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.

PROSPECTUS

FIRST ASSET
EXCHANGE TRADED FUNDS

Initial Public Offering and Continuous Offering

July 28, 2016

First Asset Investment Grade Bond ETF[1]
(the "First Asset ETF")

The First Asset ETF is an exchange traded mutual fund trust established under the laws of Ontario. Units of the First Asset ETF are being offered for sale on a continuous basis by this prospectus. First Asset Investment Management Inc. (the "**Manager**"), a registered investment fund manager, is the trustee and manager of the First Asset ETF. The portfolio manager of the First Asset ETF is Marret Asset Management Inc. (the "**Portfolio Manager**"). The Manager and Portfolio Manager are each subsidiaries of CI Financial Corp.

Investment Objectives

The First Asset ETF'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, the ETF will be primarily invested in investment grade bonds, and investment grade debt securities.

See "Investment Objectives" for further information.

Listing of Units

The Units of Marret Investment Grade Bond Fund outstanding on the effective date of the Conversion will be re-designated as Units of the First Asset ETF and continue to be listed on the TSX. Investors can buy or sell such Units on the TSX through registered brokers and dealers in the province or territory where the investor resides.

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 the First Asset ETF with a decision exempting it from the requirement to include a certificate of an underwriter in this prospectus. The designated broker and dealers are not underwriters of the First Asset ETF in connection with the distribution of Units under this prospectus. While the First Asset ETF is a mutual fund under the securities legislation of certain provinces and territories of Canada, it has been granted exemptive relief from certain provisions of Canadian securities legislation applicable to conventional mutual funds.

[1] The First Asset ETF was originally established as a closed-end investment trust (as Marret Investment Grade Bond Fund) under the laws of Ontario on September 29, 2009. In connection with the Conversion (defined below), as approved by unitholders at a special meeting held on May 18, 2016, Marret Investment Grade Bond Fund will change its name to "First Asset Investment Grade Bond ETF", change its investment objectives and strategies, appoint First Asset Investment Management Inc. as the manager and trustee, and convert from a closed-end fund into an exchange traded fund, all in accordance with the terms of its declaration of trust, and as further described in the information circular dated April 18, 2016 (collectively, the "**Conversion**"). References in this prospectus to "First Asset Investment Grade Bond ETF" refer to such First Asset ETF, following the Conversion.

Provided that the First Asset ETF qualifies as a "mutual fund trust" within the meaning of the Tax Act, or the Units are listed on a "designated stock exchange" within the meaning of the Tax Act, the Units, 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 ETF is in continuous distribution, additional information about the First Asset ETF 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 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 ETF 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:**	**877-642-1289**
95 Wellington Street West, Suite 1400		
Toronto, Ontario M5J 2N7		**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:

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

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

"**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;

"**Capital Gains Refund**" has the meaning ascribed to such term under the heading "Income Tax Considerations - Taxation of the First Asset ETF";

"**Cash Creation Fee**" means the fee payable in connection with cash-only payments for subscriptions of a PNU of the 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 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;

"**Conversion**" has the meaning ascribed to such term in Note 1 on the face page hereof;

"**Converted Units**" has the meaning ascribed to such term under the heading "Exchange and Redemption of Units – Conversion of Units";

"**Converting Units**" has the meaning ascribed to such term under the heading "Exchange and Redemption of Units – Conversion of Units";

"**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;

"**Custodian**" means CIBC Mellon Trust Company, in its capacity as custodian of the First Asset ETF pursuant to the Custodian Agreement to be entered into on or about the effective date of Conversion;

"**Custodian Agreement**" means 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 the Custodian, as acceded to by the First Asset ETF, as may be further supplemented, amended and/or amended and restated from time to time;

"**Dealer**" means a registered dealer (that may or may not be the Designated Broker) that has entered into a Dealer Agreement with the Manager, on behalf of the First Asset ETF, 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 the First Asset ETF, and a Dealer;

"**Declaration of Trust**" means the amended and restated declaration of trust for the First Asset ETF to be dated as of August 19, 2016 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 the Designated Broker Agreement with the Manager, on behalf of the First Asset ETF pursuant to which the Designated Broker agrees to perform certain duties in relation to the First Asset ETF;

“**Designated Broker Agreement**” means an agreement between the Manager, on behalf of the First Asset ETF, and the Designated Broker;

“**DFA Rules**” has the meaning ascribed to such term under the heading “Income Tax Considerations - Taxation of the First Asset ETF”;

“**Distribution Record Date**” means a date determined by the Manager as a record date for the determination of Unitholders of the 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;

“**First Asset**” means First Asset Investment Management Inc., the Manager and Trustee of the First Asset ETF;

“**First Asset ETF**” means First Asset Investment Grade Bond 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;

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

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

“**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 the First Asset ETF;

“**Manager**” means First Asset, in its capacity as investment fund manager of the First Asset ETF pursuant to the Declaration of Trust to be entered into on or about the effective date of Conversion, as replacement manager to Marret Asset Management Inc.;

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

"**net asset value**" means 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 81-107**" 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 ETF";

"**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";

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

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

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

"**PNU**" means 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 Management Agreement**" has the meaning ascribed to such term under "Organization and Management Details of the First Asset ETF – Details of the Portfolio Management Agreement";

"**Portfolio Manager**" Marret Asset Management Inc., a subsidiary of CI Financial Corp., an affiliate of the Manager;

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

"**Proxy Voting Policy**" has the meaning ascribed to such term under the heading "Proxy Voting Disclosure for Portfolio Securities Held";

"**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, in its capacity as registrar and transfer agent of the First Asset ETF pursuant to the transfer agency agreement to be entered into on or about the effective date of Conversion, as replacement registrar and transfer agent to Equity Financial Trust Company;

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

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

"**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;

“**substituted property**” has the meaning ascribed to such term under the heading “Income Tax Considerations - Taxation of the First Asset ETF”;

“**SWP**” has the meaning ascribed to such term under the heading “Distribution Policy – Distribution Reinvestment Plan”;

“**swap**” means 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 ETF pursuant to the Declaration of Trust;

“**TSX**” means the Toronto Stock Exchange;

“**Unitholder**” means a holder of Units;

“**Units**” means redeemable, transferable units of the First Asset ETF, each of which represents an undivided interest in the net assets of the First Asset ETF, and “**Unit**” means any one of them;

“**Valuation Agent**” means CIBC Mellon Global Securities Services Company;

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

“**Valuation Time**” means 4:00 p.m. (EST) on a Valuation Day.

PROSPECTUS SUMMARY

The following is a summary of the principal features of the Units 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.

Issuer: First Asset Investment Grade Bond ETF

Offering: The First Asset ETF was originally established as a closed-end investment trust (as Marret Investment Grade Bond Fund) under the laws of Ontario on September 29, 2009. In connection with the Conversion (defined below), as approved by unitholders at a special meeting held on May 18, 2016, Marret Investment Grade Bond Fund will change its name to "First Asset Investment Grade Bond ETF", change its investment objectives and strategies, appoint First Asset Investment Management Inc. as the manager and trustee, and convert from a closed-end fund into an exchange traded fund, all in accordance with the terms of its declaration of trust, and as further described in the information circular dated April 18, 2016 (collectively, the "**Conversion**"). The units of Marret Investment Grade Bond Fund outstanding on the date of Conversion will be re-designated as Units of the First Asset ETF and continue to be listed on the TSX.

References in this prospectus to "First Asset Investment Grade Bond ETF" refer to such First Asset ETF, following the Conversion and this prospectus describes the attributes of the Units of the First Asset ETF following the Conversion. See "Overview of the Legal Structure of the First Asset ETF".

Continuous Distribution: Units will be offered for sale on a continuous basis by this prospectus, and there is no maximum number of Units 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. See "Plan of Distribution".

The units of Marret Investment Grade Bond Fund outstanding on the date of Conversion will be re-designated as Units of the First Asset ETF and continue to be listed on the TSX. Investors can buy or sell 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. No fees are paid by investors to the Manager or the First Asset ETF in connection with the buying or selling of Units on the TSX.

The First Asset ETF issues Units directly to the Designated Broker and Dealers. From time-to-time and as may be agreed between the First Asset ETF and the Designated Broker or a Dealer, such Designated Broker or Dealer may deliver a Basket of Securities as payment for Units. See "Purchases of Units - Issuance of Units".

Investment Objectives: The investment objectives of the First Asset ETF 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, the First Asset ETF will be primarily invested in investment grade bonds and investment grade debt securities.

See "Investment Objectives".

Investment Strategies:

The First Asset ETF's portfolio (the "**Portfolio**") will be managed by Marret Asset Management Inc. (the "**Portfolio Manager**") a subsidiary of CI Financial Corp., an affiliate of the Manager.

The Portfolio shall consist primarily of U.S., Canadian and European investment grade bonds and investment grade debt securities. The First Asset ETF 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, the First Asset ETF will not purchase 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 the First Asset ETF 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.

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, the Portfolio may consist entirely of Government and Government guaranteed securities.

