of goals, mergers, acquisitions and divestitures, changes in distribution policies and other events, may affect the value of the Portfolio Shares. A substantial drop in equities markets could have a negative effect on the Company and could lead to a significant decline in the value of the Portfolio and the value of the Class A Shares and the Preferred Shares.

Shares of the Company may trade in the market at a discount to their NAV and there can be no assurance that the Shares will trade at a price equal to their NAV. The NAV varies in accordance with the value of the securities acquired by the Company. The value of the securities acquired by the Company are affected by business factors and risks that are beyond the control of the Manager, including: (a) operational risks related to specific business activities of the respective issuers, (b) quality of underlying assets, (c) financial performance of the respective issuers and their competitors, (d) product liability risks, (e) political risks, (f) fluctuations in exchange rates, (g) fluctuations in interest rates and (h) changes in government regulations.

Volatile Markets and Recent and Future Global Financial and Economic Developments

The market price of investments held by the Company may go up or down. Such market prices, and how rapidly those prices change, are impacted by general economic and market conditions. Investment markets can be volatile and the price of investments can change substantially due to a number of factors, including, but not limited to: interest rates; changing supply and demand relationships; trade, fiscal, monetary and exchange control programs; governmental policies; as well as national and international political and economic events. In addition, unexpected and unpredictable events such as war and occupation, a widespread health crisis (epidemic) or global pandemic, terrorism and related geopolitical risks, may lead to increased short-term market volatility and may have adverse long-term effects on world economies and markets generally. Further, uncertainty over how the economy will be affected by war or hostilities between countries, including the war between Russia and Ukraine and the Israeli-Palestinian conflict, could contribute to increased market volatility and negatively impact consumer confidence.

Recent executive orders issued by U.S. President Trump directing the United States to impose new tariffs and greater restrictions on trade between the United States and certain of its trading partners including Canada, Mexico and China, retaliatory announcements made by some of the United States' global trading partners including Canada and growing protectionist and anti-globalization sentiment in the United States and Canada may result in changes to existing trade

agreements and greater restrictions on global trade generally which may adversely affect global economic growth and increase geopolitical tensions and may also adversely affect the prospects of the Company and the value of the Company.

Sensitivity to Interest Rates

The market prices of the Preferred Shares and Class A Shares may be affected by the level of interest rates prevailing from time to time. The recent rise in interest rates may have a negative impact on the market prices of the Class A Shares and Preferred Shares and increase the cost of borrowing to the Company, if any. Shareholders who wish to redeem or sell their Class A Shares or Preferred Shares prior to the Maturity Date are therefore exposed to the risk that the market prices of the Class A Shares and Preferred Shares may be negatively affected by interest rate fluctuations. In addition, the distribution rate on Preferred Shares may be changed at the time of an extension of the Maturity Date, which may also affect the market price of such Shares.

Greater Volatility of the Class A Shares

An investment in the Class A Shares represents a leveraged investment by virtue of the fact that the Preferred Shares are entitled to a fixed amount upon the termination or winding-up of the Company. This leverage amplifies the potential return to investors of Class A Shares in so far as returns in excess of the amounts payable to holders of Preferred Shares accrue to the benefit of the holders of Class A Shares. Conversely, any losses incurred by the Portfolio first accrue to the detriment of the holders of the Class A Shares since the Preferred Shares rank prior to the Class A Shares in respect of distributions and proceeds upon the winding-up of the Company.

Preferred Shares are not Rated

The Preferred Shares are not rated by any rating organization. Security ratings by rating organizations are forward-looking opinions about credit risk that are meant to reflect the creditworthiness of an entity or security. While a security rating is not a recommendation to buy, sell or hold securities, investors in the Preferred Shares do not have the benefit of any forward-looking opinions in respect of creditworthiness issued by rating organizations.

Reliance on the Manager

The Manager, as the manager and the portfolio manager, is responsible for providing, or managing for the provision of, management and administrative services including investment and portfolio management services required by the Company. Investors who are not willing to rely on the Manager should not invest in the Shares.

