PIMCO

NOTICE OF SPECIAL MEETINGS AND MANAGEMENT INFORMATION CIRCULAR FOR UNITHOLDERS OF

PIMCO Tactical Income Opportunities Fund
PIMCO Tactical Income Fund
PIMCO Multi-Sector Income Fund

to be held on
December 4, 2024
commencing at 9:00 a.m. (Toronto time)
at the offices of

Blake, Cassels & Graydon LLP
Commerce Court West, 199 Bay Street, 40th Floor
Toronto, Ontario

October 18, 2024

Dear Unitholders,

You are hereby invited to special meetings of unitholders (each, a "**Meeting**" and collectively, the "**Meetings**") of PIMCO Tactical Income Opportunities Fund, PIMCO Tactical Income Fund and PIMCO Multi-Sector Income Fund ("**Existing Funds**"). The Meetings will be held concurrently at 9:00 a.m. (Toronto time) on December 4, 2024, at the offices of Blake, Cassels & Graydon LLP, Commerce Court West, 199 Bay Street, Suite 4000, Toronto, Ontario.

As announced on September 6, 2024 by PIMCO Canada Corp., the manager of the Existing Funds set forth below (the "**Manager**" or "**PIMCO Canada**"), a Meeting of each Existing Fund will be held, to consider and, if deemed appropriate, to pass the special resolution in the form substantially set forth in Schedule "A" to the accompanying Management Information Circular, to approve all matters relating to the reorganization of the Existing Funds (referred to herein as the "**Mergers**" and each, a "**Merger**"), each currently structured as a trust, whereby holders of units of the Existing Funds will become holders of the same class of units (the "**Continuing Class**") of PIMCO Monthly Enhanced Income Fund, a new to-be-established non-redeemable investment fund structured as a trust (the "**Top Fund**", and together with the Existing Funds, each a "**Fund**") managed by the Manager, all as more particularly described in the accompanying Management Information Circular.

Classes of units of the Existing Funds	**Continuing Class of units of PIMCO Monthly Enhanced Income Fund**
PIMCO Tactical Income Opportunities Fund (Class A Units)	**Class A Units**
PIMCO Tactical Income Fund (Class A Units)	
PIMCO Multi-Sector Income Fund (Class A Units)	

The Manager has determined that the Mergers are in the best interests of the unitholders of each of the Existing Funds. As set out in the Management Information Circular, the Top Fund will be structured so that it employs a similar investment objective, investment strategies and fee structure as those currently employed by the Existing Funds. In particular, the investment objective of the Top Fund will be to provide unitholders of the Top Fund with current income as a primary objective and capital appreciation as a secondary objective, through various market cycles, by utilizing a dynamic asset allocation strategy among multiple sectors in the global credit markets, including corporate debt, mortgage-related and other asset-backed securities, government and sovereign debt, municipal bonds, other fixed-, variable- and floating-rate income-producing securities of U.S. and global issuers, including emerging market issuers, and real estate-related investments.

The independent review committee ("**IRC**") of each Existing Fund has reviewed the proposed Mergers, including the proposed steps to be taken in implementing the proposed Mergers, and has concluded that the proposed Mergers represent the business judgment of the Manager uninfluenced by considerations other than the best interests of the Existing Funds, and that the Mergers will achieve a fair and reasonable result for each of the Existing Funds.

Management's Recommendation

The proposed Mergers follow a lengthy and extensive review by the Manager of the activities and portfolios of the Existing Funds, upon which the Manager has determined that it would be in the best interests of the unitholders of the Existing Funds to merge into a single non-redeemable investment fund, which would permit the Top Fund to (a) increase liquidity in the secondary market; and (b) benefit from significant economies of scale, including greater investment flexibility (as position sizing of potential investments is less of a constraint for a larger fund).

The Manager, taking into account the foregoing considerations, including the tax considerations and the considerations set forth in the accompanying Management Information Circular, recommends that unitholders of each Existing Fund vote **IN FAVOUR** of the proposed Merger resolution.