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 ETF may also invest in one or more other investment funds, including other investment funds managed by the Manager (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. The 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 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 ETF may use derivative instruments to reduce transaction costs and increase the liquidity and efficiency of trading. The First Asset ETF may, from time to time, use derivatives to hedge its exposure to equity securities or to generate additional income. The First Asset ETF may invest in or use derivative instruments, including futures contracts, forward contracts and credit indices, 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 objectives and strategies of the First Asset ETF.

	Currency Hedging
	At the discretion of the Portfolio Manager, the 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. The Portfolio Manager intends to protect returns on the Portfolio from currency fluctuations by hedging foreign currency exposure to the Canadian dollar, and expects that, initially, between 80% and 100% of Portfolio investments denominated in foreign currencies will be hedged 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 ETF 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 ETF.
	Short Selling
	The 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. 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. In addition, the First Asset ETF is entitled to rely on exemptive relief from the securities regulatory authorities to permit a Unitholder of the First Asset ETF 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 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 the 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 monthly. The First Asset ETF does not have a fixed distribution amount. The amount of ordinary cash distributions, if any, will be based on First Asset'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 the First Asset ETF will be announced in advance by issuance of a press release. Any such distributions will be paid to Unitholders of record as of the second last business day of each month. Distributions on the Units are expected to consist of income, including foreign source income, sourced primarily from distributions (including interest) received on the securities included in the Portfolio, less the expenses of the First Asset ETF and may include returns of capital. The level of distributions

	paid by the First Asset ETF to Unitholders will depend upon the distributions received from the securities included in Portfolio and therefore may fluctuate from month to month. 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 “Distributions Policy – Distribution Reinvestment Plan” for further details in this regard and for additional information relating to other aspects of the Reinvestment Plan including the pre-authorized cash contribution and systematic withdrawal provisions available to Unitholders.
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 ETF will also offer additional redemption or exchange options which are available where a Dealer, the Designated Broker, or Unitholder redeems or exchanges a PNU. See “Exchange and Redemption of Units”.
Income Tax Considerations:	A Unitholder 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 the First Asset ETF in that year (including such income that is reinvested in additional Units). A Unitholder who disposes of a Unit 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 by obtaining advice from his or her tax advisor. See “Income Tax Considerations”.
Eligibility for Investment:	Provided that the First Asset ETF qualifies as a “mutual fund trust” within the meaning of the Tax Act, or the Units are listed on a “designated stock exchange” within the meaning of the Tax Act, the Units, if issued on the date hereof, would on such date be qualified investments under the Tax Act for a trust governed by a RRSP, a RRIF, a RDSP, a DPSP, a RESP or a TFSA. See “Income Tax Considerations – Taxation of Registered Plans”.
Documents Incorporated by Reference:	During the period in which the First Asset ETF is in continuous distribution, additional information about the First Asset ETF 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 and 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. 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 ETF at www.firstasset.com and may be obtained upon request, at no cost, by calling 416-642-1289 or toll-free 1-855-983-ETFs (855-983-3837) or by contacting your dealer. These documents and other information about the First Asset ETF are also publicly available at www.sedar.com.

See "Documents Incorporated by Reference".

Termination: The First Asset ETF does 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 ETF".

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) General risks of investing in bonds;

(e) Interest rate risk;

(f) Credit risk;

(g) Foreign markets risk;

(h) Composition of portfolio risk;

(i) Illiquid securities risk;

(j) Regulatory risk;

(k) Currency exposure risk;

(l) Derivatives risk;

(m) Short selling risk;

(n) Corresponding net asset value risk;

(o) Designated broker/dealer risk;

(p) Reliance on key personnel risk;

(q) Potential conflicts of interest risk;

(r) Cease trading of securities risk;

(s) Exchange risk;

(t) Early closing risk;

(u) Concentration risk;

(v) Reliance on historical data risk;

(w) Tax risk;

(x) Withholding tax risk;

(y) Securities lending, repurchase and reverse repurchase transaction risk;

(z) Fund of funds investment risk;

(aa) Exchange traded funds risk;

(bb) Liability of unitholders risk; and

(cc) Absence of an active market for the units.

See “Risk Factors”.

Organization and Management of the First Asset ETF

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 ETF. The Manager will be responsible for providing or arranging for the provision of administrative services and management functions, including the day-to-day management of the First Asset ETF. The principal office of the Manager is 95 Wellington Street West, Suite 1400, Toronto, Ontario M5J 2N7. The Manager is a subsidiary of CI Financial Corp.. See "Organization and Management Details of the First Asset ETF – Manager".
Portfolio Manager:	Marret Asset Management Inc., a subsidiary of CI Financial Corp., an affiliate of the Manager, is the portfolio manager of the First Asset ETF and will provide investment advisory services to the First Asset ETF. The principal office of the Portfolio Manager is 2 Queen Street East, 20th Floor, Toronto, Ontario M5C 3G7. See "Organization and Management Details of the First Asset ETF – The Portfolio Manager".
Custodian:	CIBC Mellon Trust Company is the custodian of the First Asset ETF. The Custodian provides custodial services to the First Asset ETF. The Custodian is located in Toronto, Ontario. See "Organization and Management Details of the First Asset ETF – Custodian".
Valuation Agent:	CIBC Mellon Global Securities Services Company provides accounting services in respect of the First Asset ETF. CIBC Mellon Global Securities Services Company is located in Toronto, Ontario. See "Organization and Management Details of the First Asset ETF – Valuation Agent".
Auditors:	In connection with the Conversion, Ernst & Young LLP will be appointed as the auditor of the First Asset ETF and will be responsible for auditing the annual financial statements of the First Asset ETF. The head office of Ernst & Young LLP is located in Toronto, Ontario. PricewaterhouseCoopers LLP is the auditor of the First Asset ETF prior to the Conversion. The head office of PricewaterhouseCoopers LLP is located in Toronto, Ontario. Each of the auditors is independent with respect to the First Asset ETF within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario. See "Organization and Management Details of the First Asset ETF – 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 ETF – Transfer Agent and Registrar".
Securities Lending Agent	The Bank of New York Mellon acts as the securities lending agent for the First Asset ETF pursuant to a securities lending authorization agreement. See "Organization and Management Details of the First Asset ETF –

	Securities Lending Agent".
Promoter:	First Asset is also the promoter of the First Asset ETF. First Asset took the initiative in founding and organizing the First Asset ETF and is, accordingly, the promoter of the First Asset ETF within the meaning of securities legislation of certain provinces and territories of Canada. See "Organization and Management Details of the First Asset ETF – Promoter".

Summary of Fees and Expenses

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

Fees and Expenses Payable by the First Asset ETF

Type of Charge:	**Description**
Management Fee:	The First Asset ETF will pay an annual management fee (the "**Management Fee**") to the Manager equal to 0.65% of the net asset value of the First asset ETF, calculated daily and payable monthly in arrears, plus applicable taxes. 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 the 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".
Portfolio Management Fee:	The fee paid to the Portfolio Manager will be paid by the Manager out of the Management Fee.
Operating Expenses:	In addition to the Management Fee, the First Asset ETF 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 ETF 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

the 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 ETF and 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 organization costs of the First Asset ETF, including the costs of implementing the Conversion, all expenses related to the issuance of Units of the First Asset ETF shall be borne by the 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% 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.

See “Exchange and Redemption of Units”.

Annual Return, Management Expense Ratio and Trading Expense Ratio

The following chart provides the annual returns, the management expense ratio and the trading expense ratio for the Units, for each of the past five years.

First Asset Investment Grade Bond ETF[1]	**2015**	**2014**	**2013**	**2012**[2]	**2011**[2]
Units					
Annual Return	0.2%	5.4%	-0.6%	10.7%	1.0%
MER[3]	0.98%	0.84%	1.58%	1.51%	1.46%
TER[4]	-	-	-	-	-

[1] On or about August 19, 2016, Marret Investment Grade Bond Fund will convert from a closed-end fund into an exchange traded mutual fund trust (the “**Conversion**”). In connection with the Conversion, the annual management fee payable by the fund to First Asset, as manager, in respect of the outstanding 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.

[2] 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.

[3] MER or management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) of the Fund for December 31, 2015 and of the Fund for the prior years, including interest expense and issuance costs, and is expressed as an annualized percentage of daily average Net Asset Value for the year.

[4] TER or 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.

OVERVIEW OF THE LEGAL STRUCTURE OF THE FIRST ASSET ETF

The First Asset ETF is an exchange traded mutual fund trust 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 ETF is First Asset Investment Management Inc., a registered portfolio manager and investment fund manager. The portfolio manager of the First Asset ETF is Marret Asset Management Inc., a subsidiary of CI Financial Corp. and an affiliate of the Manager.

The First Asset ETF was originally established as a closed-end investment trust (as Marret Investment Grade Bond Fund) under the laws of Ontario on September 29, 2009. In connection with the Conversion (defined below), as approved by unitholders at a special meeting held on May 18, 2016, Marret Investment Grade Bond Fund will change its name to "First Asset Investment Grade Bond ETF", change its investment objectives and strategies, appoint First Asset Investment Management Inc. as the manager and trustee, and convert from a closed-end fund into an exchange traded fund, all in accordance with the terms of its declaration of trust (collectively, the "**Conversion**"), and as further described in the information circular dated April 18, 2016. The units of Marret Investment Grade Bond Fund outstanding on the date of Conversion will be re-designated as Units of the First Asset ETF and continue to be listed on the TSX.

