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**NOTICE OF EXTRAORDINARY MEETING OF CAPITAL UNITHOLDERS  
AND  
INFORMATION CIRCULAR**

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**BRASCAN SOUNDVEST RISING DISTRIBUTION SPLIT TRUST**

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**EXTRAORDINARY MEETING OF CAPITAL UNITHOLDERS  
TO BE HELD ON APRIL 20, 2010**

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## BRASCAN SOUNDVEST RISING DISTRIBUTION SPLIT TRUST

(the “Fund”)

March 18, 2010

Dear Unitholder:

You are invited to an extraordinary meeting of holders (“**Unitholders**”) of capital units (“**Units**”) of Brascan SoundVest Rising Distribution Split Trust (the “**Fund**”) to be held at 79 Wellington Street West, 33d Floor, Toronto, Ontario, Canada, on April 20, 2010 at 10:00 a.m. (Toronto time) or at any adjournment thereof (the “**Meeting**”).

The purpose of this Meeting is to consider and vote upon the proposed extraordinary resolutions (the “**Extraordinary Resolutions**”) to approve a reorganization of the Fund, which would include certain amendments to both the Fund’s amended and restated declaration of trust dated March 28, 2008 (the “**Declaration of Trust**”) and the management agreement dated February 25, 2005 (the “**Management Agreement**”). If approved, the amendments to the Fund’s Declaration of Trust will change the Fund’s investment strategy, and restrictions to, among other things, permit investments beyond income trusts and will also make certain other amendments to the Declaration of Trust, including the elimination of the current fixed termination date and, permitting the Manager, in its sole discretion, to wind-up the Fund should the net asset value of the Fund fall below \$15 million, subject to compliance with the trust indenture between the Fund and CIBC Mellon Trust Company dated March 16, 2005 governing the 6% Preferred Securities. In addition, the amendments to the Fund’s Management Agreement will change the manager from Brookfield Investment Management (Canada) Inc. to Brookfield Soundvest Capital Management Ltd. If the Extraordinary Resolutions are approved, it is also expected that the Fund will be renamed Brookfield Soundvest Split Trust.

A more detailed explanation of the Extraordinary Resolutions, their specific text, and a discussion of the reasons why Brookfield Investment Management (Canada) Inc. (the “**Manager**”) is proposing the Extraordinary Resolutions is set out in the attached Information Circular, which we urge you to consider carefully. If approved, the changes to the Declaration of Trust and the change of manager are expected to become effective April 30, 2010.

The Manager believes that the Extraordinary Resolutions will be beneficial to Unitholders for a number of reasons, including:

- Expanding the investment flexibility of the Fund will permit it to invest in a broader range of securities to off-set the shrinking universe of income trust investments resulting from the Canadian Federal Government’s decision announced on October 31, 2006 to change the way that income trusts are taxed; and
- The amendments to the Declaration of Trust will give the Fund greater operational flexibility and efficiency consistent with current market practices of similar investment funds.

Attached are a Notice of Extraordinary Meeting of Unitholders and Information Circular which contain important information relating to the Extraordinary Resolutions. We encourage you to review these materials and discuss them with your financial advisors.

**The board of directors of the Manager has determined that the proposed Extraordinary Resolutions are in the best interest of Unitholders of the Fund, and recommends that Unitholders of the Fund vote in favour of them. Furthermore, the Independent Review Committee of the Fund has determined that the proposed Extraordinary Resolutions achieve a fair and reasonable result for the Fund.**

All holders of Units are encouraged to attend the Meeting, but non-registered or beneficial Unitholders will not be recognized at the Meeting for purposes of voting their Units in person or by proxy unless they comply with certain procedures. Please read the information in the enclosed Joint Information Circular carefully and follow those instructions if you wish to vote in person or by proxy at the Meeting.

Holders of preferred securities issued by the Fund are welcome to attend the Meeting, but cannot vote on the Extraordinary Resolutions and will not have standing to participate in the Meeting, which is for holders of capital units only.

Sincerely,

**BROOKFIELD INVESTMENT  
MANAGEMENT (CANADA) INC., as manager  
of the Fund**

*(Signed) George Myhal*  
President, CEO and Director

## NOTICE OF EXTRAORDINARY MEETING OF CAPITAL UNITHOLDERS

of

### BRASCAN SOUNDVEST RISING DISTRIBUTION SPLIT TRUST

(the “Fund”)

Notice is hereby given that an extraordinary meeting (the “**Meeting**”) of holders of capital units of the Fund (the “**Unitholders**”) will be held at 79 Wellington Street West, 33d Floor, Toronto, Ontario Canada, on April 20, 2010 at 10:00 a.m. (Toronto time).

The purpose of the Meeting is to consider a reorganization of the Fund as follows:

#### 1. **Amendments to the Declaration of Trust of the Fund:**

To seek the approval of Unitholders of the Fund to amend the existing declaration of trust governing the Fund to reflect several amendments, including:

- (a) amending the investment strategy and investment restrictions of the Fund to broaden the universe of eligible investments to include common and preferred shares, income trusts, income securities, including bonds and debentures, real estate investment trusts, Canadian mortgage-backed securities, and other equity securities and remove some of the existing investment restrictions;
- (b) removing the fixed termination date for the Fund, which is currently set at March 31, 2015;
- (c) permitting the Manager, in its sole discretion to wind-up the Fund should the net asset value of the Fund fall below \$15 million, subject to compliance with the trust indenture between the Fund and CIBC Mellon Trust Company dated March 16, 2005 governing the 6% Preferred Securities (the “**Trust Indenture**”); and
- (d) adopting certain amendments to the amended and restated declaration of trust dated March 28, 2008 (the “**Declaration of Trust**”) of the Fund to improve the operational flexibility and efficiency of the Fund and to make amendments of a technical or housekeeping nature.

#### 2. **Change in the Manager of the Fund:**

To seek the approval of Unitholders of the Fund to consider, and if thought advisable, to pass, with or without variation, a resolution authorizing a change in the manager of the Fund from Brookfield Investment Management (Canada) Inc. (the “**Manager**”) to Brookfield Soundvest Capital Management Ltd. (the “**Investment Advisor**”) and to amend and restate the existing management agreement governing the Fund to reflect this change.

#### 3. **Other Business:**

For the Fund, to transact such other business as may properly come before the Meeting.

The Information Circular dated March 18, 2010 and the form of proxy accompany this Notice. We have provided a complete description of the matters to be considered at the Meeting in the

Information Circular. The full texts of the Extraordinary Resolutions to be considered at the Meeting are set out, with respect to amendments to the Declaration of Trust of the Fund, in Schedule A to the Information Circular, and with respect to the change of manager for the Fund, in Schedule B to the Information Circular.

Units of the Fund were issued in “book entry only” form; therefore, CDS & CO, the nominee of CDS Clearing and Depository Services Inc., is the only registered holder of Units of the Fund. Accordingly, all non-registered Unitholders who receive these materials through their broker or through another intermediary (“**Intermediary**”), must complete and return the materials in accordance with the instructions provided by their broker or Intermediary. To be effective, a proxy must be received by the Proxy Department of Computershare Investor Services Inc. before 10:00 a.m. (Toronto time) on April 16, 2010 or not less than 24 hours, excluding Saturdays, Sundays and holidays, prior to the date of any subsequent meeting held as a result of the adjournment of the Meeting.

The Board of Directors of Brookfield Investment Management (Canada) Inc., as manager of the Fund, has fixed the close of business on March 12, 2010 as the record date for the purpose of determining Unitholders entitled to receive notice and vote at the Meeting.