Subject to (i) the receipt of all necessary regulatory, unitholder and other third party approvals, and (ii) the receipt for a final non-offering prospectus of the Top Fund, it is expected that the proposed Mergers will take effect on or about December 20, 2024, or such other date as the Manager may determine in its sole discretion. If the Mergers are approved, unitholders of the Existing Funds need not take any action in order to receive units of the Continuing Class of the Top Fund on the effective date of the Mergers. If the Merger in respect of a particular Existing Fund is not approved, or if the Mergers are approved by each of the Existing Funds but subsequently not implemented for any reason, including if in the opinion of the Manager it would no longer be advisable for any reason, it is currently anticipated that each of the Existing Funds will continue in the ordinary course as non-redeemable investment funds that are reporting issuers in each of the provinces and territories of Canada.

General

If you are not able to attend the Meetings, you should contact your broker and submit a voting instruction form as soon as possible.

Attached is a Notice of Special Meetings of Unitholders and related Management Information Circular, both of which contain important information relating to the proposed Mergers. You are urged to read the Management Information Circular carefully. If you have any questions prior to the Meetings, please call us at 416-506-8187 or toll-free at 1-877-506-8126.

Sincerely,

(Signed) "Greg Tsagogeorgas"

Greg Tsagogeorgas
Co-Head
PIMCO Canada Corp.

NOTICE OF SPECIAL MEETINGS OF UNITHOLDERS OF

PIMCO Tactical Income Opportunities Fund ("PTO")
PIMCO Tactical Income Fund ("PTI")
PIMCO Multi-Sector Income Fund ("PIX")

(collectively, the "**Existing Funds**", and each, an "**Existing Fund**")

This is notice that special meetings of the unitholders of the Existing Funds will be held concurrently at the offices of Blake, Cassels & Graydon LLP, Commerce Court West, 199 Bay Street, Suite 4000, Toronto, Ontario M5L 1A9 on December 4, 2024, at 9:00 a.m. (Toronto time) (including any adjournment or postponement thereof, as the case may be, the "**Meetings**" and each, a "**Meeting**").

Unitholders of each Existing Fund are invited to vote at the applicable Meeting, each of which is being called by PIMCO Canada Corp., as manager of each Existing Fund (the "**Manager**"). Unitholders of record of each Existing Fund at the close of business on October 16, 2024, the record date for the Meetings, will be entitled to receive notice of and vote at the applicable Meeting.

The Meetings are being held for unitholders of each Existing Fund, to consider and, if deemed appropriate, to pass the special resolution in the form substantially set forth in Schedule "A" to the accompanying Management Information Circular, to approve all matters relating to the reorganization of each Existing Fund (referred to herein as the "**Mergers**" and each, a "**Merger**"), each currently structured as a trust, whereby holders of units of the Existing Funds will become holders of the same class of units (the "**Continuing Class**") of PIMCO Monthly Enhanced Income Fund, a new to-be-established non-redeemable investment fund structured as a trust (the "**Top Fund**") managed by the Manager, all as more particularly described in the accompanying Management Information Circular.

Notice is hereby given that in the event the quorum requirement of an Existing Fund is not satisfied within one-half hour of the scheduled time for a Meeting, then the applicable Meeting will be adjourned by the chairman of such Meeting. Notice is hereby provided that the adjourned Meeting(s), if any, will be rescheduled for 9:00 a.m. (Toronto time) on December 5, 2024, at the offices of Blake, Cassels & Graydon LLP, 199 Bay Street, Suite 4000, Toronto, Ontario M5L 1A9. At any applicable adjourned Meeting of an Existing Fund, the business of the Meeting will be transacted by those unitholders of such Existing Fund present in person or represented by proxy.

A registered unitholder may submit his or her proxy by mail, by phone or over the internet in accordance with the instructions below.

If a unitholder holds their units through a financial intermediary, (a bank, trust company, securities broker, or other financial institution) they will receive a voting instruction form that allows them to vote on the internet, by telephone, or by mail. To vote, a unitholder should follow the instructions provided on their voting instruction form.

Voting – Registered and Beneficial Unitholders

Voting by Mail. A unitholder may submit his or her proxy or voting instructions, as applicable, by mail by completing, dating and signing the enclosed form of proxy or voting instruction form, as applicable, and returning it using the envelope provided to Data Processing Centre, P.O. Box 3700, Stn. Industrial Park, Markham ON, L3R 9Z9. To be valid, forms of proxy or voting instruction forms, as applicable, must be received before 9:00 a.m. (Toronto time) on December 2, 2024, or not later than 48 hours (excluding Saturdays, Sundays and holidays) prior to the commencement of any adjournment or postponement of a Meeting, or must be deposited with the chairman of the Meeting prior to commencement of such Meeting (or any adjournment or postponement thereof).