References in this prospectus to "First Asset Investment Grade Bond ETF" refer to such First Asset ETF, following the Conversion and this prospectus describes the attributes of the Units of the First Asset ETF following the Conversion.

The head office of the Manager and the First Asset ETF is 95 Wellington Street West, Suite 1400, Toronto, Ontario M5J 2N7.

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

	TSX Ticker Symbol (Units)
First Asset Investment Grade Bond ETF	FIG

Note: Prior to the date of the Conversion, the TSX ticker symbol for the units of the fund was "MIG.UN".

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

INVESTMENT OBJECTIVES

The investment objectives of the First Asset ETF 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, the First Asset ETF will be primarily invested in investment grade bonds and investment grade debt securities.

The investment objectives of the First Asset ETF may not be changed except with the approval of its Unitholders. See "Unitholder Matters" for additional descriptions of the process for calling a meeting of Unitholders and the requirements of Unitholder approval.

INVESTMENT STRATEGIES

The First Asset ETF's portfolio (the "**Portfolio**") shall consist primarily of U.S., Canadian and European investment grade bonds and investment grade debt securities. The First Asset ETF 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, the First Asset ETF will not purchase 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 the First Asset ETF 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.

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, the Portfolio may consist entirely of Government and Government guaranteed securities.

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 ETF may also invest in one or more other investment funds, including other investment funds managed by the Manager (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. The 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 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 ETF may use derivative instruments to reduce transaction costs and increase the liquidity and efficiency of trading. The First Asset ETF may, from time to time, use derivatives to hedge its exposure to equity securities or to generate additional income. The First Asset ETF may invest in or use derivative instruments, including futures contracts, forward contracts and credit indices, 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 objectives and strategies of the First Asset ETF.

Currency Hedging

At the discretion of the Portfolio Manager, the 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. The Portfolio Manager intends to protect returns on the Portfolio from currency fluctuations by hedging foreign currency exposure to the Canadian dollar, and expects that, initially, between 80% and 100% of Portfolio investments denominated in foreign currencies will be hedged 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 Manager has entered into a written securities lending authorization agreement (a "**Securities Lending Agreement**") with its sub-custodian, The Bank of New York Mellon (the "**Lending Agent**") and certain of its affiliates, pursuant to which the Lending Agent's agent, CIBC Mellon Global Security Services Company, administers securities lending transactions for certain funds managed by the Manager, including the First Asset ETF. The Lending Agent is not an affiliate or an associate of the Manager. The Securities Lending Agreement 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 requiring the Lending Agent to, among other things: (a) enter into securities lending transactions with borrowers selected by the 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 ETF under a securities lending transaction and the collateral held by the First Asset ETF; (d) if on any day the market value of the collateral held by the First Asset ETF is less than 102% of the market value of the borrowed securities, request that the borrower provide additional collateral to the First Asset ETF to make up the shortfall; and (e) ensure that the collateral to be delivered to the First Asset ETF is one or more of cash (if agreed to by the Manager and the 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 ETF.

Pursuant to the Securities Lending Agreement, the First Asset ETF and the Manager will indemnify the Lending Agent, and the Lending Agent will indemnify the First Asset ETF, from all claims, losses, damages, liabilities, costs and expenses (including reasonable counsel fees and expenses but excluding consequential or indirect damages), suffered by any party arising from: (i) the failure of the indemnifying party to perform any of its obligations under the Securities Lending Agreement, (ii) any inaccuracy of any representation or warranty made by the indemnifying party in the Securities Lending Agreement, or (iii) any fraud, bad faith, wilful misconduct, gross negligence or reckless disregard of duties by the indemnifying party, in connection with or relating to the Securities Lending Agreement.

The Securities Lending Agreement may be terminated at any time at the option of either party upon 30 days’ prior written notice to the other party.

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 Lending Agent reviews its written policies and procedures at least annually. The 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

The 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. Short selling is an investment strategy whereby the First Asset ETF sells a security that it does not own on the basis that the 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 the 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 the First Asset ETF to control volatility and possibly enhance performance. The Manager is of the view that the First Asset ETF can benefit from the implementation and execution of a controlled and limited short selling strategy. This strategy would operate as a complement to the 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.

OVERVIEW OF THE SECTOR THAT THE FIRST ASSET ETF INVESTS IN

The Portfolio shall consist 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, the Portfolio may consist entirely of Government and Government guaranteed securities.

INVESTMENT RESTRICTIONS

The First Asset ETF is 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 ETF are diversified and relatively liquid and to ensure its proper administration. The investment restrictions and practices applicable to the First Asset ETF 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 ETF. A change to the fundamental investment objectives of the First Asset ETF would require the approval of the Unitholders. Please see "Unitholder Matters – Matters Requiring Unitholders Approval".

Subject to the following, and any exemptive relief that has been or will be obtained, the First Asset ETF is 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 ETF will not make an investment or conduct any activity that would result in the 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, the First Asset ETF will not (i) 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; (ii) 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); (iii) invest in any security that would be a "tax shelter investment" within the meaning of section 143.2 of the Tax Act; (iv) invest in any security of an issuer that would be a "foreign affiliate" of the First Asset ETF for purposes of the Tax Act; or (v) enter into any arrangement (including the acquisition of securities for the 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 ETF

Management Fee

The First Asset ETF will pay an annual management fee (the "**Management Fee**") to the Manager equal to 0.65% of the net asset value of the First asset ETF, calculated daily and payable monthly in arrears, plus applicable taxes.

To encourage very large investments in the First Asset ETF and to ensure Management Fees are 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 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 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 will be determined by the Manager. Management Fee Distributions for the First Asset ETF will generally be calculated and applied based on a Unitholder's average holdings of Units 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 and not to the holdings of Units by dealers, brokers or other CDS Participants that hold Units 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 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 the First Asset ETF generally will be borne by the Unitholders of the First Asset ETF receiving these distributions from the First Asset ETF.

Portfolio Management Fee

The fee paid to the Portfolio Manager will be paid by the Manager out of the Management Fee.

Operating Expenses

In addition to the Management Fee, the First Asset ETF 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 ETF 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 the 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 ETF and the costs of the preparation and filing of the preliminary prospectus and initial prospectus.

Expenses of the Issue

Apart from the initial organization costs of the First Asset ETF, including the costs of implementing the Conversion, all expenses related to the issuance of Units of the First Asset ETF shall be borne by the First Asset ETF unless otherwise waived or reimbursed by the Manager.

Fees and Expenses Payable Directly by the Unitholders

Redemption Fees

The Manager may charge exchanging or redeeming Unitholders of the First Asset ETF, at its discretion, a redemption fee of up to 0.25% 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.

The redemption fee will not be charged to a Unitholder in connection with the buying or selling of Units on the TSX.

ANNUAL RETURNS, MANAGEMENT EXPENSE RATIO AND TRADING EXPENSE RATIO

Annual Return, Management Expense Ratio and Trading Expense Ratio

The following chart provides the annual returns, the management expense ratio and the trading expense ratio for the Units, for each of the past five years.

First Asset Investment Grade Bond ETF[1]	**2015**	**2014**	**2013**	**2012**[2]	**2011**[2]
Units					
Annual Return	0.2%	5.4%	-0.6%	10.7%	1.0%
MER[3]	0.98%	0.84%	1.58%	1.51%	1.46%
TER[4]	-	-	-	-	-

[1] On or about August 19, 2016, Marret Investment Grade Bond Fund will convert from a closed-end fund into an exchange traded mutual fund trust (the "**Conversion**"). In connection with the Conversion, the annual management fee payable by the fund to First Asset, as manager, in respect of the outstanding 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.

[2] 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.

[3] MER or Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) of the Fund for December 31, 2015 and of the Fund for the prior years, including interest expense and issuance costs, and is expressed as an annualized percentage of daily average Net Asset Value for the year.

[4] TER or 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.

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:

No Assurances on Achieving Investment Objective

There is no assurance that the First Asset ETF will achieve its investment objective. The funds available for distributions to Unitholders will vary according to, among other things, the dividends and other distributions paid on the securities in the Portfolio and the value of the securities comprising the Portfolio.

Securities Market Risk

The value of most securities, including the securities comprising the Portfolio, 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.

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 the First Asset ETF 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.

Interest Rate Risk

The net asset value of the First Asset ETF will be influenced by changes in the general level of interest rates. If interest rates fall, the value of the Portfolio will tend to rise. If interest rates rise, the value of the Portfolio will tend to fall. Depending on the First Asset ETF's holdings, short-term interest rates can have a different influence on the First Asset ETF's value than long-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 the First Asset ETF's income and share price. A deterioration of an issuer's financial strength may also affect the issuer's ability to make dividend payments.

Foreign Markets Risk

Participation in transactions by the 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 the 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 the First Asset ETF on foreign exchanges may not be provided the same protection as funds received in respect of transactions by the First Asset ETF on Canadian exchanges.