**Unitholders of the Fund may obtain the most recent interim and annual financial statements, annual information forms and other additional information relating to the Fund by accessing the SEDAR website at [www.sedar.com](http://www.sedar.com), by accessing the Manager’s website at [www.brookfieldfunds.com](http://www.brookfieldfunds.com) or by collect call to 1-888-777-4019.**

**Please complete and return the form of proxy provided to you in accordance with the instructions provided therein.**

**DATED** at Toronto this 18th day of March, 2010.

**COMPUTERSHARE TRUST COMPANY  
OF CANADA, in its capacity as trustee of the Fund, by the manager, BROOKFIELD  
INVESTMENT MANAGEMENT (CANADA) INC.**

*(signed) George Myhal*  
President, CEO and Director

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## BRASCAN SOUNDVEST RISING DISTRIBUTION SPLIT TRUST

### INFORMATION CIRCULAR

DATED MARCH 18, 2010

The information contained in this Information Circular (the “**Circular**”) is furnished in connection with the solicitation by Brookfield Investment Management (Canada) Inc. (“**Brookfield Investment Management**” or the “**Manager**”) of proxies of Brascan SoundVest Rising Distribution Split Trust (the “**Fund**”), for use at the extraordinary meeting (the “**Meeting**”) of holders of capital units (“**Units**”) of the Fund (the “**Unitholders**”) or any adjournment thereof. The Meeting will be held at 79 Wellington Street West, 33rd Floor, Toronto, Ontario, Canada, on April 20, 2010 at 10:00 a.m. (Toronto time) for the purposes set forth in the Notice of Extraordinary Meeting of Unitholders (the “**Notice**”) accompanying this Circular.

### SOLICITATION OF PROXIES

The cost of sending the Notice and the solicitation of proxies will be borne by the Manager. Solicitation of proxies will be by mail and may be supplemented by telephone or other personal contact by officers or employees of the Manager or employees of Brookfield Soundvest Capital Management Ltd.

### VOTING RIGHTS AT THE MEETING

On March 12, 2010, the Fund had outstanding 5,662,643 Units and 5,662,643 6% preferred securities (the “**Preferred Securities**”) that were issued pursuant to a trust indenture dated March 16, 2005 between the Fund and CIBC Melon Trust Company as indenture trustee (the “**Trust Indenture**”).

Each Unitholder of record at the close of business on March 12, 2010, the record date established for notice of the meeting and for voting, will be entitled to vote on matters proposed to come before the Meeting on the basis of one vote for each Unit held. No person acquiring Units after such date shall be entitled to receive notice of or vote at the Meeting or any adjournment thereof.

Persons entitled to vote are Unitholders shown on the books of the Fund (a “**Registered Unitholder**”) and proxy holders representing Registered Unitholders. **The persons designated in the enclosed form of proxy will vote or withhold from voting Units in respect of which they are appointed by proxy in accordance with the instructions of the Unitholder indicated thereon. If no such specification is made, then the Units will be voted in favour of the proposed extraordinary resolutions (the “Extraordinary Resolutions” or individually, an “Extraordinary Resolution”).**

**The enclosed form of proxy confers discretionary authority with respect to amendments or variations to matters identified in the Notice, and with respect to any other matter which may properly come before the Meeting. In the event that amendments or variations to matters identified in the Notice are properly brought before the Meeting, it is the intention of the persons designated in the enclosed form of proxy to vote in accordance with their best judgment on such matter or business. At the time of printing this Circular, neither the Manager nor Computershare Trust Company of Canada (the “Trustee”) knew of any such amendment, variation or other matter.**

### QUORUM AND VOTES NECESSARY TO PASS THE EXTRAORDINARY RESOLUTIONS

A quorum at the Meeting consists of two or more individuals present in person or represented by proxy holding not less than 10% of the outstanding Units of the Fund. In the event that a quorum for the



Fund is not present within 30 minutes after the time fixed for the Meeting, the Meeting will be adjourned to a day being 14 days later (or if such day is not a business day, the first business day prior to that date). At such adjourned meeting the Unitholders present either personally or by Proxy will constitute a quorum. Accordingly, if the quorum requirement is not satisfied at the Meeting in respect of the Fund, the Manager has determined that the Meeting for the Fund will be adjourned to 10:00 a.m. (Toronto time) on May 4, 2010 to be held at a place to be determined by the Manager. Notice of such adjourned meeting will be published by the Manager in a press release at least 3 days prior to May 4, 2010.

For an Extraordinary Resolution to be approved at the Meeting, it must be passed by more than 66⅔% of the votes cast by Unitholders present or represented by proxy at the Meeting and entitled to vote on the Extraordinary Resolution.

### **PRINCIPAL HOLDERS OF UNITS**

To the knowledge of the Trustee and the Manager, no person or company beneficially owns, directly or indirectly, or exercises control or direction over Units carrying more than 10% of the voting rights attached to all outstanding Units.

### **INFORMATION FOR NON-REGISTERED UNITHOLDERS**

#### **Investors in Units are Non-Registered Unitholders**

The ownership of Units in the Fund is tracked only through a book-entry recordkeeping system administered by CDS Clearing and Depository Services Inc. (“**CDS**”). In a book-based system, the only registered Unitholder is CDS, which serves as a clearing agent for all of the brokers and other intermediaries (“**Intermediaries**”) which, in turn, act on behalf of investors in Units (the “**Non-Registered Unitholders**”).

In a book-based system, Non-Registered Unitholders can only exercise their investor rights through CDS or a participant in the CDS depository service (“**CDS Participant**”). This means that in order for a Non-Registered Unitholder to vote their Units at the Meeting of the Fund, they must provide voting instructions to their CDS Participant.

In accordance with Canadian securities law, the Fund has distributed copies of this Circular and the Notice to the Intermediaries, who will forward the materials to Non-Registered Unitholders who have not previously waived their right to receive such documents.

**If Non-Registered Unitholders wish to vote their Units they must carefully review and follow the voting instructions provided by their Intermediary.**

#### **Delivery of Voting Instructions by Non-Registered Unitholders**

Intermediaries are legally required to seek voting instructions from Non-Registered Unitholders in advance of meetings. Every Intermediary has its own mailing procedures and provides its own return instructions, which should be carefully followed by Non-Registered Unitholders in order to ensure that their Units are voted at the Meeting. Generally, Non-Registered Unitholders who receive Meeting materials will be given either:

- (a) a form of proxy which has already been signed by the Intermediary, which is restricted to the number of Units beneficially owned by the Non-Registered Unitholder but which is otherwise not completed. This form of proxy need not be signed by the Non-Registered

Unitholder. In this case, the Non-Registered Unitholder who wishes to submit a proxy should complete the rest of the form of proxy and deliver the proxy in accordance with the instructions provided by the Intermediary; or

- (b) a voting instruction form, which must be completed and signed by the Non-Registered Unitholder in accordance with the directions on the voting instruction form and returned to the Intermediary or its service company. In some cases, the completion of the voting instruction form by telephone, the Internet, or facsimile is permitted. The purpose of these procedures is to permit Non-Registered Unitholders to direct the voting of the Units that they beneficially own. These procedures do not permit a Non-Registered Unitholder to vote Units in person at a Meeting.

### **Voting in Person or by Proxy by Non-Registered Unitholders**

A Non-Registered Unitholder who receives a form of proxy or a voting instruction form and wishes to vote at the Meeting in person should strike out the names of the persons designated in the form of proxy and insert the Non-Registered Unitholder's name in the blank space provided or, in the case of a voting instruction form, follow the corresponding directions on the form. In either case, Non-Registered Unitholders should carefully follow the instructions of their Intermediary, including those regarding when and where the form of proxy or voting instruction form is to be delivered. A Non-Registered Unitholder who wishes to appoint some other person to represent him/her at the Meeting should follow the instructions provided by their Intermediary regarding such appointments. The person appointed to act as a proxy need not be a Unitholder of the Fund.

### **DEPOSIT OF PROXIES**

To be valid, executed forms of proxy must be deposited with Computershare Investor Services Inc., 9th Floor, 100 University Avenue Toronto, Ontario, M5J 2Y1 before 10:00 a.m. (Toronto time) on April 16, 2010 or not less than 24 hours, excluding Saturdays, Sundays and holidays, prior to the date of any subsequent meeting held as a result of the adjournment of the Meeting. The chair of the Meeting retains the discretion to accept proxies filed subsequently. Non-Registered Unitholders must follow the instructions provided by their Intermediary regarding when and where the form of proxy or voting instruction form is to be delivered.