The Manager manages the Portfolio in a manner consistent with the Company's investment objectives, investment strategies and investment restrictions. The employees of the Manager who are primarily responsible for the management of the Portfolio have extensive experience in managing investment portfolios including writing covered call options and cash covered put options. There is no certainty that the employees of the Manager who are primarily responsible for the management of the Portfolio will continue to be employees of the Manager.

Use of Options and Other Derivative Instruments

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

There is no assurance that a liquid exchange or over-the-counter market will continue to exist to permit the Company to write covered call options or cash covered put options on desired terms or to close out option positions should the Manager desire to do so. The ability of the Company to close out its positions may also be affected by exchange

imposed daily trading limits on options or the lack of a liquid over-the-counter market. If the Company is unable to repurchase a call option which is in-the-money, it will be unable to realize its profits or limit its losses until such time as the option becomes exercisable or expires.

In writing call options or put options, the Company is subject to the credit risk that its counterparty (whether a clearing corporation, in the case of exchange traded instruments, or other third party, in the case of over-the-counter instruments) may be unable to meet its obligations.

Sensitivity to Volatility Levels

The Company intends to write call options in respect of some or all of the securities held in the Portfolio. Such call options may be either exchange traded options or over-the-counter options. By writing call options, the Company will receive Option Premiums. The amount of Option Premium depends upon, among other factors, the implied volatility of the price of the underlying security as, generally, the higher the implied volatility, the higher the Option Premium. The level of implied volatility is subject to market forces and is beyond the control of the Manager or the Company.

Conflicts of Interest

The Manager and its directors and officers and its respective affiliates and associates may engage in the promotion, management or investment management of any other fund or trust with similar investment objectives and/or similar investment strategies to those of the Company. Although none of the directors or officers of the Manager devotes their full time to the business and affairs of the Company, each officer and director devotes as much time as is necessary to supervise the management of (in the case of the directors) or to manage the business and affairs of (in the case of officers) the Company and the Manager, as applicable.

Taxation

If the Company fails to qualify or ceases to qualify as a mutual fund corporation under the Tax Act, the income tax considerations described in the Company's annual information form under "Income Tax Considerations" would be materially and adversely different in certain respects. There can be no assurance that Canadian federal income tax laws and the administrative policies and assessing practices of the Canada Revenue Agency ("CRA") respecting the treatment of mutual fund corporations will not be changed in a manner which adversely affects the Shareholders.

In determining its income for tax purposes, the Company will treat gains and losses on dispositions of Portfolio Shares as capital gains and losses. The Company will treat option premiums received on the writing of covered call options and cash covered put options and any gains and losses sustained on closing out options as capital gains and losses in accordance with CRA's published administrative policies. The CRA's practice is not to grant advance income tax rulings on the characterization of items as capital gains or income and no advance income tax ruling has been requested or obtained. If some or all of the transactions undertaken by the Company were treated on income rather than capital account, after-tax returns to Shareholders could be reduced, the Company may be subject to non-refundable income tax in respect of income from such transactions, and the Company may be subject to penalty taxes in respect of excessive capital gains dividend elections.

The Tax Act contains rules (the "**DFA Rules**") that target financial arrangements (referred to as "derivative forward agreements") that seek to deliver a return based on an "underlying interest" (other than certain excluded underlying interests). The DFA Rules are broad in scope and could apply to other agreements or transactions (including certain options). If the DFA Rules were to apply in respect of derivatives utilized by the Company, gains realized in respect of the property underlying such derivatives could be treated as ordinary income rather than capital gains. However, provided a covered call option or a cash covered put option is written by the Company in the manner described in the Company's annual information form under "Investment Strategy – Covered Option Writing", the writing of such options will not generally be subject to the DFA Rules.

To the extent that the Company earns net income (other than taxable dividends from taxable Canadian corporations and taxable capital gains) such as interest or dividends from corporations other than taxable Canadian corporations, the Company will be subject to income tax on such income and no refund will be available in respect thereof. The Manager has advised counsel that, based on the investment strategies and investment restrictions of the Company, it does not expect that the Company will be subject to material non-refundable taxes prior to the Maturity Date.