Composition of Portfolio

The composition of the securities included in the 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.

Illiquid Securities

There is no assurance that an adequate market will exist for the securities included in the Portfolio and it cannot be predicted whether the securities included in the Portfolio will trade at a discount to, a premium to, or at their respective par or net asset values.

Regulatory Risk

Legal and regulatory changes may occur that may adversely affect the First Asset ETF and which could make it more difficult, if not impossible, for the First Asset ETF to operate or to achieve its investment objectives. To the extent possible, First Asset will attempt to monitor such changes to determine the impact such changes may have on the First Asset ETF 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 the 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 the First Asset ETF, its Unitholders or distributions received by the First Asset ETF or by its Unitholders.

Currency Exposure Risk

As a portion of the Portfolio may be invested in securities traded in currencies other than the Canadian dollar, the net asset value of the 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 these currencies relative to the Canadian dollar. The First Asset ETF may not be fully hedged and accordingly no assurance can be given that the 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 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 the First Asset ETF if the 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 the 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 the 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 the 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, the 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

The First Asset ETF may engage in short selling transactions, 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 involves borrowing securities from a lender, which are then sold in the open market. At a future date, the same securities are bought back by the First Asset ETF from another seller and returned to the lender. Until the securities are returned by the First Asset ETF, assets of the First Asset ETF are deposited with the securities lender as collateral, and the First Asset ETF pays interest to the lender on the borrowed securities. During this time, the First Asset ETF also pays any dividends or distributions paid out on the borrowed securities to the lender. If the value of the securities falls between the time that the First Asset ETF borrows the securities and sells them, and the time it buys them back and returns them to the lender, the First Asset ETF makes a profit on the difference (minus the interest paid to the lender and any other expenses). 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 interest paid by the First Asset ETF and make a profit for the First Asset ETF, and securities sold short may instead appreciate in value. The First Asset ETF may also experience difficulties repurchasing and returning the borrowed securities if a liquid market for the securities does not exist. 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 the First Asset ETF engages in short selling it will adhere to controls and restrictions that are intended to help offset these risks as set out in NI-81-102.

Corresponding Net Asset Value Risk

The Units may trade below, at, or above their respective net asset values per Unit. The net asset values per Unit will fluctuate with changes in the market value of the First Asset ETF's holdings. The trading prices of the Units will fluctuate in accordance with changes in the First Asset ETF's net asset value per unit, as well as market supply and demand on the TSX. However, given that Dealers may subscribe for or exchange a PNU of the First Asset ETF at the applicable net asset value per unit, First Asset expects that large discounts or premiums to the net asset value per Unit should not be sustained.

Designated Broker/Dealer Risk

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

Reliance on Key Personnel

Unitholders will be dependent on the abilities of First Asset and the Portfolio Manager to effectively manage the First Asset ETF and the Portfolio in a manner consistent with its investment objectives, investment strategies and investment restrictions. The Portfolio will be actively managed by the Portfolio Manager. The Portfolio Manager will apply investment techniques and risk analyses in making investment decisions for the First Asset ETF, 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 ETF will continue to be employed by First Asset or the Portfolio Manager, as applicable.

Potential Conflicts of Interest

First Asset and the Portfolio Manager, and their respective directors and officers and 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 the First Asset ETF.

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

Cease Trading of Securities Risk

If the securities of an issuer included in the Portfolio are cease-traded by order of the relevant securities regulatory authority or are halted from trading by the relevant stock exchange, the First Asset ETF may halt trading in its securities. Accordingly, securities of the 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 ETF 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 ETF may suspend the right to redeem securities for cash, subject to any required regulatory approval. If the right to redeem securities for cash is suspended, the First Asset ETF 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 a 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 the First Asset ETF are listed may result in the First Asset ETF being unable to sell or buy securities on that day. If such exchanges close early on a day when the 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

The First Asset ETF from time to time may be concentrated to a significant degree in securities of issuers or underlying funds focused on issuers in a particular industry or industries. As such, the First Asset ETF may face 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 credit quality; loan growth; regulatory environment; political or world events; and increased competition or new product introductions that may affect the profitability or viability of companies within the global financial industry.

Reliance on Historical Data Risk

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

Tax Risk

The First Asset ETF qualifies as a "mutual fund trust" within the meaning of the Tax Act. For the 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 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 the 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 the 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 Declaration of Trust contains a restriction on the number of permitted non-resident Unitholders.

If the 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 Unitholders.

In determining its income for tax purposes, the First Asset ETF treats gains and losses on dispositions of securities in the portfolio as capital gains and losses. Generally, the First Asset ETF includes gains and deducts losses on income account in connection with investments made through certain derivatives, including certain short sales of securities, except where such derivatives are used to hedge portfolio securities held on capital account provided there is sufficient linkage and recognizes such gains or losses for tax purposes at the time they are realized by the First Asset ETF. In addition, gains or losses in respect of foreign currency hedges entered into in respect of amounts invested in the Portfolio will likely 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. Designations with respect to the First Asset ETF's income and capital gains will be made and reported to Unitholders on the foregoing basis. 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 First Asset ETF in respect of such dispositions or transactions 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.

Pursuant to rules in the Tax Act, if the First Asset ETF experiences a "loss restriction event" (i) it 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) it 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 losses. Generally, the 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 the 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 Unitholders" for the tax consequences of an unscheduled or other distribution to Unitholders. Pursuant to proposed amendments to the Tax Act, in many circumstances the loss restriction event rules would not apply to a trust that meets certain requirements, including certain asset diversification requirements.

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 ETF will not be subject to tax under these rules as long as the First Asset ETF complies with its investment restrictions in this regard. If the 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 ETF being required to pay increased amounts of GST or HST.

The First Asset ETF intends to invest in foreign 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 interest paid or credited to persons who are not resident in such countries. While the ETF intends 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 foreign debt securities may subject the First Asset ETF to foreign taxes on interest paid or credited to it or any gains realized on the disposition of such securities. Any foreign taxes incurred by the First Asset ETF will generally reduce the value of its portfolio. To the extent that such foreign tax paid by the 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, 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 is subject to the detailed rules in the Tax Act.

Withholding Tax Risk

As the Portfolio may consist of securities issued by foreign issuers, interests received by the First Asset ETF on the securities in the Portfolio may be subject to foreign withholding tax. The return on the Portfolio will be net of such foreign withholding tax, unless the terms of the securities in the 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) interests and gains on securities held in the Portfolio will not be subject to foreign withholding tax or (ii) the terms of securities held in the Portfolio will provide for the gross-up referred to above.

Securities Lending, Repurchase and Reverse Repurchase Transaction Risk

The First Asset ETF is authorized to enter into securities lending, repurchase and reverse repurchase transactions in accordance with NI 81-102. In a securities lending transaction, the 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, the 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, the 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, the 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, the 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, the 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 ETF may engage in securities lending from time to time. When engaging in securities lending, the 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 ETF may invest in other exchange traded funds, mutual funds, closed-end funds or public investment funds as part of its investment strategy. If the 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.

Exchange Traded Funds Risk

The First Asset ETF 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.

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 ETF or the affairs of the First Asset ETF. The Declaration of Trust also provides that the First Asset ETF 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 ETF.

Absence of an Active Market and Lack of Operating History

The First Asset ETF will be a newly organized exchange-traded fund with no operating history as an exchange-traded fund. Although the First Asset ETF may be listed on the TSX, there can be no assurance that an active public market for the Units will develop or be sustained.

DISTRIBUTION POLICY

Any cash distributions of income on the Units are expected to be made monthly. The First Asset ETF does not have a fixed distribution amount. The amount of ordinary cash distributions, if any, will be based on First Asset'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 the First Asset ETF will be announced in advance by issuance of a press release. Any such distributions will be paid to Unitholders of record as of the second last business day of each month.

Distributions on the Units are expected to consist of income, including foreign source income, sourced primarily from distributions received on the securities included in the Portfolio, less the expenses of the First Asset ETF and may include returns of capital. The level of distributions paid by the First Asset ETF to Unitholders will depend upon the distributions (including interest) received from the securities included in Portfolio and therefore may fluctuate from month to month.

Year-End Distributions

If in any taxation year, after the ordinary distributions, there would remain in the 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 and/or cash. Any special distributions payable in Units 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 the 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 (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 reinvested distributions is discussed under the heading "Income Tax Considerations".

Pre-Authorized Cash Contribution

Plan Participants will also be able to make Pre-authorized Cash Contributions ("**PACC**") on the last business day of a month, calendar quarter (March, June, September and December) or calendar year recurring basis ("**Payment Date**") which will be invested in Plan Units acquired in the market by the Plan Agent. A Plan Participant that wishes to make a PACC must notify the CDS Participant through which such Unitholder holds its Units for instructions and then submit to such CDS Participant a completed PACC enrolment form along with a personal "Void" cheque. The CDS Participant must, on behalf of the Plan Participant, complete the CDS portion located on the reverse side of the PACC enrolment form, and submit the PACC enrolment form and personal "Void" cheque to the Plan Agent no later than ten (10) business days prior to a specified distribution Payment Date. For any month in which there is no specified distribution Payment Date, then a deemed distribution Payment Date will be used for that month which will be the last business day of the month. Any PACC enrolment forms received following such time will not be processed for the current period. Contributions will be debited from the Plan Participant's financial institution (or bank) account five (5) business days prior to the next applicable specified or deemed distribution Payment Date. Insufficient funds in a Plan Participant's financial institution (or bank) account will result in termination of that Plan Participant's PACC participation. If notice is not received by the Plan Agent prior to this deadline, the Unitholder will not make a PACC in the Reinvestment Plan for that period.