### **REVOCATION OF PROXIES**

A Registered Unitholder who has given a proxy may revoke the proxy by depositing a written instrument, executed in the same manner as a proxy, with Computershare Investor Services Inc., 9th Floor, 100 University Avenue Toronto, Ontario, M5J 2Y1 at any time up to and including the last business day preceding the day of the Meeting or any adjournment thereof, or by depositing the instrument with the chair of the Meeting on the day of the Meeting or any adjournment thereof. A proxy may also be revoked in any other manner permitted by law.

A Non-Registered Holder may revoke a voting instruction form or a waiver of the right to receive Meeting materials and to vote given to an Intermediary at any time by written notice to the Intermediary, except that an Intermediary is not required to act on a revocation of a voting instruction form or of a waiver of the right to receive Meeting materials and to vote that is not received by the Intermediary at least seven days prior to the Meeting.

## PURPOSE OF THE MEETING

The purpose of the Meeting of Unitholders of the Fund is to consider and, if thought appropriate, to pass the Extraordinary Resolutions in the forms attached as Schedule A and Schedule B hereto approving a reorganization of the Fund. This reorganization would result in certain fundamental changes, including:

- (a) amending the investment strategy and investment restrictions of the Fund to broaden the universe of eligible investments to include common shares and preferred shares, income trusts, income securities, including bonds and debentures, real estate investment trusts (“**REIT’s**”), Canadian mortgage-backed securities, and other equity securities and remove some of the existing investment restrictions;
- (b) removing the fixed termination date for the Fund, which is currently set at March 31, 2015;
- (c) permitting the Manager, in its sole discretion, to wind-up the Fund should the net asset value (“**NAV**”) of the Fund fall below \$15 million, subject to compliance with the trust indenture between the Fund and CIBC Mellon Trust Company dated March 16, 2005 governing the 6% Preferred Securities (the “**Trust Indenture**”);
- (d) changing the manager of the Fund from Brookfield Investment Management to Brookfield Soundvest Capital Management Ltd. (“**Brookfield Soundvest**” or the “**Investment Advisor**”) and amending and restating the management agreement between the Trustee and Brookfield Investment Management dated as of February 25, 2005 (the “**Management Agreement**”) and the amended and restated declaration of trust dated March 28, 2008 (the “**Declaration of Trust**”) to implement the change of manager from Brookfield Investment Management to Brookfield Soundvest and to make amendments of a technical or housekeeping nature; and
- (e) adopting certain amendments to the amended and restated Declaration of Trust of the Fund to improve the operational flexibility and efficiency of the Fund and to make amendments of a technical or housekeeping nature.

If any of the Extraordinary Resolutions is defeated, then the Manager may choose not to proceed with any other elements of the proposed reorganization of the Fund.

### **Rationale for the Proposed Reorganization of the Fund**

Prior to the announcement of the federal government’s October 31, 2006 decision to tax income trusts (the “**Federal Tax Changes**”), the income trust sector was a vibrant component of the Canadian capital markets. The number of new public income trusts grew significantly in the period leading up to the Federal Tax Changes. Buoyed by a more favourable cost of capital than traditional public corporate entities, income trusts performed well both in absolute and relative terms.

Since the announced Federal Tax Changes, however, uncertainty has grown over the future of the income trust sector. Dozens of income trusts have been taken over, converted to a corporate structure or merged following the announcement. While the new taxes imposed by the Federal Tax Changes do not fully apply to income trusts until 2011, in the interim, the Federal Tax Changes have imposed limitations on income trusts issuing additional equity. This has caused uncertainty regarding the future level of distributions and whether these entities will remain as income trusts. The current number of income trusts

may be further significantly reduced through a combination of mergers, acquisitions and corporate conversions.

Since the announcement of the Federal Tax Changes, the Manager has been monitoring their impact on the Fund and reviewing various strategic alternatives to address them. Based on this assessment, the Manager is taking the initiative to propose an amended investment strategy for the Fund that should continue to meet investor objectives of both regular income and the opportunity for capital appreciation.

The changes being proposed by the Manager are intended to enhance the structure of the Fund to make it a more viable investment vehicle.

### **Rationale for the Change of Manager**

The change of manager being proposed from Brookfield Investment Management to Brookfield Soundvest will be beneficial to Unitholders of the Fund for the following reasons:

- The Manager believes that by consolidating the management and investment advisory functions of the Fund, this will simplify the Fund's structure, operating expenses, and back-office functions.
- Brookfield Soundvest is an Ottawa-based, investment management firm which provides investment management services to high net-worth individuals, insurance companies, foundations, trusts, and to publicly traded closed-end funds. Brookfield Soundvest is 50% owned by Brookfield Asset Management ("BAM") and 50% owned by entities controlled by Kevin Charlebois. As such, the Manager believes that since Brookfield Soundvest is closely associated with BAM it will continue to benefit from BAM's resources.

### **Benefits to Investors**

In determining to recommend the Extraordinary Resolution amending the Declaration of Trust, and the change of manager, the Manager considered a number of factors that will benefit Unitholders. Unitholders of the Fund should enjoy increased economies of scale and lower fund operating expenses (which are borne indirectly by Unitholders) as part of a larger combined family of funds. On December 15, 2009, unitholders of Brascan SoundVest Diversified Income Fund, Brascan SoundVest Total Return Fund, and Brascan SoundVest Focused Business Trust approved a change of manager from the Manager to Brookfield Soundvest, so the proposed change of manager for the Fund would once again create a single family of related funds under common management. An expanded investment universe will allow the Fund to invest in a broader range of securities to offset the shrinking universe of income trust investments. The Independent Review Committee (as defined below) considered these factors as well and concluded that the Extraordinary Resolutions and the change of manager, are a fair and reasonable result for the Fund.

## **CHANGES TO THE FUND**

### **Investment Strategy and Restrictions**

The Unitholders of the Fund are being asked to pass an Extraordinary Resolution to amend the Declaration of Trust to amend the investment strategy and restrictions of the Fund. The rationale for these changes is discussed in greater detail, above, under "Rationale for the Proposed Reorganization of the Fund".

### ***Investment Strategy***

Currently, the Fund's portfolio consists primarily of securities of income trusts, including business trusts, power generation and pipeline trusts, oil and gas royalty trusts, and REIT's ("**Income Trusts**"). Income Trusts include securities commonly known as income trusts, as well as enhanced securities (also referred to as income deposit securities or income participating securities), master limited partnerships and other similar securities structured to deliver a largely yield-based return. Permitted ranges within Income Trusts securities have been established for each asset class within the portfolio.

The Manager proposes to amend the investment strategy of the Fund to include investments in assets other than Income Trusts. If the proposed investment strategy is adopted, the portfolio will consist of preferred and common shares, income trusts, income securities, including bonds and debentures, Canadian mortgage-backed securities, REIT's, and other equity securities.

The Manager believes that it is in the best interest of the Fund's Unitholders to update the investment strategies of the Fund for the following reasons. As a result of the Federal Tax Changes regarding the proposed measures to tax certain distributions from publicly-traded income trusts and partnerships, the Manager believes that the Fund would benefit from having the flexibility to continue to hold shares of companies that will have converted from income trusts to corporations by January 1, 2011 and which would continue to provide high yields to investors. Further, eliminating the permitted ranges grants the Fund the flexibility to achieve its investment objectives. Finally, the amended ranges allow the Fund to diversify its portfolio to ensure that the Manager has the ability to invest in portfolio securities that it believes present the greatest opportunity to maximize returns for Unitholders.