Voting by Internet. A unitholder may submit his or her proxy or voting instructions, as applicable, at www.proxyvote.com by following the instructions provided on the screen, prior to 9:00 a.m. (Toronto time) on December 2, 2024, or not later than 48 hours (excluding Saturdays, Sundays and holidays) prior to the commencement of any adjournment or postponement of a Meeting, or must deposit his or her proxy with the chairman of the Meeting prior to commencement of such Meeting (or any adjournment or postponement thereof).

Voting by Phone (Canada and U.S. only). A beneficial unitholder may submit his or her voting instructions by telephone by calling the toll-free number on his or her voting instruction form and following the instructions provided.

A unitholder's intermediary must receive their voting instructions with enough time to act on the unitholder's instructions. Unitholders should check the form for the deadline for submitting their voting instructions. If a unitholder is mailing their voting instruction form, the unitholder should be sure to allow enough time for the envelope to be delivered.

DATED at Toronto, Ontario this 18th day of October, 2024.

PIMCO CANADA CORP.,
as manager of each Existing Fund

(Signed) "Greg Tsagogeorgas"
Name: Greg Tsagogeorgas
Title: Co-Head

MANAGEMENT INFORMATION CIRCULAR

October 18, 2024

PIMCO Tactical Income Opportunities Fund ("**PTO**")
PIMCO Tactical Income Fund ("**PTI**")
PIMCO Multi-Sector Income Fund ("**PIX**")

(collectively, the "**Existing Funds**", and each, an "**Existing Fund**")

SPECIAL NOTE REGARDING FORWARD LOOKING INFORMATION

This Management Information Circular (the "**Circular**") contains or refers to certain forward-looking information relating, but not limited, to the expectations, intentions, plans and assumptions of PIMCO Canada Corp., as manager of the Existing Funds (the "**Manager**" or "**PIMCO Canada**"), and the Existing Funds.

Forward-looking information can often be identified by forward-looking words such as "anticipate", "believe", "expect", "plan", "intend", "estimate", "may", "potential", and "will" or similar words suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. Forward-looking information is not historical fact but reflects, as applicable, the Existing Funds' and the Manager's current expectations regarding future results or events. Forward-looking information is subject to risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking information expressed herein. Although the Existing Funds and the Manager believe that the assumptions inherent in their respective forward-looking information are reasonable, forward-looking information is not a guarantee of future events or performance and, accordingly, readers are cautioned not to place undue reliance on such forward-looking information due to the inherent uncertainty therein. By its nature, forward-looking information involves numerous assumptions, inherent risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and various future events will not occur. There is no obligation to update forward-looking information, except as required by law.

Except as may otherwise be stated, the information contained in this Circular is given as of the date of this Circular.

SOLICITATION OF PROXIES

The information contained in this Circular is provided by the Manager in its capacity as manager of the Existing Funds in connection with the solicitation of proxies by management of the Manager to be used at the special meetings (including any adjournment or postponement thereof, as the case may be, the "**Meetings**", and each individually, a "**Meeting**") of the unitholders of each Existing Fund. The Meetings are to be held concurrently at the offices of Blake, Cassels & Graydon LLP, Commerce Court West, 199 Bay Street, Suite 4000, Toronto, Ontario on December 4, 2024, at 9:00 a.m. (Toronto time) for the purposes outlined in the Notice of Special Meetings attached to this Circular.

Notice is hereby given that in the event the quorum requirement of an Existing Fund is not satisfied within one-half hour of the scheduled time for a Meeting, then the applicable Meeting will be adjourned by the chairman of such Meeting. Notice is hereby provided that any such adjourned Meeting will be rescheduled for 9:00 a.m. (Toronto time) on December 5, 2024, at the offices of Blake, Cassels & Graydon LLP, 199 Bay Street, Suite 4000, Toronto, Ontario M5L 1A9. At any applicable adjourned Meeting of an Existing Fund, the business of the Meeting will be transacted by those unitholders of such Existing Fund present in person or represented by proxy.

Although it is expected that the solicitation will be made primarily by mail, the Manager or its agents may also solicit proxies personally, by telephone, facsimile transmission or electronic means. All costs of preparing and sending the proxy materials and of the solicitation of proxies, as well as other costs and expenses associated with the Meetings and the Mergers (as defined below), will be borne by the Manager. The Manager has opted to use a notice-and-access procedure to reduce the volume of paper in the materials distributed for the Meetings and to potentially encourage a higher voting participation rate among unitholders of the Existing Funds. The Manager is sending proxy-related materials using the notice-and-access procedure to unitholders.