A Plan Participant may invest a minimum of $100.00 and a maximum of $10,000.00 per PACC monthly via their CDS Participant. A Plan Participant participating in the SWP (defined below) may not participate in the PACC service under this Reinvestment Plan.

Systematic Withdrawal Plan

Under the Reinvestment Plan, a Unitholder may elect to systematically withdraw ("**SWP**") (through the sale of Units) a fixed, but approximated, dollar amount owned by such Unitholder in respect of each subsequent SWP processing date by participating in the SWP service on a monthly, quarterly or annual recurring basis. Such dollar amount of Units to be sold for each such SWP processing date may not be less than $100.00 or greater than $10,000.00 of Units. A Unitholder may so elect to sell Units by notifying the Plan Agent via the applicable CDS Participant through which such Unitholder holds its Units of the Unitholder's intention to so sell Units. The CDS Participant must, on behalf of such Unitholder, provide a SWP notice through CDSX to the Plan Agent that the Unitholder wishes to sell Units in this manner no later than 5:00 p.m. (Toronto time) on the applicable SWP processing date. The CDS Participant must also ensure the required number of Plan Units to be sold is delivered to CDS for settlement. Any late submissions will not be processed for the current period. If notice is not received by the Plan Agent prior to this deadline, the Unitholder will not be able to sell Units under the Reinvestment Plan for such Payment Date.

For each SWP processing date following the proper delivery of a SWP notice, the Plan Agent shall sell the Units of such Unitholders in the Canadian open market during the five Business Day period following the applicable SWP processing date. The proceeds of the sale of the Units will be delivered by the Plan Agent to CDS as soon as practicable for the benefit of each participating Unitholder to the account of the applicable CDS Participant through whom such Unitholder holds his or her Units.

A Unitholder who makes PACCs may not deliver a SWP notice under this Reinvestment Plan.

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 as follows: (i) 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; (ii) Plan Participants may discontinue participation in the PACC service by calling the Plan Agent directly toll-free or by submitting a clear written request (by means of the PACC enrolment form or other written notice) to the Plan Agent. Cancellations must be received no later than ten (10) business days prior to a specified or deemed distribution Payment Date. If notice is received after this deadline, PACC participation will continue for the current investment only; (iii) Plan Participants may discontinue participation or modify the recurring withdrawal amount or frequency in the SWP service by informing their CDS Participant in writing. Plan Participants should contact their applicable CDS Participant for the specific submission deadline of such CDS Participant. The CDS Participant may withdraw from the SWP via CDSX no later than 5:00 p.m. (Toronto time) on the applicable SWP processing date.

The Manager may terminate the Reinvestment Plan with respect to the 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 the 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 the First Asset ETF upon the termination of the 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 Plan Participant to complete an income tax return with respect to amounts paid or payable by the First Asset ETF to the Plan Participant in the preceding taxation year.

PURCHASES OF UNITS

Investment in the First Asset ETF

In compliance with NI 81-102, the First Asset ETF was prohibited from issuing Units to the public unless subscriptions aggregating not less than $500,000 were received and accepted by the First Asset ETF from investors other than persons or companies related to First Asset or its affiliates. The First Asset ETF has received and accepted subscriptions aggregating not less than $500,000 from investors other than persons or companies related to First Asset or its affiliates, as of the date hereof.

Issuance of Units

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

To the Designated Broker and Dealers

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

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

If a subscription order is received by the First Asset ETF 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, and is accepted by the Manager, the First Asset ETF will generally issue to the Dealer or the 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.

Unless the Manager shall otherwise agree or the Declaration of Trust shall otherwise provide, as payment for a PNU of the First Asset ETF, a Dealer or the 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 the First Asset ETF, will be specified from time to time at the discretion of the Manager and will be published on each Trading Day in its website, www.firstasset.com. The Cash Creation Fee, if any, will accrue to the First Asset ETF.

The Manager will, except when circumstances prevent it from doing so, publish the applicable PNU for the 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, distributions may be made by way of the issuance of Units and Units may be issued to Unitholders of the First Asset ETF on the automatic reinvestment of certain distributions in accordance with the distribution policy of the First Asset ETF. See “Distribution Policy”.

Buying and Selling Units

The units of Marret Investment Grade Bond Fund outstanding on the date of Conversion will be re-designated as Units of the First Asset ETF and continue to be listed on the TSX. Investors can buy or sell 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. No fees are paid by investors to the Manager or the First Asset ETF in connection with the 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. In addition, the First Asset ETF is entitled to rely on exemptive relief from the securities regulatory authorities 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 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.

EXCHANGE AND REDEMPTION OF UNITS

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

Unitholders 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, 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 the Designated Broker the applicable PNU to redeem Units 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 cash will generally be made by the third Trading Day after the effective day of the exchange request.

If any securities in which the 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 the 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 for Cash

On any Trading Day, Unitholders may redeem (i) 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 less any applicable redemption fee determined by the Manager, in its sole discretion, from time to time, or (ii) a PNU of the First Asset ETF or a multiple PNU of the First Asset ETF for cash equal to the net asset value of that number of Units 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 ETF 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 the 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 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. 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, 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 or payment of redemption proceeds of the 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 the 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% 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 First Asset ETF.

Allocations of Capital Gains to Redeeming or Exchanging Unitholders

Pursuant to the Declaration of Trust, the 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 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, 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 the 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.

The 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 ETF at this time as: (i) the First Asset ETF is primarily traded in the secondary market; and (ii) the few transactions involving Units that do not occur on the secondary market involve the Designated Broker and Dealers, who can only purchase 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 ETF for any costs and expenses incurred by the First Asset ETF in order to fund the redemption.

PRIOR SALES

Trading Price and Volume

The following chart provides the price ranges and volume of Units traded on the TSX for the Marret Investment Grade Bond Fund for each month or partial month, as applicable, for the periods indicated (prior to the Conversion):

Month	Unit Price Range ($)	Volume of Units Traded
2015		
June	10.91 - 11.36	341,314
July	10.95 - 11.35	269,101
August	11.04 - 11.30	223,204
September	10.68 - 11.24	254,365
October	10.56 - 10.75	229,823
November	10.52 - 10.71	264,028
December	10.49 - 10.72	274,217
2016		
January	10.63 - 10.85	160,242
February	10.50 - 10.85	157,015
March	10.51 - 10.75	258,685
April	10.73 - 11.00	215,562
May	10.85 - 11.04	290,906
June	10.92 - 11.20	203,231

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 by a Unitholder who acquires Units pursuant to this prospectus. This summary only applies to a prospective Unitholder 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 as capital property (a "**Holder**").

Generally, Units will be considered to be capital property to a Holder provided that the Holder does not hold such Units in the course of carrying on a business of buying and selling securities and has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade. Certain Holders who might not otherwise be considered to hold Units 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 is based on the assumptions that at all times the First Asset ETF has complied and will continue to comply with its investment restrictions. In addition, this summary is based on the assumption that none of the issuers of the securities in the Portfolio is a foreign affiliate of any Holder 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. This summary does not address the deductibility of interest on any funds borrowed by an investor to purchase Units. 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. Prospective investors should consult their own tax advisors with respect to the income tax consequences to them of an acquisition of Units based on their particular circumstances.

Status of the First Asset ETF

This summary is based on the assumptions that the First Asset ETF qualifies and will continue to qualify as a "mutual fund trust" within the meaning of the Tax Act, and that the First Asset ETF has not been established and has not been and will not be maintained primarily for the benefit of non-residents 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) the 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 the First Asset ETF to qualify as a unit trust throughout the life of the First Asset ETF, (ii) the First Asset ETF's undertaking conforms with the restrictions for mutual fund trusts, and (iii) the Manager has no reason to believe that the First Asset ETF will not comply with the minimum distribution requirements at all relevant times.

If the First Asset ETF were not 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.

Provided the Units 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, the Units will be qualified investments under the Tax Act for a trust governed by an RRSP, an 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 ETF

The First Asset ETF will elect to have a taxation year that ends on December 15 of each taxation year commencing with its 2016 taxation year. The 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 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 the First Asset ETF is not liable for any non-refundable income tax under Part I of the Tax Act.

The First Asset ETF is 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, the 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 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 redemption or repayment of an indebtedness, the First Asset ETF will be considered to have disposed of the indebtedness for proceeds of disposition equal to the amount received by the First Asset ETF (other than amount received on account of interest) on such redemption or repayment.

On any disposition by the First Asset ETF of an indebtedness, 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 indebtedness.