### ***Investment Restrictions***

Currently, the Fund is restricted to specific ranges of Income Trusts securities and other asset allocation restrictions. As part of repositioning the Fund to a broader Canadian equity mandate, it is necessary to eliminate these asset allocation restrictions. In addition, the Manager proposes to eliminate the "foreign property" restriction contained in the Declaration of Trust since it is no longer applicable.

### **Termination Date & Winding-Up of the Fund**

The Unitholders of the Fund are being asked to pass a resolution to amend the Declaration of Trust of the Fund so that the Fund has no fixed termination date and to permit the Manager, in its sole discretion but subject to compliance with the Trust Indenture, to wind-up the Fund should the NAV of the Fund fall below \$15 million.

Currently, the Declaration of Trust provides that the Fund shall terminate on March 31, 2015. The Manager believes that amending the Declaration of Trust of the Fund so that the Fund has no fixed termination date would permit the Fund to invest in portfolio securities with a view towards longer-term investment objectives. The Manager also believes that the amendment of the termination date should result in greater liquidity for the Units of the Fund. By extending the term of the Fund, Unitholders will have greater flexibility over the timing of any potential exit from their investment in the Fund.

The Manager believes that amending the Declaration of Trust of the Fund to allow for the discretionary winding-up of the Fund by the Manager should the NAV of the Fund fall below \$15 million would permit the Manager to terminate the Fund when it is no longer economically practical to continue the Fund. In addition, if the NAV of the Fund falls below the \$15 million threshold, this would reduce the liquidity of the Units of the Fund on the Toronto Stock Exchange as well as result in poorer economies of scale.

Under the proposed resolution, the fixed termination date would be eliminated and the Manager, in its sole discretion but subject to compliance with the Trust Indenture, would be permitted to wind-up the Fund if the NAV of the Fund falls below \$15 million. As a result, the Fund would no longer have a fixed duration, but would continue to exist until otherwise terminated or wound-up in accordance with the Declaration of Trust. The Manager's ability to terminate or wind-up the Fund is subject to Fund Unitholders being provided with not less than 60 days' and not more than 90 days' notice of the termination or winding up, as applicable. In addition to complying with the notice requirements above and prior to terminating the Fund the Manager would issue a press release announcing the termination of the Fund. These limitations will serve to protect Fund Unitholders.

Upon the termination or winding-up of the Fund, the net assets of the Fund will be distributed to Unitholders, after paying or providing for all liabilities and obligations of the Fund (including, without limitation, the payment of all amounts due in respect of the Fund's Preferred Securities), in accordance with the provisions of the Declaration of Trust and the Trust Indenture. Upon termination or winding-up, the Manager and the Investment Advisor will, to the extent possible, convert the assets of the Fund to cash.

### **Change of Fund Name**

On or about April 30, 2010, or the Effective Date (as defined below), the name of the Fund is expected to be changed to Brookfield Soundvest Split Trust. The Declaration of Trust will be amended to reflect such name.

### **Other Amendments**

In addition to the amendments described above, Unitholders are also being asked to approve a number of other amendments to the Fund's Declaration of Trust. The Manager is seeking approval to amend the Fund's Declaration of Trust to provide greater operational flexibility and efficiency consistent with current market practices of similar investment funds. The proposed amendments include:

- (a) amendment to give the Trustee, upon the advice of the Manager, discretion to designate payments on the termination of the Fund as being payments out of any net income or net realized capital gains of the Fund; and
- (b) amendments to correct minor errors and cure ambiguities in the Declaration of Trust.

The full text of the Fund's proposed Declaration of Trust, reflecting all of the amendments referred to herein, may be obtained from the Manager, upon request.

In order to implement the changes to the Fund as set out above, Unitholders of the Fund are being asked to pass the Extraordinary Resolution attached as Schedule A to this Circular. In order to pass the Extraordinary Resolution, at least 66⅔% of the votes cast at the meeting of holders of Units of the Fund must be voted in favour of such resolution. **PROXIES RECEIVED IN FAVOUR OF THE MANAGER WILL BE VOTED FOR THE EXTRAORDINARY RESOLUTION DESCRIBED ABOVE, UNLESS A UNITHOLDER HAS SPECIFIED IN THE PROXY THAT HIS OR HER UNITS ARE TO BE VOTED AGAINST SUCH A RESOLUTION.** In the event Unitholder approval is not given, the proposed changes to the Fund will not be implemented.

## **CHANGE OF MANAGER**

Brookfield Investment Management has agreed with Brookfield Soundvest that subject to the approval of the Unitholders of the Fund and all necessary regulatory approvals and the satisfaction of all other conditions precedent to the proposed transaction, the manager of the Fund will change from Brookfield Investment Management to Brookfield Soundvest (collectively, the “**Change of Manager**”) to be effective on April 30, 2010 (the “**Effective Date**”).

The Unitholders of the Fund are being asked to pass an Extraordinary Resolution for the Change of Manager. The rationale for this change is discussed in greater detail, above, under, “Rationale for the Change of Manager.”

### **Change of Manager**

Brookfield Investment Management and Brookfield Soundvest have agreed to the Change of Manager transaction pursuant to which Brookfield Soundvest would become the manager of the Fund subject to the receipt of all necessary approvals and the satisfaction of the other conditions precedent. Brookfield Soundvest will continue to act as the investment advisor of the Fund.

As of the Effective Date, the Independent Review Committee of the Fund will be reconstituted such that the current members appointed by Brookfield Investment Management will cease to act as members and new members will be appointed by Brookfield Soundvest, effective on that date. Such new members will be the same individuals that currently comprise the Independent Review Committee of the other funds managed by Brookfield Soundvest, including Brookfield Soundvest Equity Fund (formerly Brascan SoundVest Focused Business Trust).

The Declaration of Trust and Management Agreement of the Fund will be amended and restated as required to implement the Change of Manager as described in this Circular.

### **Reasons for the Proposed Change of Manager**

The Manager believes that by consolidating the management and investment advisory functions of the Fund, this will simplify the Fund’s structure, operating expenses, and back-office functions. As noted above, unitholders of Brascan SoundVest Diversified Income Fund, Brascan SoundVest Total Return Fund, and Brascan SoundVest Focused Business Trust have already approved a change of manager from the Manager to Brookfield Soundvest, so the proposed change of manager for the Fund would once again create a single family of related funds under common management.

### **About Brookfield Soundvest**

Brookfield Soundvest, established in 1970, is a registered investment manager with securities commissions in both Canada and the United States and is located at 100 Sparks Street, Ottawa, Ontario, K1P 5B7. Brookfield Soundvest provides investment management services to high net-worth individuals, insurance companies, foundations, trusts, and to publicly traded closed-end funds. See also, the “Investment Advisor” below.

Brookfield Soundvest is 50% owned by BAM and 50% owned by entities controlled by Kevin Charlebois. On April 3, 2008, Brookfield Soundvest’s name was changed from SoundVest Capital Management Ltd. to Brookfield SoundVest Capital Management Ltd. Prior to March 2003, Brookfield Soundvest’s name was Queensway Investment Counsel Limited. From 1970 to 1996, Brookfield Soundvest’s name was JRF Financial Consultants Ltd.

On January 1, 2010, Brookfield Soundvest became the manager of Brookfield Soundvest Equity Fund (formerly, Brascan SoundVest Focused Business Trust). Brookfield Soundvest also manages the SoundVest Portfolio Fund, an open-ended investment trust established under the laws of the Province of Ontario. The Fund's investment objectives are to provide Unitholders with income, preservation of capital and an opportunity for long-term growth of income and capital. Units of the Fund are offered on a continuous basis in accordance with National Instrument 41-106 Prospectus and Registration Exemptions.