The securityholder materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, and the issuer or its agent has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

PURPOSE OF THE MEETINGS

The Meetings are being held for unitholders of each Existing Fund, to consider and, if deemed appropriate, to pass the special resolution in the form substantially set forth in Schedule "A" hereto, to approve all matters relating to the reorganization of each Existing Fund (referred to herein as the "**Mergers**" and each, a "**Merger**"), each currently structured as a trust, whereby holders of units of the Existing Funds will become holders of the same class of units (the "**Continuing Class**") of PIMCO Monthly Enhanced Income Fund, a new to-be-established non-redeemable investment fund structured as a trust (the "**Top Fund**") managed by the Manager, and to transact such other business as may properly come before a Meeting or any adjournment or postponement thereof, if any.

BUSINESS OF THE MEETINGS

As announced by the Manager on September 6, 2024, meetings of unitholders of the Existing Funds will be held to approve the Mergers, pursuant to which PIMCO Monthly Enhanced Income Fund will acquire the units of each of the Existing Funds, and holders of units of each of the Existing Funds will become holders of listed Continuing Class units of PIMCO Monthly Enhanced Income Fund, with the same aggregate net asset value as they held before the Mergers as unitholders of the relevant Existing Fund. Following the Mergers, it is currently expected that substantially all of the assets of each Existing Fund will remain in the portfolio of each Existing Fund for the exclusive benefit of the Top Fund, until such time as the underlying assets mature, may be liquidated or are otherwise transferred to the Top Fund at the discretion of the Manager. Upon the future liquidation of assets by an Existing Fund following the Mergers, the proceeds of liquidation will be distributed to the Top Fund (by way of distribution or redemption), in which case the Top Fund will invest such proceeds in portfolio assets directly. In accordance with exemptive relief applied for or obtained by the Manager, it is expected that each Existing Fund will only be wound up when it no longer holds any assets in its portfolio. Based on the maturity dates and due to the nature of the debt instruments that are currently held in the respective portfolios of each of the Existing Funds, it is anticipated that it may take several years for each Existing Fund to liquidate its portfolio and be wound-up.

The proposed Mergers follow a lengthy and extensive review by the Manager of the activities and portfolios of the Existing Funds, upon which the Manager has determined that it would be in the best interests of the unitholders of the Existing Funds to merge into a single Top Fund, which would permit the Top Fund to:

(a) increase liquidity on the secondary market, and

(b) benefit from significant economies of scale, including greater investment flexibility, as position sizing of potential investments is less of a constraint for a larger fund.

None of the costs and expenses associated with the Mergers will be borne by the Existing Funds or their respective unitholders. All such costs will be borne by the Manager.

Following completion of the Mergers, PIMCO Monthly Enhanced Income Fund is expected to preserve all of the benefits offered by the Existing Funds, which primarily use an asset allocation strategy among multiple sectors in order to achieve their investment objectives. In addition, the Existing Funds will no longer pay any management fees to the Manager and accordingly there will be no duplication of management fees payable by the Top Fund and the Existing Funds at any time. In addition, the Manager intends to apply to the Canadian securities administrators for the Existing Funds to cease to be reporting issuers upon completion of the Mergers. The Top Fund will be a reporting issuer from inception and continue to be a reporting issuer in compliance with all applicable securities laws. In terms of the termination of the Existing Funds, PTI is currently scheduled to terminate on the first business day following September 25, 2032, PTO is currently scheduled to terminate on the first business day following May 26, 2033, and PIX is currently scheduled to terminate on the first business day following February 17, 2034. The termination date of PIMCO Monthly Enhanced Income Fund will be on or about September 23, 2032.

Subject to the receipt of all necessary regulatory, unitholder and other third party approvals, as well as obtaining the receipt of a final prospectus for PIMCO Monthly Enhanced Income Fund, it is expected that the proposed Mergers will take effect on or about December 20, 2024, or such other date as the Manager may determine in its sole discretion.