In general, the 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. The First Asset ETF purchases the securities in its portfolio with the objective of receiving distributions and income thereon and takes the position that gains and losses realized on the disposition of its securities are capital gains and capital losses. The 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, are deemed to be capital property to the First Asset ETF.

One-half of the amount of any capital gain (a "**taxable capital gain**") realized by the First Asset ETF in a taxation year on the disposition of securities that are capital property of the First Asset ETF must be included In computing the First Asset ETF's income for the year, and one-half of the amount of any capital loss (an "**allowable capital loss**") realized by the First Asset ETF in a taxation year must be deducted against any taxable capital gains realized by the First Asset ETF in the year. Any excess of allowable capital losses over taxable capital gains for a 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 the net taxable capital gains realized by the First Asset ETF to the extent and under the circumstances described in the Tax Act.

The 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 the 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 the 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 the 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, the 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.

The First Asset ETF may enter into transactions denominated in currencies other than the Canadian dollar, including the acquisition of securities in its portfolio. 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 the 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 amounts invested in the Portfolio likely constitute capital gains and capital losses to the First Asset ETF if the securities in the Portfolio are capital property to the First Asset ETF and provided there is sufficient linkage.

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 forward currency contracts). If the DFA Rules were to apply in respect of derivatives utilized by the First Asset ETF, gains realized in respect of the property underlying such derivatives could be treated as ordinary income rather than capital gains.

The First Asset ETF 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 the 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 the 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.

To the extent the First Asset ETF holds trust units issued by a trust resident in Canada that is not at any time in the relevant taxation year a "SIFT trust" and held as capital property for purposes of the Tax Act, 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.

Each issuer in the Portfolio that is a "SIFT trust" (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 distributed by an issuer that is 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 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 First Asset ETF is entitled to deduct an amount equal to the reasonable expenses that it incurs in the course of issuing Units and that it incurred in the course of issuing units of Marret Investment Grade Bond Fund. Such issue expenses paid by the 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, the First Asset ETF may deduct reasonable administrative and other expenses incurred to earn income.

Losses incurred by the 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 the 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 pursuant to the Reinvestment Plan or whether as a Management Fee Distribution). Amounts paid or payable by the 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, the 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 calendar year, to the extent necessary to enable the First Asset ETF to use, in that taxation 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 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 will be reduced by such amount. The non-taxable portion of the 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 the 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. To the extent that the adjusted cost base of a Unit 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 the 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 of the First Asset ETF 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 the 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, 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, when additional Units are acquired by the Holder (pursuant to the Reinvestment Plan, PACC or otherwise), the cost of the newly acquired Units will be averaged with the adjusted cost base of all Units 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 following a distribution paid in the form of additional Units will not be regarded as a disposition of Units and will not affect the aggregate adjusted cost base of Units 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 are not 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. 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, the 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 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 taxable capital gains in accordance with the provisions of the Tax Act.

Each Holder who delivers subscription proceeds consisting of 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 the 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 and proceeds of disposition, in Canadian dollars in accordance with the detailed rules in the Tax Act.

Amounts designated by the First Asset ETF to a Holder as taxable capital gains or dividends from taxable Canadian corporations, and taxable capital gains realized on the disposition of Units 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 the purposes of the Tax Act. Holders should consult 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 purposes of the Tax Act.

The Units 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 the 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 will not be a "prohibited investment" if such Units are "excluded property" as defined in the Tax Act for a trust governed by a TFSA, RRSP or RRIF.

Holders or annuitants should consult their own tax advisors with respect to whether Units 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 the 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 were acquired. Accordingly, a Holder who acquires Units, 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 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 ETF

Manager

First Asset, a registered portfolio manager and investment fund manager, is the trustee and manager of the First Asset ETF and its principal office is at 95 Wellington Street West, Suite 1400, Toronto, Ontario M5J 2N7. The Manager is an indirect, wholly-owned subsidiary of CI Financial Corp. (TSX: CIX).The Manager will perform or arrange for the performance of management services for the First Asset ETF and will be responsible for the administration of the First Asset ETF. The Manager will be entitled to receive fees as compensation for management services rendered to the First Asset ETF.

Duties and Services to be Provided by the Manager

Pursuant to the Declaration of Trust, the Manager provides and arranges for the provision of required administrative services to the First Asset ETF including, without limitation: 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 ETF; 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 ETF; 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 ETF complies 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 ETF; 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 ETF. The Manager will also monitor the investment strategy of the First Asset ETF to ensure that it complies with its investment objective, investment strategies and investment restrictions and practices.

No manager of the 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 ETF, to make all decisions regarding the business of the First Asset ETF and to bind the First Asset ETF. 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 ETF 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, 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 the First Asset ETF or to any Unitholder or any other person for any loss or damage relating to any matter regarding the 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 the 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 ETF. The Manager may, in its discretion, terminate the 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 ETF) or from engaging in other activities.

Officers and Directors of the Manager

The name and municipality of residence of each of the directors and executive officers of the Manager and their principal occupations are as follows:

Name and Municipality of Residence	***Position with the Manager***	***Principal Occupation***
BARRY H. GORDON Toronto, Ontario	Director, President and Chief Executive Officer	Same
PAUL V. DINELLE Toronto, Ontario	Director and Executive Vice- President	Same
DOUGLAS J. JAMIESON Toronto, Ontario	Director	Executive Vice-President and Chief Financial Officer of CI Financial and CI Investments Inc.
NEAL A. KERR Toronto, Ontario	Director	President of CI Institutional Asset Management and Executive Vice-President, Investment Management of CI Investments Inc.
SHEILA A. MURRAY Toronto, Ontario	Director	President, General Counsel and Secretary of CI Financial; Director, Executive Vice-President, General Counsel and Secretary of CI Financial General Partner Corp.; and Executive Vice-President of CI Investments Inc.
KAREN WAGMAN Toronto, Ontario	Chief Financial Officer	Same
Z. EDWARD AKKAWI Toronto, Ontario	Chief Operating Officer, General Counsel and Corporate Secretary	Same
SHERYL J. CHIDDENTON Campbellville, Ontario	Chief Compliance Officer	Same

During the past five years, Mr. Gordon, Mr. Dinelle, Mr. Akkawi and Ms. Wagman have held the principal occupations noted opposite their respective names, or other occupations with their current employer or a predecessor company.

The following is a brief description of the background of the individuals listed above who have joined the Manager during the past five years:

Douglas J. Jamieson. Mr. Jamieson has been the Executive Vice-President and Chief Financial Officer of CI Investments Inc. since June 2013 and the Executive Vice-President and Chief Financial Officer of CI Financial since June 2013. Mr. Jamieson was the Senior Vice-President and Chief Financial Officer of CI Financial between 2008 and 2013 and the Senior Vice-President, Finance and Chief Financial Officer of CI Investments Inc. between 1995 and 2013. Mr. Jamieson was a Director of CI Investments Inc. between September 2010 and December 2010.

Neal A. Kerr. Mr. Kerr has been the President of CI Institutional Asset Management since June 2014 and the Executive Vice-President of CI Investment Management since November 2015. Mr. Kerr was the Senior Vice-President of CI Institutional Asset Management between December 2012 and June 2014 and the Senior Vice-President of CI Investment Management between December 2012 and October 2015. Mr. Kerr was the Senior Vice-President, Product Development of CI Investments Inc. between January 2011 and November 2012.

Sheila A. Murray. Ms. Murray has been the President, General Counsel and Secretary of CI Financial since February 11, 2016, and the Executive Vice-President of CI Investments Inc. since March 2009. Prior to her appointment as President, General Counsel and Secretary of CI Financial, she was the Executive Vice-President, General Counsel and Secretary of CI Financial since February 2009, and the Director, Executive Vice-President, General Counsel and Secretary of CI Financial General Partner Corp. since February 2009. Ms. Murray was a Director of CI Investments Inc. between March 2009 and September 2010.

Sheryl J. Chiddenton. Prior to joining the First Asset organization in 2013, Ms. Chiddenton was Chief Compliance Officer, VP, Compliance & Investment Services with Creststreet Asset Management Limited, until such time as the firm was sold in 2012. Prior to joining Creststreet in June 2001, Ms. Chiddenton was an Executive Assistant in both the private client division and resource group of a Canadian merchant-banking firm. Ms. Chiddenton is a member of the National Society of Compliance Professionals.

Portfolio Manager

The Portfolio Manager of the First Asset ETF 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 are the officers of the Portfolio Manager who are principally responsible for the portfolio management of the First Asset ETF:

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

Name and Municipality of Residence	***Position with Portfolio Manager***	***Principal Occupation***
Barry S. Allan 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 Portfolio Management Agreement

The Portfolio Manager will provide investment advisory and portfolio management services to the First Asset ETF with respect to the portfolio pursuant to an investment advisory agreement (the "Portfolio Management 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 Portfolio Management Agreement. Subject to the terms of the Portfolio Management Agreement, the Portfolio Manager will implement the investment strategies of the Portfolio on an ongoing basis.