**Unitholders may find further information regarding Brookfield Soundvest by contacting its offices during business hours at (613) 236-7361 or on it's website at [www.brookfieldsoundvest.com](http://www.brookfieldsoundvest.com).**

The names, municipalities of residence, positions and principal occupations of the directors and executive officers of Brookfield Soundvest are:

<b>Name and Municipality of Residency</b>	<b>Position with the Investment Advisor</b>	<b>Principal Occupation</b>
Kevin Charlebois, CFA Ottawa, Ontario	President, Chief Executive Officer, Secretary, Chief Investment Officer and Director	Same
George Myhal Toronto, Ontario	Chairman	Senior Managing Partner, Brookfield Asset Management Inc.
Garry Skinner Ottawa, Ontario	Chief Financial Officer and Controller	Same
Rajeev Viswanathan Toronto, Ontario	Director	CFO, Brookfield Investment Management Inc.
Audrey Charlebois Ottawa, Ontario	Director	Same

### **Procedures for the Change of Manager**

The Change of Manager is, among other things, conditional upon receipt at the meeting of approval by the Unitholders of the Fund and the approval of the applicable regulatory authorities.

Subsequent to the passing of the Extraordinary Resolution approving the Change of Manager, no further action will be required by a Unitholder of the Fund.

The Change of Manager will take effect on or about the Effective Date.

Pursuant to applicable legislation, the Declaration of Trust and the Management Agreement, the Change of Manager must be approved by the Unitholders of the Fund. In order to implement the Change of Manager, Unitholders of the Fund are being asked to pass an Extraordinary Resolution attached as Schedule B to this Circular. In order to pass the Extraordinary Resolution, at least 66⅔% of the votes cast at the meeting of holders of Units of the Fund must be voted in favour of such resolution. **PROXIES RECEIVED IN FAVOUR OF THE MANAGER WILL BE VOTED FOR THE EXTRAORDINARY RESOLUTION DESCRIBED ABOVE, UNLESS A UNITHOLDER HAS SPECIFIED IN THE PROXY THAT HIS OR HER UNITS ARE TO BE VOTED AGAINST**



**SUCH RESOLUTION.** In the event Unitholder approval is not given, the Change of Manager will not proceed.

By approving the Change of Manager, Unitholders will also be authorizing any director or officer of Brookfield Investment Management to take all such steps as may be necessary or desirable to give effect to the Change of Manager. Brookfield Investment Management will be authorized, in its sole discretion, not to proceed with the Change of Manager even if the Unitholders provide their approval for such change.

### **Regulatory Approval**

A condition precedent to the Change of Manager becoming effective will be that all required regulatory and third party approvals are obtained prior the Effective Date. Such regulatory approvals include, without limitation, the approval of the TSX.

**Should the required approvals be received, the resignation of Brookfield Investment Management as manager of the Fund will become effective on the Effective Date and Brookfield Soundvest will be appointed to replace Brookfield Investment Management in such role. The Declaration of Trust and Management Agreement of the Fund will be amended and restated to reflect such change.**

### **DESCRIPTION OF THE FUND FOLLOWING THE PROPOSED REORGANIZATION**

Following the proposed reorganization, the Fund will have similar characteristics, except to the extent such characteristics are changed by the Extraordinary Resolutions.

The Fund was launched in 2005 with a mandate to deliver a stable stream of monthly distributions and to maximize long-term total return. As of March 12, 2010, the Fund had 5,662,643 Units and 5,662,643 Preferred Securities outstanding, and its total NAV was \$17,211,757 or \$3.04 per Unit. The Fund's Units closed at \$2.36 on the TSX on March 12, 2010.

If the Extraordinary Resolutions are approved, the Fund will change in several important respects: its investment mandate will be broadened, its termination date will be eliminated, the Manager will be changed to Brookfield Soundvest; and some of its other features will be amended, as described in this Circular. The rationales for these changes are discussed in greater detail, above, under both the "Rationale for the Proposed Reorganization of the Funds" and the "Rationale for the Change of Manager."

### **Investment Objective**

The Fund's investment objective will be:

- (a) with respect to the Preferred Securities, (i) to provide Securityholders with fixed quarterly interest payments in the amount of \$0.15 per Preferred Security (\$0.60 per annum to yield 6% per annum on the original subscription price of \$10.00); and (ii) to repay the original subscription price at maturity on March 31, 2015;
- (b) to provide Unitholders with regular distributions; and
- (c) to maximize long-term total return with the Fund's portfolio.

## Investment Strategy

The Investment Advisor will seek to achieve the Fund's objectives by diligently selecting and actively managing a diversified portfolio of Canadian equities, including income trust and income securities (the "**Portfolio**"). The Portfolio currently consists primarily of units of Income Trusts and REIT's. Following the completion of the proposed reorganization, the Investment Advisor expects to hold a more diversified equity portfolio including common and preferred shares, income trusts, income securities, including bonds and debentures, REIT's, Canadian mortgage-backed securities, and other equity securities.

The Investment Advisor uses a conservative, long-term "growing-concern" approach to the management of investments in Canadian equities and also applies a rigorous buy/sell discipline to all investments. The Investment Advisor seeks to identify and invest in successful businesses which are run by strong and experienced management teams and which are available at attractive prices. In managing the Portfolio, the Investment Advisor employs risk management and risk reduction techniques to preserve and protect capital.

Securities selection for the Portfolio is based primarily on an assessment of the attractiveness of individual issuers. This involves an in-depth review of the business carried on by each issuer, as well as its prospects, its management and its value. The Investment Advisor also assesses various macro factors to ensure diversification by industry amongst the issuers included in the Portfolio and to enable the Fund to benefit from trends and other factors affecting a particular industry.

The Investment Advisor's examination of issuers incorporates an intensive and ongoing analysis of the fundamentals of each issuer. As part of the process, the Investment Advisor will generally: (a) conduct interviews with the issuer's management, competitors and investment analysts; (b) assess the competitive position of the issuer's business, factors that affect the issuer's profitability, and the ability of the issuer's management to effectively allocate capital; and (c) analyze the capability of the issuer to consistently earn a rate of return on its invested capital which is meaningfully higher than its cost of capital.

The criteria used to select specific securities for the Portfolio revolves around three key areas of analysis: management, the micro-economics of the business, and valuation.

**Management:** The Investment Advisor assesses the integrity, competence and track record of management of each issuer by examining a number of factors including the following:

- cost control discipline;
- prudent assumptions for both maintenance and growth capital expenditures;
- conservative approach to the use of leverage;
- margin of safety in the firm's pay-out ratio;
- customer and investor focus;
- selection of conservative accounting practices; and
- sound corporate governance.

**Micro-economics:** The Investment Advisor seeks the following factors in its selection of equity investments:

- sustainable competitive position in a firm’s chosen market place;
- ability to consistently generate a steady or growing level of free cash flow on a per security basis through various economic cycles;
- ability to provide an ongoing yield to Unitholders without impairing the underlying prospects of the business; and
- reasonable returns on invested capital with conservative leverage.

**Valuation:** The Investment Advisor seeks to invest in issuers that are priced below their intrinsic value. However, if the intrinsic value of an issuer is growing at a meaningful rate, the Investment Advisor may invest in such an issuer, particularly when cash dividends or distributions are at attractive yield levels. The Investment Advisor determines intrinsic values using the following methods:

- detailed discounted cash flow analysis;
- private market valuation analysis based on standard metrics for the respective industry; and
- comparative business analysis.

To assess the relative attractiveness of a particular security, its intrinsic value is compared with both its market price and an expected trading range as determined by the Investment Advisor.

The revised investment strategy for the Fund differs from its original investment strategy primarily in that the universe of eligible investments will include Canadian common and preferred equities, income securities, including bonds and debentures, income trusts, REIT’s, Canadian mortgage-backed securities and cash and cash equivalents, rather than just units of Business Income Trusts.