Procedures for the Mergers

The steps for implementing the Mergers are substantially as follows:

1. A new non-redeemable investment fund structured as a trust, PIMCO Monthly Enhanced Income Fund, will be established under the laws of a jurisdiction of Canada and is expected to qualify or be deemed to qualify as a "mutual fund trust" within the meaning of the *Income Tax Act* (Canada) (the "**Tax Act**") from inception;

2. The trust agreement (the "**Trust Declaration**") governing each Existing Fund will be amended to, among other matters: (i) require that every unitholder of each Existing Fund simultaneously transfer each of his or her units of such Existing Fund to the Top Fund in consideration for the issuance by the Top Fund of a number of units of the Continuing Class determined based on an exchange ratio established as of the close of trading on the business day immediately preceding the effective date of the Merger, (ii) otherwise facilitate the Mergers and the implementation of the steps and transactions involved as described herein, and (iii) authorize the Manager, as manager of each Existing Fund, to execute all such instruments as may be necessary or desirable to give effect to the Merger;

3. The Exchange Ratio (as defined below) will differ for each Existing Fund and will be calculated based on the relative net asset values of each Existing Fund and the units of the Continuing Class of the Top Fund;

4. Each unitholder will receive such number of units of the Continuing Class as is equal to the number of units of the applicable Existing Fund held multiplied by the Exchange Ratio for such units; and

5. Upon the Top Fund acquiring the units of the Existing Funds, the Top Fund will be the sole unitholder of each Existing Fund. Each Existing Fund shall not be wound up but instead will continue to manage and operate its existing portfolio of securities for the exclusive benefit of the Top Fund as the sole unitholder, and the Top Fund's unitholders. Each Existing Fund will be delisted from the TSX and will be wound up when it no longer holds any assets in its portfolio.

Units of the Existing Funds will, simultaneously, be exchanged for units of the Continuing Class at an exchange ratio (the "**Exchange Ratio**") calculated based on the relative net asset value of each of class of units at the close of trading on Toronto Stock Exchange on the business day prior to the effective date of the Mergers. Fractional units of the Continuing Class will not be issued in connection with the Mergers. The net asset value of the Existing Funds will be calculated in accordance with the provisions of the applicable constating documents. It is expected that the starting net asset value per unit of the Top Fund will be $10.00 per unit. By way of illustration, if on the day prior to the effective date of the Mergers the net asset value of an Existing Fund was $9.00 per unit and the net asset value of the Top Fund was $10.00 per unit, then on the Mergers, each unit of that Existing Fund would in effect, be exchanged for 0.90 units of the Top Fund (being $9.00 divided by $10.00).

Tax Aspects of the Merger

Under the proposed Merger, the Existing Funds will not transfer all or substantially all of their assets to the Top Fund and will instead continue to manage and operate their existing portfolios. Therefore, although the Existing Funds themselves will generally not realize a capital gain or capital loss as a result of the Mergers, the Mergers will not constitute a "qualifying exchange" and cannot be implemented on a tax-deferred basis for unitholders of the Existing Funds. A unitholder who is resident in Canada and who holds units of an Existing Fund as capital property will generally realize a capital gain or capital loss on the disposition of his or her units in connection with the Mergers to the extent the fair market value of the units of the Continuing Class received exceeds the unitholder's adjusted cost base of the Existing Fund units exchanged and any reasonable costs of disposition.

The Existing Funds may make a special distribution of income or capital gains to unitholders in connection with the Mergers. As of the date hereof, the Manager currently anticipates that PTI will make a special distribution of income to unitholders prior to the Mergers.

See "*Certain Canadian Federal Income Tax Considerations*" for a summary of the principal Canadian federal income tax considerations generally applicable under the Tax Act to a unitholder in respect of the disposition of units of an Existing Fund prior to or on the Merger, and the acquisition, holding and disposition of units of the Continuing Class by a unitholder who acquires such units pursuant to the Mergers.

Implementation of the Merger

If the Mergers are approved, unitholders of the Existing Funds need not take any action in order to receive units of PIMCO Monthly Enhanced Income Fund on the effective date of the Mergers. If the Merger in respect of a particular Existing Fund is not approved, or if the Mergers are approved by each of the Existing Funds but subsequently not implemented for any reason, including if in the opinion of the Manager it would no longer be advisable for any reason, it is currently anticipated that each of the Existing Funds will continue in the ordinary course as an a non-redeemable investment fund.