Under the Portfolio Management Agreement, the Portfolio Manager shall exercise its powers and duties fairly, honestly, in good faith and in the best interests of the First Asset ETF 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 "Standard of Care"). The Portfolio Management Agreement will provide that the Portfolio Manager will not be liable in any way under the Portfolio Management 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 Portfolio Management 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 Portfolio Management Agreement or by reason of the Portfolio Manager performing its obligations under the Portfolio Management 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 Portfolio Management Agreement, or in respect of a claim or action resulting from the breach of the Portfolio Manager's duties and obligations under the Portfolio Management Agreement, or for any breach of its warranties or any misrepresentation by it set forth in the Portfolio Management Agreement, or the failure of the Portfolio Manager to exercise its powers and duties under the Portfolio Management 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 Portfolio Management 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 with the First Asset ETF in respect of any act, deed, matter or thing whatsoever made, done, acquiesced in or omitted in or about or in relation to the First Asset ETF prior to the date of the Portfolio Management Agreement.

The Portfolio Management 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 Portfolio Management 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 the First Asset ETF.

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

Designated Broker

The Manager, on behalf of the First Asset ETF, has entered or will enter into the Designated Broker Agreement with a Designated Broker pursuant to which the Designated Broker agrees to perform certain duties relating to the First Asset ETF, including, without limitation: (i) to subscribe for a sufficient number of Units to satisfy the TSX's listing requirements; (ii) to subscribe for Units on an ongoing basis, and (iii) to post a liquid two way market for the trading of Units on the TSX. Payment for Units 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.

The Designated Broker 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 a 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 the Designated Broker or Dealer or any affiliate thereof and a Unitholder of the 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 Manager is responsible for selecting members of securities exchanges, brokers and investment dealers for the execution of transactions in respect of the First Asset ETF's investments and, when applicable, the negotiation of commissions in connection therewith. The First Asset ETF is responsible to pay those commissions.

The Portfolio Manager's allocation of brokerage business to companies, including those that furnish statistical, research or other services to the First Asset ETF, is based on decisions made by the portfolio managers, analysts and traders of the Portfolio Manager and will only be made in compliance with applicable law and in accordance with the Portfolio Manager's policies and procedures. The Portfolio Manager may receive research and order execution goods and services in return for directing brokerage transactions for the First Asset ETF to registered dealers. When doing so, the Portfolio Manager ensures that the goods or services are used by the First Asset ETF to assist with investment or trading decisions, or with effecting securities transactions, on behalf of the First Asset ETF. The Portfolio Manager also makes a good faith determination that the funds receive reasonable benefit considering the use of the goods and services, the amount of brokerage commissions paid, the range of services and the quality of research received. The Portfolio Manager uses the same criteria in selecting registered dealers. These arrangements are always subject to best execution, which includes a number of considerations such as price, volume, speed and certainty of execution and total transaction costs. The users of these research and order execution goods and services are portfolio managers, analysts and traders.

Conflicts Of Interest

The Manager, the Portfolio Manager 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 Manager under the Portfolio Management Agreement are not exclusive and nothing in the agreements prevent the Manager, the Portfolio Manager 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 ETF) or from engaging in other activities. The Manager and Portfolio Manager therefore will have conflicts of interest in allocating management time, services and functions to the First Asset ETF and the other persons for which they provide similar services. The Portfolio Manager's investment decisions for the First Asset ETF will be made independently of those made on behalf of its other clients or for its own investments. On occasion, however, the Portfolio Manager may make the same investment for the First Asset ETF and for one or more of its other clients. If the First Asset ETF and one or more of the other clients of the Portfolio Manager, or any of its 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 Portfolio Manager will generally endeavour to allocate investment opportunities to the First Asset ETF and other investment funds managed by it on a pro rata basis.

The Portfolio Manager may trade and make investments for its own accounts, and the Portfolio Manager currently trades and manages and will continue to trade and manage accounts other than the 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 Portfolio Manager may take positions the same as, different than or opposite to those of the 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, the 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 Portfolio Manager may at times have interests that differ from the interests of the Unitholders. Where the Manager, Portfolio Manager 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 Portfolio Manager each has a responsibility to the Unitholders to exercise good faith and fairness in all dealings affecting the First Asset ETF. In the event that a Unitholder believes that the Manager or 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 Manager. Unitholders should be aware that the performance by the Manager and Portfolio Manager of their responsibilities to the First Asset ETF will be measured in accordance with (i) the provisions of the agreement by which the Manager and Portfolio Manager has been appointed to its position with the First Asset ETF; and (ii) applicable laws.

One or more registered dealers acts or may act as a Designated Broker, 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 the 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 ETF 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 ETF, the issuers of securities making up the investment portfolio of the First Asset ETF, 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 Designated Broker and Dealers do not act as underwriters of the First Asset ETF in connection with the distribution by the First Asset ETF of Units under this prospectus. Units 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 the First Asset ETF to such Designated Broker or Dealers. The Canadian securities regulators have provided the First Asset ETF with a decision exempting the First Asset ETF from the requirement to include a certificate of any underwriter in the prospectus.

Independent Review Committee

NI 81-107 requires the First Asset ETF 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.

Henry Knowles, Q.C., H.B.A., LL.B., LL.M., M.B.A. - Mr. Knowles brings over 45 years of experience in both the legal and financial services industries. Mr. Knowles is currently a consultant to Sheldon Huxtable Professional Corporation. Between 1980 and 1983, Mr. Knowles was the Chairman of the Ontario Securities Commission and was responsible for introducing the Securities Act (Ontario) to the business, government and professional communities. Mr. Knowles has played prominent roles with many publicly-listed companies, and has also served in a senior position with a major Canadian mutual fund management company. Mr. Knowles sits on several boards.

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 ETF, 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 Henry Knowles ($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 ETF.

The Trustee

First Asset is also the trustee of the First Asset ETF 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 the 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 the 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 the 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 ETF, 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 ETF but will be reimbursed for all expenses and liabilities that it properly incurs in carrying out activities on behalf of the First Asset ETF.

Custodian

CIBC Mellon Trust Company is the custodian of the First Asset ETF's assets pursuant to the Custodian Agreement. The Custodian is located in Toronto, Ontario. Pursuant to the Custodian Agreement, the Custodian 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 the Custodian exercises in respect of its own property of a similar nature in its custody. Provided the Custodian has not breached its standard of care as set out in the Custodian Agreement, the Custodian shall not be responsible for the holding or control of any property of the First Asset ETF which is not directly held by the Custodian, including any property of the First Asset ETF that is loaned or pledged to a counterparty.

Under the Custodian Agreement, the First Asset ETF shall pay fees to the Custodian at such rate as determined by the parties from time to time and shall reimburse the Custodian for all reasonable expenses and disbursements incurred in the performance of its duties under the Custodian Agreement. The First Asset ETF shall also indemnify the Custodian 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 Custodian Agreement, except to the extent caused by a breach by the Custodian of its standard of care or a material breach of the Custodian Agreement. The Manager and the First Asset ETF will be indemnified in certain circumstances as set out in the Custodian Agreement. Either party may terminate the Custodian 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 Agent

The Valuation Agent provides accounting services in respect of the First Asset ETF pursuant to a valuation services agreement.

Auditors

In connection with the Conversion, Ernst & Young LLP will be appointed as the auditor of the First Asset ETF and will be responsible for auditing the annual financial statements of the First Asset ETF. The office of Ernst & Young LLP is located at Ernst & Young Tower, 222 Bay Street, P. O. Box 251, Toronto, Ontario, M5K 1J7 Canada.

PricewaterhouseCoopers LLP is the auditor of the First Asset ETF prior to the Conversion. The head office of PricewaterhouseCoopers LLP is located in Toronto, Ontario.

Transfer Agent and Registrar

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

Securities Lending Agent

The Lending Agent, The Bank of New York Mellon, acts as the lending agent for the First Asset ETF pursuant to the Securities Lending Agreement. The Manager and the Lending Agent may each terminate the Securities Lending Agreement upon thirty (30) business days' written notice to the other at any time.

Under the Securities Lending Agreement, the collateral posted by a securities borrower to the 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 Lending Agent. The Lending Agent's indemnity provides for the replacement of a number of securities equal to the number of unreturned loaned securities.

Promoter

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

Accounting and Reporting

The First Asset ETF's fiscal year is the calendar year or such other fiscal period permitted under the Tax Act as that First Asset ETF elects. The annual financial statements of the First Asset ETF shall be audited by its 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 the 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 the First Asset ETF. A Unitholder or his or her duly authorized representative will have the right to examine the books and records of the 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 the First Asset ETF.

CALCULATION OF NET ASSET VALUE

The net asset value per Unit of the 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 the 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 the First Asset ETF will be calculated on each Valuation Day.

Typically, the net asset value per Unit of the First Asset ETF will be calculated at its applicable Valuation Time. The net asset value per Unit of the 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 ETF

The Manager will use the following valuation procedures in determining the net asset value of the 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 true 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. The value of any bonds, debentures, other debt obligations and short positions shall be valued by taking the average of the bid and ask prices quoted by a major dealer or recognized information provider in such securities at consistent times on a Valuation Day. Short term investments including notes and money market instruments shall be valued at cost plus accrued interest.