### **Investment Restrictions**

The Fund will not engage in any undertaking other than the investment of the Fund’s assets in accordance with the Fund’s investment objectives and strategy. Except as otherwise provided in the Declaration of Trust, the Fund will not:

- (a) invest more than 10% of the net assets of the Fund in the securities of any single issuer, other than securities issued or guaranteed by the Government of Canada or a jurisdiction thereof;
- (b) purchase or sell derivative instruments except as described under “Use of Derivative Investments”;
- (c) borrow money, other than in connection with the loan facility between the Fund and a Canadian chartered bank (the “**Loan Facility**”);
- (d) make loans, provided that the Fund may engage in securities lending and may purchase and hold debt obligations (including bonds, debt securities or other obligations and

certificates of deposit, bankers' acceptances and fixed term deposits) in accordance with the Fund's investment strategy, objectives and criteria specified herein;

- (e) purchase real estate or real estate mortgage loans, other than units of REIT's and Canadian mortgage-backed securities;
- (f) purchase or sell commodities or commodities contracts;
- (g) make short sales of securities or maintain short positions;
- (h) own more than 10% of any class of securities of any one issuer or purchase the securities of an issuer for the purpose of exercising control over management of any issuer;
- (i) guarantee the securities or obligations of any person other than the Manager, and then only in respect of the activities of the Fund;
- (j) act as underwriter, except to the extent that the Fund may be deemed to be an underwriter in connection with the sale of Portfolio securities;
- (k) make or hold any investment that would result in the Fund failing to qualify as a "unit trust" within the meaning of paragraph 108(2)(b) of the *Income Tax Act* (Canada) (the "**Tax Act**"). Among other requirements, in order for the Fund to so qualify:
  - (i) at all times at least 80% of the property of the Fund must consist of a combination of: shares; property that, under the terms or conditions of which or under an agreement is convertible into, exchangeable for, or confers a right to acquire, shares; cash; bonds, debentures, mortgages, hypothecary claims, notes and other similar obligations; marketable securities; real property situated in Canada and interests in real property situated in Canada; or rights to and interests in any rental or royalty computed by reference to the amount or value of production from a natural accumulation of petroleum or natural gas in Canada, from an oil or gas well in Canada or from a mineral resource in Canada;
  - (ii) not less than 95% of the Fund's income for each year must be derived from, or from the disposition of, investments described in (i) above; and
  - (iii) at no time may more than 10% of the Fund's property consist of bonds, securities or shares in the capital stock of any one corporation or debtor other than Her Majesty in right of Canada or a province or a Canadian municipality;
- (l) make or hold any investment that would result in the Fund failing to qualify as a "mutual fund trust" within the meaning of the Tax Act;
- (m) invest in or hold the securities of any non-resident corporation or trust or other non-resident entity (or in interests in any partnership that holds such securities) if the Fund (or the partnership) would be required to include any significant amounts in income in respect of such securities pursuant to proposed sections 94.1 or 94.3 of the Tax Act, or to mark to market its investment in such securities in accordance with proposed section 94.2 of the Tax Act, as set forth in the proposed amendments to the Tax Act dealing with foreign investment entities announced by the Minister of Finance (Canada) on

November 9, 2006 (or amendments to such proposals, provisions as enacted into law or successor provisions thereto);

- (n) invest in securities of a non-resident trust or in interests in any partnership that holds interests in such trust) other than an “exempt foreign trust” as such term is defined in the proposed amendments to the Tax Act dealing with non-resident trusts announced by the Minister of Finance (Canada) on November 9, 2006 (or amendments to such proposed provisions, provisions as enacted into law or successor provisions thereto);
- (o) make or hold any investment that is a “tax shelter investment” for purposes of section 143.2 of the Tax Act;
- (p) with the exception of securities of the Fund’s own issue, purchase securities from, sell securities to, or otherwise contract for the acquisition or disposition of securities with the Manager or the Investment Advisor or any of their respective affiliates, with any officer, director or shareholders of any of them, with any person, trust, firm or corporation managed by the Manager or the Investment Advisor or any of their respective affiliates or with any firm or corporation in which any officer, director or shareholder of the Manager or the Investment Advisor may have a material interest (which, for these purposes, includes beneficial ownership of more than 10% of the voting securities of such entity) unless, with respect to any such purchase or sale of securities, any such transaction is effected through normal market facilities, and the purchase price approximates the prevailing market price; or
- (q) make or hold any investment that is “non-portfolio property” for purposes of section 122.1 of the Tax Act;

The revised investment restrictions for the Fund differ from its original investment restrictions primarily in the elimination of specific restrictions requiring that the Portfolio maintain specific asset allocation ranges for investments in Income Trusts and REIT’s.

### **Use of Derivative Instruments**

The Fund may invest in or use derivative instruments for hedging purposes consistent with its investment objectives and investment strategy and subject to its investment restrictions, as permitted by Canadian securities regulators from time to time. For example, the Fund may use derivatives, including interest rate and foreign exchange hedges with the intention of offsetting or reducing risks associated with an investment or group of investments. These risks include currency value fluctuations, commodity price fluctuations, stock market risks and interest rate changes.

### **Securities Lending**

In order to generate additional returns, the Fund may lend Portfolio securities to borrowers acceptable to the Fund pursuant to the terms of a securities lending agreement between the Fund and each borrower (a “**Securities Lending Agreement**”). Under a Securities Lending Agreement: (i) the borrower will pay to the Fund a negotiated securities lending fee and will make compensation payments to the Fund equal to any distributions received by the borrower on the securities borrowed; (ii) the securities loans must qualify as “securities lending arrangements” for the purposes of the Tax Act as proposed to be amended; and (iii) the Fund will receive collateral security which it may pledge as security as necessary under the Loan Facility.

## Recent Performance

On December 31, 2008, the Fund's NAV per Unit was \$0.00 compared to \$2.32 at December 31, 2009. Since December 31, 2009, the NAV has appreciated by approximately 31% to \$3.04 as of March 12, 2010. The Fund's investment performance is discussed in more detail in the Brascan SoundVest Rising Distribution Split Trust Annual Management Report of Fund Performance for the year ended December 31, 2008 — Results of Operations, as incorporated by reference into this Circular.

If the Extraordinary Resolutions are approved, the Fund's investment strategy and restrictions will be amended. As a result of the increased flexibility these amendments will offer the Investment Advisor, it is likely that the Fund's portfolio and its investment performance will be different in the future. The Fund's past performance should not be relied upon as an indicator of how the Fund will perform in the future.

## Distribution Policy

The Declaration of Trust provides that the Fund cannot make any cash distributions on its Units if, immediately after giving effect to the proposed distribution, the Combined Value would be less than 1.4 times the Repayment Price. (The Combined Value equals the net asset value per Unit plus the Repayment Price. The Repayment Price, with respect to each \$10.00 principal amount of Preferred Securities, equals \$10.00 plus all accrued and unpaid interest.) As a result, the Declaration of Trust prohibits the Fund from paying a cash distribution on its Capital Units when the net asset value per Unit is less than approximately \$4.00.

On October 23, 2008, the Fund announced that the net asset value per Unit as of October 17, 2008 was \$0.00, and that consequently the Fund would not be paying a monthly distribution on its Units for October, 2008, and that monthly distributions on the Units would not resume until the Fund could satisfy the 1.4 times coverage test noted above. Distributions on the Units have not yet resumed.

## Redemption of Units and Combined Securities

The basic structure of the Fund's annual redemption feature is not being changed. Units of the Fund may be surrendered for redemption in the month of November of each year to the Registrar and Transfer Agent at its principal offices located in Toronto, Ontario. Units or Combined Securities (Units and Preferred Securities) properly surrendered for redemption by a Unitholder at least 15 business days prior to the last business day in November (the "**Redemption Date**") will be redeemed on such Redemption Date and the Unitholder will receive payment on or before the 15th business day following such Redemption Date.

In addition to the restrictions on distributions discussed above in "Distribution Policy", the Declaration of Trust also permits the temporary suspension of the redemption of Units and Combined Securities if, after giving effect to the redemptions, the Combined Value would be less than 1.4 times the Repayment Price (Combined Security means one Unit and a \$10.00 principal amount of Preferred Securities.) As a result, the Declaration of Trust permits the suspension of redemptions when the net asset value per Unit is less than approximately \$4.00; On October 23, 2008, the Fund also announced that, because the net asset value per Unit as of October 17, 2008 was \$nil, it was temporarily suspending the annual redemption rights that would otherwise arise in November because the Fund could not satisfy the 1.4 times coverage test noted above. The Fund continues to monitor its net asset value to determine when it will be able to resume redemptions, but it has not yet been able to resume redemptions. Further details of the redemption procedure to be followed will be announced if and when the suspension is lifted.