Significant Retractions

If a significant number of Preferred Shares or Class A Shares are retracted, the trading liquidity of the Preferred Shares and Class A Shares could be significantly reduced. In addition, the expenses of the Company would be spread among fewer Preferred Shares and Class A Shares resulting in a potentially lower NAV per Unit.

Securities Lending

The Company may engage in securities lending. Although it receives collateral for the loans and such collateral is marked to market, the Company is exposed to the risk of loss should the borrower default on its obligation to return the borrowed securities and the collateral be insufficient to reconstitute the portfolio of loaned securities.

Loss of Investment

An investment in the Company is appropriate only for investors who have the capacity to absorb investment losses.

Non-Concurrent Retraction

Holders of Class A Shares and Preferred Shares are offered a non-concurrent retraction right on a Maturity Date. To the extent that there are unmatched numbers of Class A Shares and Preferred Shares tendered for retraction, the Class A Shares or the Preferred Shares, as the case may be, may be called by the Company for redemption on a pro rata basis in order to maintain the same number of Class A Shares and Preferred Shares outstanding for a redemption price equal to the price that would have been payable on a retraction of such shares by the holder. The number of retractions by holders of Class A Shares and Preferred Shares may be influenced by the performance of the Company, the management expense ratio, and the trading discount to their NAV, as applicable, among other things.

Distributions Subject to Change

The Board of Directors is entitled to determine the distributions in respect of the Preferred Shares and Class A Shares, and as such the distributions in respect of the Preferred Shares and Class A Shares are subject to change.

Changes in Legislation and Regulatory Risk

There can be no assurance that certain laws applicable to the Company, including securities legislation, will not be changed in a manner which adversely affects the Company or Shareholders. If such laws change, then such changes could have a negative effect upon the value of the Company, the Preferred Shares, the Class A Shares and investment opportunities available to the Company.

Cyber Security Risk

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

The primary risks to the Company from the occurrence of a Cyber Security Incident include disruption in operations, reputational damage, disclosure of confidential information, the incurrence of regulatory penalties, additional compliance costs associated with corrective measures, and/or financial loss. Cyber Security Incidents of the Company’s third-party service providers or issuers that the Company invests in can also subject the Company to many of the same risks associated with direct Cyber Security Incidents.

The Manager has established risk management systems designed to reduce the risks associated with cyber security. However, there is no guarantee that such efforts will succeed. Furthermore, the Company cannot control the cyber security plans and systems put in place by its service providers or any other third party whose operations may affect the Company or its Shareholders. The Company and its Shareholders could be negatively impacted as a result.

EXCHANGE OF TAX INFORMATION

The Tax Act includes provisions which implement the Organization for Economic Co-operation and Development Common Reporting Standard and the Canada-United States Enhanced Tax Information Exchange Agreement (the “**International Information Exchange Legislation**”). Pursuant to the International Information Exchange Legislation, certain “Canadian financial institutions” (as defined in the International Information Exchange Legislation) are required to have procedures in place, in general terms, to identify accounts held by residents of foreign countries or by certain entities organized in, or the “controlling persons” of which are resident in, a foreign country (and also, in the case of the U.S., of which the holder or any such controlling person is a citizen) and to report required information to the CRA. Such information would be exchanged by the CRA on a reciprocal, bilateral basis with the countries in which the account holder or any such controlling person is resident (or of which such holder or person is a citizen, where applicable), where such countries (including the U.S.) have agreed to a bilateral information exchange with Canada to which the International Information Exchange Legislation applies. Under the International Information Exchange Legislation, Shareholders may be required to provide certain information regarding their tax status for the purpose of such information exchange unless the investment is held within a Registered Plan.