4. 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 and forward contracts shall be reflected as an account receivable and margin consisting of assets other than cash shall be noted as held as margin.

5. 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.

6. The liabilities of the First Asset ETF will 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.

7. Each transaction of purchase or sale of a portfolio asset effected by the 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 the 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 the 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 the 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 the 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.

In determining the net asset value of the First Asset ETF, Units of the First ETF subscribed for will be deemed to be outstanding immediately following the calculation of the applicable net asset value per Unit that is the issue price of the Units and the amount payable in connection with the issuance shall then be deemed to be an asset of the First Asset ETF. Units of the First Asset ETF that are being redeemed shall be deemed to remain outstanding until immediately following the calculation of the applicable net asset value per Unit that is the redemption price of the Units and thereafter, the redemption proceeds, until paid, will be a liability of the First ETF.

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 the 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

The First Asset ETF is authorized to issue an unlimited number of redeemable, transferable Units, each of which represents an undivided interest in the net assets of the 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. The First Asset ETF is a reporting issuer under the *Securities Act* (Ontario) and is governed by the laws of Ontario by virtue of the provisions of the Declaration of Trust.

Each Unit of the First Asset ETF entitles the owner to one vote at meetings of Unitholders. Each Unit of the First Asset ETF is entitled to participate equally with all other Units 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. Notwithstanding the foregoing, pursuant to the Declaration of Trust, the 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. All Units will be fully paid, with no liability for future assessments, when issued and will not be transferable except by operation of law. Unitholders of the First Asset ETF are entitled to require the First Asset ETF to redeem their Units 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 the 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 will not require notice to existing Unitholders 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 Units, or the termination of a class of Units, 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.

All other rights attached to the Units 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

Holders of Units will not have any voting rights in respect of the securities in the Portfolio.

UNITHOLDER MATTERS

Meetings of Unitholders

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

Matters Requiring Unitholder Approval

NI 81-102 requires a meeting of Unitholders 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 the First Asset ETF or directly to its Unitholders by the First Asset ETF or the Manager in connection with the holding of Units 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 objectives 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 the 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 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.

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 the First Asset ETF affected by the proposed amendment in circumstances where:

(a) the securities legislation requires that written notice be given to Unitholders 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, so that it is equitable to give Unitholders of the First Asset ETF advance notice of the proposed change.

All Unitholders of the 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 the 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 the 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 the 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 the 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 the First Asset ETF or its Unitholders;

(e) protect the Unitholders of the 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

The 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 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 the 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 the 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 ETF. None of the Manager, the Portfolio Manager nor the Registrar and Transfer Agent is 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 the 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 ETF

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

If the 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 the 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 the First Asset ETF, each Unitholder 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 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 register of Unitholders of the 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 the 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. 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 are being offered for sale on a continuous basis by this prospectus and there is no maximum number of Units 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 Marret Investment Grade Bond Fund outstanding on the date of Conversion will be re-designated as Units of the First Asset ETF and continue to be listed on the TSX. Investors can buy or sell 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. No fees are paid by investors to the Manager or the First Asset ETF in connection with the 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 (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 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 (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 the 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 ETF AND THE DEALERS

The Manager, on behalf of the First Asset ETF, may enter into various Dealer Agreements with registered dealers (that may or may not be a Designated Broker) pursuant to which the Dealers may subscribe for Units as described under "Purchases of Units". Such registered dealers may be related to the Manager. See "Organization and Management Details of the First Asset ETF - 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 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 Designated Broker and Dealers do not act as underwriters of the First Asset ETF in connection with the distribution of its Units under this prospectus. See "Organization and Management Details of the First Asset ETF - Conflicts of Interest".

PRINCIPAL HOLDERS OF UNITS

CDS & Co., the nominee of CDS, is the registered owner of the Units, 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.

PROXY VOTING DISCLOSURE FOR PORTFOLIO SECURITIES HELD

The proxies associated with the portfolio securities held by the First Asset ETF will be voted by the Portfolio Manager in accordance with the Portfolio Manager's proxy voting policy and guidelines (the "**Proxy Voting Policy**"), which has been designed to provide general guidance, in compliance with the applicable legislation, for the voting of proxies. The Portfolio Manager is responsible for completing and executing all corporate actions including the voting of proxies on behalf of the First Asset ETF. The Portfolio Manager will vote all proxies in the best interests of the unitholders of the First Asset ETF, as determined solely by the Portfolio Manager and subject to the 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 general Proxy Voting Policy should be followed. Portfolio Manager will evaluate the issue on a case-by-case basis and cast the First Asset ETF's vote in a manner that, in the Portfolio Manager's view, will maximize the value of the First Asset ETF's investment. The Proxy Voting Policy also addresses situations in which the Portfolio Manager 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 the Portfolio Manager's chief compliance officer and the Manager's chief compliance officer, and if necessary, referred to the Manager's Independent Review Committee. The Proxy Voting Policy includes procedures intended to ensure that proxies associated with portfolio securities of the First Asset ETF are received and voted by the Portfolio Manager on behalf of the First Asset ETF 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 the Portfolio Manager are available to Unitholders on request, at no cost, by calling collect 416-214-5800, or by writing to the Portfolio Manager at 2 Queen Street East, 20th Floor, Toronto, Ontario M5C 3G7.

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.

MATERIAL CONTRACTS

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

(a) **Declaration of Trust.** For additional disclosure related to the Declaration of Trust, including relevant termination provisions and other key terms of the agreement, 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"; and

(b) **Custodian Agreement.** For additional disclosure related to the Custodian Agreement, including relevant termination provisions and other key terms of the agreement, see "Organization and Management Details of the First Asset ETF – Custodian".

(c) **Portfolio Management Agreement.** For additional disclosure related to the Portfolio Management Agreement, including relevant termination provisions and other key terms of the agreement, see "Organization and Management Details of the First Asset ETF – Details of the Portfolio Management Agreement"

Copies of these agreements may be examined at the head office of the Manager at 95 Wellington Street West, Suite 1400, Toronto, Ontario M5J 2N7.

LEGAL AND ADMINISTRATIVE PROCEEDINGS

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

EXPERTS

PricewaterhouseCoopers LLP, the auditors of Marret Investment Grade Bond Fund, has consented to the use of their report dated March 24, 2016, on the financial statements of the Marret Investment Grade Bond Fund comprised of the statements of financial position as at December 31, 2015, and December 31, 2014, and the statements of comprehensive income, changes in net assets attributable to holders of redeemable securities and cash flows for the years ended December 31, 2015 and December 31, 2014, and a summary of significant accounting policies and other explanatory information.

PricewaterhouseCoopers LLP has confirmed that they are independent with respect to Marret Investment Grade Bond Fund within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario.

EXEMPTIONS AND APPROVALS

The First Asset ETF 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 ETF from the requirement that a prospectus contain a certificate of the underwriters;

(c) to relieve the First Asset ETF from the requirement to include in its 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;* and

(d) to permit the 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.

Additionally, certain dealers of the First Asset ETF, including the Designated Broker and Dealers, 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 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 and 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 ETF"), to the CRA. The CRA is expected to provide the information to the U.S. Internal Revenue Service. On April 15, 2016, the Department of Finance (Canada) released for consultation proposals to amend the Tax Act to implement the Organization for Economic Co-operation and Development Common Reporting Standard (the "**CRS Proposals**"). Pursuant to the CRS Proposals, "Canadian financial institutions" (as defined in the CRS Proposals) would be required to have procedures in place to identify accounts held by residents of foreign countries that have agreed to bilateral information exchange with Canada under the Common Reporting Standard ("**Participating Jurisdictions**") or by certain entities the "controlling persons" of which are resident in a Participating Jurisdiction and to report required information to the CRA. Such information would be exchanged on a reciprocal, bilateral basis with the Participating Jurisdictions in which the account holders or such controlling persons are resident. Under the CRS Proposals, after June 30, 2017, Unitholders will be required to provide certain information regarding their investment in the First Asset ETF for the purpose of such information exchange (which information exchange is expected to occur beginning in May 2018), unless the investment is held within certain Plans.

Management of the First Asset ETF

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 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 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 contains 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 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 the First Asset ETF is, or will be, available in the following documents:

(a) the most recently filed comparative annual financial statements, together with the accompanying report of the auditor;

(b) any interim financial statements filed after those annual financial statements;

(c) the most recently filed annual management report of fund performance;

(d) any interim management report of fund performance filed after that most recently filed annual management report of fund performance; and

(e) the most recently filed ETF Summary Document.

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 ETF 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 ETF after the date of this prospectus and before the termination of the distribution of the First Asset ETF are deemed to be incorporated by reference into this prospectus.

FIRST ASSET INVESTMENT GRADE BOND ETF[2]
(THE "FIRST ASSET ETF")

CERTIFICATE OF THE FIRST ASSET ETF, THE MANAGER AND PROMOTER

Dated: July 28, 2016

This prospectus, 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 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 ETF

(signed) Barry H. Gordon

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

(signed) Karen Wagman

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

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

(signed) Neal A. Kerr

Director

(signed) Paul V. Dinelle

Director

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[2] Prior to the Conversion, Marret Investment Grade Bond Fund.