## **The Manager**

If the Change of Manager is approved by Unitholders, Brookfield Investment Management (Canada) Inc. will cease to be the Manager of the Fund on the Effective Date and Brookfield Soundvest Capital Management Ltd. will become the manager on that date. The Fund expects to enter into an amended management agreement dated as of the Effective Date between Brookfield Soundvest and the Fund (the “**Amended Management Agreement**”) pursuant to which Brookfield Soundvest will be appointed to act as the manager of the Fund and will be given the authority to manage the activities and day to day operations of the Fund, including providing and arranging for the provision of marketing and administrative services required by the Fund.

The Management Agreement provides that the Manager is entitled to a management fee at an annual rate of 1.10% of the total assets of the Trust less the amount outstanding under the Loan Facility. Fees payable to the Manager are calculated and payable monthly based on the values as at the last valuation date of each month.

## **The Investment Advisor**

Pursuant to an investment advisory agreement (the “**Investment Advisory Agreement**”) dated February 5, 2005, the Investment Advisor, Brookfield Soundvest, was retained by the Manager to provide investment advisory and portfolio management services to the Fund. The Investment Advisor, established in 1970, is registered as an investment manager with securities commissions in both Canada and the United States and is located at 100 Sparks Street, 9th Floor, Ottawa, Ontario, K1P 5B7. Pursuant to the terms of the Investment Advisory Agreement, the Investment Advisor is entitled to an advisory fee which is payable by the Manager out of the management fee. For additional information on the Investment Advisor see the Brascan SoundVest Rising Distribution Split Trust’s Annual Information Form dated March 31, 2009 (the “**2009 Fund AIF**”) — The Investment Advisor, as incorporated by reference into this Circular.

## **Independent Review Committee**

The Manager has established an independent review committee (the “**Independent Review Committee**” or the “**IRC**”) as required by National Instrument 81-107 *Independent Review Committee for Investment Funds*, for all publicly offered investment funds managed by the Manager. The IRC is responsible for reviewing and, if desirable, providing input to the Manager on, the Manager’s written policies and procedures which deal with conflicts of interest involving the Manager as well as any other matter that the Manager requests the IRC to review. The members of the Independent Review Committee are John P. Barratt, James C. Bacon and James L.R. Kelly. Each member is independent as that term is defined under NI 81-107. The members of the Independent Review Committee are required to act honestly and in good faith and in the best interests of the Fund and in connection with that duty exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. For additional information on the IRC see the 2009 Fund AIF — The Independent Review Committee, as incorporated by reference into this Circular.

## **The Trustee**

Computershare Trust Company of Canada is the Trustee of the Fund under the Declaration of Trust. The address of the Trustee is 100 University Avenue, 11th Floor, Toronto, Ontario M5J 2Y1. The Trustee receives fees for acting as trustee of the Fund and will be reimbursed for all expenses and liabilities which are properly incurred by the Trustee in connection with its duties. For additional

information on the Trustee see the 2009 Fund AIF — The Trustee, as incorporated by reference into this Circular.

### **INFORMATION REGARDING THE FUND**

Additional information about the Fund is included in documents filed by the Fund with securities commissions or similar authorities in Canada. Copies of these documents are available on the System for Electronic Disclosure and Retrieval (“**SEDAR**”) at [www.sedar.com](http://www.sedar.com) and the Manager’s website at [www.brookfieldfunds.com](http://www.brookfieldfunds.com), or may be obtained upon request without charge by toll-free call to 1-888-777-4019 or by email at [inquiries@brookfieldfunds.com](mailto:inquiries@brookfieldfunds.com), or from your dealer.

The following documents for the Fund are filed with the securities commissions or similar authorities in Canada and are specifically incorporated by reference into and form an integral part of this Circular:

- Annual Financial Statements of the Fund for the year ended December 31, 2008 as filed March 31, 2009;
- Annual Management Report of Fund Performance for the year ended December 31, 2008 as filed March 31, 2009; and
- Annual Information Form for the year ended December 31, 2008 as filed March 31, 2009.

In addition to the capital units, the Fund has also issued Preferred Securities pursuant to the Trust Indenture. Both the Units (TSX: BSD.UN) and Preferred Securities (TSX: BSD.PR.A) are listed on the Toronto Stock Exchange.

### **OTHER BUSINESS**

Management knows of no other business to be presented at the Meeting. If any additional matters should be properly presented, it is intended that the enclosed Proxy will be voted in accordance with the judgment of the persons named in the Proxy.

### **MANAGER’S DISCRETION NOT TO PROCEED WITH PROPOSALS**

Pursuant to the terms of each Extraordinary Resolution to be considered at the Meeting, the Manager may, without further notice to, or action on the part of, Unitholders, determine not to proceed with the transactions contemplated by such resolution if the Manager determines in its sole judgment that it would be inadvisable for the Fund to proceed with the matters contemplated by the resolution.

### **EXPENSES OF THE REORGANIZATION**

All expenses of the Change of Manager and the other amendments to the Declaration of Trust, including the preparation of materials for and the holding of the Meeting, will be borne by the Manager. If the Extraordinary Resolutions are approved, then the Fund will incur portfolio transaction costs associated with repositioning its investment portfolio to reflect the revised investment strategy and restrictions, and these costs will be borne by the Fund.



## **DETERMINATION OF THE INDEPENDENT REVIEW COMMITTEE AND THE MANAGER**

The board of directors of the Manager has determined that the proposed Extraordinary Resolutions are in the best interest of Unitholders of the Fund, and recommends that Unitholders of the Fund vote in favour of the Extraordinary Resolutions. The Manager and its affiliates currently hold 455,034 Units (or approximately 8.0% of the outstanding Units) of Brascan SoundVest Rising Distribution Split Trust. It will vote its Units in favour of the Extraordinary Resolution with respect to amendments to the Declaration of Trust of the Fund in Schedule A. In accordance with the Declaration of Trust, the Manager and its affiliates will refrain from voting its units with respect to the change of manager for the Fund in Schedule B.

Based on the reasons outlined above under Purpose of the Meeting — Rationale for the Proposed Reorganization of the Fund — Benefits to Investors, the Independent Review Committee of the Fund has determined that the Extraordinary Resolutions achieve a fair and reasonable result for the Fund.

In addition, based upon the reasons outlined above under Rational for Change of Manager, the Independent Review Committee of the Fund has determined that this is a fair and reasonable result for the Fund.

**The Independent Review Committee and the Manager make no recommendation regarding whether any Unitholder of the Fund should continue to hold their Units, sell their Units in the market, or tender their Units for redemption pursuant to the annual redemption right. These are determinations that each Unitholder should make in consultation with his or her financial advisors.**

## **INTERESTS IN MATTERS TO BE ACTED UPON**

The Manager is entitled to receive management fees for its services to the Fund and is entitled to be reimbursed by the Fund for all expenses incurred in connection with the operation and administration of the Fund.

## **AUDITORS AND TRANSFER AGENT**

The auditors of the Fund are Deloitte & Touche LLP, Toronto, Canada.

Computershare Investor Services Inc., at its principal offices located in Toronto, is the registrar and transfer agent for the Units.

## **ADDITIONAL INFORMATION**

Additional information about the Fund is available on SEDAR at [www.sedar.com](http://www.sedar.com). Additional financial information for the Fund is available from the Manager upon request at Brookfield Investment Management (Canada) Inc., Suite 300, 181 Bay Street, Brookfield Place, Toronto, Ontario, M5J 2T3.

## **APPROVAL**

The contents of this Circular and its sending to Unitholders of the Fund have been approved by the directors of the Manager.