FEES AND EXPENSES

Management Fee

In consideration for the services provided by the Manager to the Company, the Company pays a fee (the “**Management Fee**”) to the Manager equal to 0.75% per annum of the NAV of the Company plus applicable taxes (including HST). The Management Fee is calculated and payable monthly in arrears based on the average NAV of the Company calculated at 4:00 p.m. (Toronto time) on each Business Day, and any other time as determined by the Manager from time to time during that month. The Company reimburses the Manager for all reasonable costs and expenses incurred by the Manager on behalf of the Company.

Operating Expenses

The Company pays for all expenses incurred in connection with the operation and management of the Company. These expenses include, without limitation: (a) financial reporting costs, mailing and printing expenses for periodic reports to Shareholders and other Shareholder communications; (b) any taxes payable by the Company; (c) fees payable to the Custodian; (d) fees payable to the Registrar and Transfer Agent for the Shares of the Company and for performing certain financial, record-keeping, Shareholder reporting and general administrative services; (e) costs and fees payable to any agent, legal counsel, valuation agent, technical consultant, accountant and auditor of the Company; (f) ongoing regulatory filing fees, stock exchange fees, listing fees and other fees; (g) any expenses incurred by the Company in connection with any legal proceedings in which the Manager participates on behalf of the Company or any other acts of the Manager in connection with the protection of the Company or of any investment included in the Portfolio; (h) fees and expenses of the independent directors of the Company and members of the Company’s IRC which fees and expenses are paid on a pro rata basis by the Company and other applicable investment funds managed by the Manager and, in the case of the IRC, of which the same individuals form the IRC; (i) expenses related to compliance with NI 81-107; (j) premiums for insurance coverage for the officers and directors of the Company and members of the IRC; (k) any expenditures which may be incurred upon the termination of the Company; (l) consulting fees including website maintenance costs and expenses associated with the preparation of tax filings; (m) other administrative expenses, including the expenses of the Manager in its capacity as portfolio manager of the Company; and (n) the costs of complying with any new governmental or regulatory requirement introduced after the Company was established and any extraordinary expenses which the Company may incur from time to time, including any costs associated with the printing and distribution of any documents that the securities regulatory authorities require be sent or delivered to investors in the Company. The Company is also responsible for all commissions and other costs of securities transactions, debt service and costs relating to borrowings by the Company, including under any credit facility.

LEGAL MATTERS

Unless otherwise specified in the Prospectus Supplement, certain legal matters relating to any offering of Preferred Shares and Class A Shares will be passed upon by Osler, Hoskin & Harcourt LLP, Toronto, Ontario. As of the date hereof, the partners and associates of Osler, Hoskin & Harcourt LLP, as a group, own less than 1% of the outstanding Preferred Shares or Class A Shares of the Company.

PURCHASERS' STATUTORY RIGHTS

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces and territories of Canada, securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that such remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of these rights or consult with a legal advisor.

CERTIFICATE OF THE COMPANY AND THE MANAGER

Dated: November 5, 2025

This short form base shelf prospectus, together with the documents incorporated in this prospectus by reference, will, as of the date of the last supplement to this prospectus relating to the securities offered by this prospectus and the supplement(s), constitute full, true and plain disclosure of all material facts relating to the securities offered by this prospectus and the supplement(s) as required by the securities legislation of each of the provinces and territories of Canada.

BIG BANC SPLIT CORP.

(signed) "Som Seif"
Som Seif
President and Chief Executive Officer

(signed) "Tyler Meyrick"
Tyler Meyrick
Chief Financial Officer

On behalf of the Board of Directors

(signed) "Jean M. Fraser"
Jean M. Fraser
Director

(signed) "Douglas G. Hall"
Douglas G. Hall
Director

PURPOSE INVESTMENTS INC. (as Manager)

(signed) "Som Seif"
Som Seif
President and Chief Executive Officer

(signed) "Tyler Meyrick"
Tyler Meyrick
Chief Financial Officer

On behalf of the Board of Directors

(signed) "Som Seif"
Som Seif
Director

(signed) "Vladimir Tasevski"
Vladimir Tasevski
Director

(signed) "Tyler Meyrick"
Tyler Meyrick
Director