The information given in this Circular is as of March 12, 2010 except where otherwise indicated.

DATED at Toronto, Ontario this 18th day of March, 2010.

**BRASCAN SOUNDVEST  
RISING DISTRIBUTION SPLIT  
TRUST, by its manager BROOKFIELD  
INVESTMENT MANAGEMENT  
(CANADA) INC.**

*(Signed) George Myhal*  
CEO, President, and Director

**TABLE OF SCHEDULES  
TO  
INFORMATION CIRCULAR**

Schedule A  
Focused Business Trust — Declaration of Trust Amendments

Schedule B  
Focused Business Trust — Change of Manager

## SCHEDULE A

### EXTRAORDINARY RESOLUTION OF BRASCAN SOUNDVEST RISING DISTRIBUTION SPLIT TRUST

BE IT RESOLVED AS AN EXTRAORDINARY RESOLUTION THAT:

1. The Manager and the Trustee be and are hereby authorized to amend the Declaration of Trust to change the investment strategy and restrictions of the Fund, substantially in accordance with the description thereof in the Circular, including amendments to the Declaration of Trust as follows:

(a) section 5.1(b) be deleted and replaced by:

(b) to provide Unitholders with regular distributions; and

(c) to maximize long-term total return with the Fund's portfolio.

(b) section 5.2 be deleted in its entirety and replaced by:

In order to achieve the Trust's investment objectives set out in Section 5.1, the Trust shall invest its net assets in a diversified portfolio of securities (the "**Portfolio**") consisting primarily of common and preferred shares of Canadian issuers, income securities, including bonds and debentures, income trusts, real estate investment trusts ("**REIT's**") Canadian mortgage-backed securities and cash and cash equivalents. The Trust may also invest up to 20% of the value of the Portfolio in any other security, in the discretion of the Investment Advisor, that is not otherwise prohibited as provided in Section 5.3.

For the purposes of this Article 5, the term "income trusts" includes securities commonly known as income trusts, as well as enhanced securities, income deposit securities, income participation securities, master limited partnerships and other similar securities structured to deliver a largely yield-based return. The term "income securities" includes bonds, debentures, and other fixed income investments.

(c) subsection 5.3(1)(b) will be deleted;

(d) subsection 5.3(1)(o) be deleted and replaced with the following:

invest in securities of a non-resident trust (or in interests in any partnership that holds interests in such trust) other than an "exempt foreign trust" as such term is defined in the proposed amendments to the Tax Act dealing with non-resident trusts announced by the Minister of Finance (Canada) on November 9, 2006 (or amendments to such proposed provisions, provisions as enacted into law or successor provisions thereto);

(e) subsection 5.3(1)(p) will be deleted;

(f) subsection 5.3(1)(r) be added with the following:

make or hold any investment that is "non-portfolio property" for purposes of section 122.1 of the Tax Act;

2. The Manager and the Trustee be and are hereby authorized to amend the Declaration of Trust to eliminate the Termination Date and permit the Manager, in its sole discretion, to wind-up the Fund if the net asset value of the Fund falls below \$15 million, such that the Fund will not have a fixed duration as follows:

(a) subsection 1.1(49) be deleted in its entirety and replaced by:

“**Termination Date**” shall mean such date for the termination of the Trust as may be determined pursuant to Section 16.1;

(b) subsection 14.3(1)(f) be deleted in its entirety and replaced by:

except in the circumstances set forth in Section 16.1, the liquidation, dissolution or termination of the Trust; and

(c) subsection 16.1(1) be deleted in its entirety and replaced by:

#### 16.1 Termination and Winding-Up of the Trust

1) The Trust does not have a fixed termination date but may be terminated at any time upon not less than 90 days’ written notice to the Trustee from the Manager with the prior approval of Unitholders by a resolution passed by holders of more than 50% of the Units voting thereon at a meeting duly convened for the consideration of such termination, provided that Unitholders holding at least 10% of the Units outstanding on the record date for voting at the meeting vote in favour of such resolution.

The Manager may, in its sole discretion, wind-up the Trust, without the approval of Unitholders, if the net asset value of the Trust falls below \$15 million subject to compliance with the trust indenture between the Fund and CIBC Mellon Trust Company dated March 16, 2005 governing the 6% Preferred Securities (the “**Trust Indenture**”). The Manager may not wind-up or terminate the trust without the approval of Unitholders unless Unitholders are provided not less than 60 days’ and not more than 90 days’ notice of the termination or winding up, as applicable, and the issuance of a press release announcing the termination of the Trust to be issued prior to the termination.

Any such event is referred to as the “Termination Date”. The Manager may, in its discretion and upon not less than 30 days’ prior written notice to Unitholders, extend the Termination Date by a maximum of 180 days if the Manager would be unable to convert all the assets of the trust to cash and the Manager determines that it would be in the best interests of the Unitholders to do so.

3. The Manager and the Trustee be and are hereby authorized to amend the Declaration of Trust to change the name of the Fund to “Brookfield Soundvest Split Trust”.

4. The Manager and the Trustee be and are hereby authorized to amend the Declaration of Trust to reflect the amendments substantially in accordance with the description thereof in the Circular under “Changes to the Fund - Other Amendments”, including amendments to the Declaration of Trust as follows:

- (a) subsection 6.3(2) be revised by inserting “together” before “non-residents”;
- (b) section 8.10 be deleted in its entirety and replaced by:

Where the Trust distributes its assets in accordance with Section 16.1 in connection with a termination of the Trust on such date as specified therein, the Trustee upon the advice of the Manager shall designate a portion of such Unitholder’s distribution from the Trust as payment out of any Net Income or Net Realized Capital Gains of the Trust not previously allocated to Unitholders, whether arising before or as a consequence of such distribution, and the provisions of Section 8.2 shall not apply to such distribution;

- 5. The Manager and the Trustee be and they are hereby authorized and directed to take all such action and to execute and deliver all such documentation as may be necessary or desirable for the implementation of this extraordinary resolution.
- 6. Notwithstanding the provisions hereof, the Manager is hereby authorized, without further approval of the Unitholders of the Fund, to determine not to proceed with the transactions contemplated in this extraordinary resolution and to revoke this extraordinary resolution at any time prior to the execution of amendments to the Fund’s amended and restated declaration of trust giving effect to this extraordinary resolution.
- 7. All capitalized terms not otherwise defined in this resolution have the meanings ascribed thereto in the Circular.

## SCHEDULE B

### EXTRAORDINARY RESOLUTION OF BRASCAN SOUNDVEST RISING DISTRIBUTION SPLIT TRUST

BE IT RESOLVED AS AN EXTRAORDINARY RESOLUTION THAT:

1. The change in the manager of the Brascan SoundVest Rising Distribution Split Trust (the “**Fund**”) from Brookfield Investment Management (Canada) Inc. (the “**Manager**”) to Brookfield Soundvest Capital Management Inc. (the “**Change of Manager**”) substantially in accordance with the description thereof in the Circular is hereby approved.
2. The Fund’s amended and restated declaration of trust dated March 28, 2008 (the “**Declaration of Trust**”) and management agreement dated February 25, 2005 (the “**Management Agreement**”) be amended and restated as may be required to implement or give effect to the Change of Manager as described in the Circular.
3. The Trustee be and is hereby authorized and directed to take all such action and execute and deliver all such documentation (including any appropriate amendment to, or amendment and restatement of, the Declaration of Trust and Management Agreement of the Fund) as may be necessary or desirable for the implementation of this extraordinary resolution.
4. Notwithstanding the provisions hereof, either the Trustee or the Manager are hereby authorized, without further approval of the Unitholders of the Fund, to determine not to proceed with the Change of Manager as contemplated in this extraordinary resolution and to revoke this extraordinary resolution at any time prior to the execution of the amended and restated declaration of trust and management agreement of the Fund.
5. All capitalized terms not otherwise defined in this resolution have the meanings ascribed thereto in the Circular.