If the Mergers are approved, the right of unitholders to redeem or trade their units on a designated exchange will cease as of the close of business on the effective date of the Mergers. Upon becoming unitholders of the Top Fund, unitholders of the Top Fund will be able to redeem or trade their units of the Top Fund on the same designated exchange in the ordinary course at the open of trading on the next business day following the implementation of the Mergers. As a result, the units of the Existing Funds prior to the Merger, and the units of the Top Fund after the Merger, are not expected to experience any material period of illiquidity.

A Comparison of the Material Attributes of the Existing Funds and PIMCO Monthly Enhanced Income Fund

Set out below is a description of certain features which are common to each Existing Fund and PIMCO Monthly Enhanced Income Fund. Unless otherwise defined therein, defined terms in the Schedules hereto shall have the meanings given to them in this Circular and/or the applicable annual information form of the Existing Funds, which can be found on SEDAR+ at www.sedarplus.com.

Features	**Existing Funds**	**PIMCO Monthly Enhanced Income Fund (Top Fund)**
Investment Fund Manager	PIMCO Canada Corp.	Same
Trustee	PIX: PIMCO Canada Corp. PTI and PTO: State Street Trust Company Canada	PIMCO Canada Corp.
Portfolio Manager	PIMCO Canada Corp.	Same
Independent Review Committee	Michèle McCarthy, John Lockbaum, Barbara Macpherson	Same
Custodian	State Street Trust Company Canada	Same
Transfer Agent	TSX Trust Company	Same
Fundamental Investment Objectives and Strategies	Please refer to Schedule "B" – Investment Objectives and Strategies of the Existing Funds and the Top Fund	Please refer to Schedule "B" – Investment Objectives and Strategies of the Existing Funds and the Top Fund
Investment Restrictions	Please refer to Schedule "C" – Investment Restrictions of the Existing Funds and the Top Fund	Please refer to Schedule "C" – Investment Restrictions of the Existing Funds and the Top Fund

Features	Existing Funds	PIMCO Monthly Enhanced Income Fund (Top Fund)
Risk Factors	Please refer to Schedule "D" – Risk Factors for the Existing Funds and the Top Fund	Please refer to Schedule "D" – Risk Factors for the Existing Funds and the Top Fund
Distribution or Dividend Policies	Please refer to Schedule "E" – Distribution Policies for the Existing Funds and the Top Fund	Please refer to Schedule "E" – Distribution Policies for the Existing Funds and the Top Fund
Management Fees and Operating Expenses	Please refer to Schedule "F" – Management Fees for the Existing Funds and the Top Fund	Please refer to Schedule "F" – Management Fees for the Existing Funds and the Top Fund
Valuation Policies and Procedures	Please refer to Schedule "G" – Valuation Policies and Procedures of the Exiting Funds and the Top Fund	Please refer to Schedule "G" – Valuation Policies and Procedures of the Exiting Funds and the Top Fund

In anticipation of the proposed Mergers, PTI has terminated its "at-the-market" equity program effective as of the date hereof. PTO and PIX do not have "at-the-market" equity programs. As a new fund, PIMCO Monthly Enhanced Income Fund will not offer an "at-the-market" equity program until it is permitted to do so under applicable Canadian securities laws. PIMCO Monthly Enhanced Income Fund will consider an "at-the-market" equity program if the Manager believes it is in the best interests of the fund to do so.

Description of the Units of the Existing Funds and the Units of PIMCO Monthly Enhanced Income Fund

Currently, each Existing Fund is authorized to issue an unlimited number of redeemable, transferable units, issuable in such classes as the Manager may determine, each of which represents an equal, undivided interest in the capital of that Existing Fund. Units of each of the Existing Funds are currently listed on the Toronto Stock Exchange (the "**TSX**"), which is a designated stock exchange. Each unit of an Existing Fund entitles the owner to one vote at meetings of unitholders of the Existing Fund. Each unit of a class of an Existing Fund entitles the unitholder to one vote at all meetings of unitholders of such Existing Fund and at all meetings of unitholders of that class of units of such Existing Fund. Each unitholder of a class of an Existing Fund is entitled to participate equally with all other units of that class of units of such Existing Fund with respect to all payments made to unitholders of such Existing Fund, other than capital gains allocated and designated as payable to a redeeming unitholder, and, on liquidation, to participate equally in the net assets of such Existing Fund remaining after satisfaction of any outstanding liabilities that are attributable to units of such Existing Fund. All other rights attached to the units of an Existing Fund may only be modified, amended or varied in accordance with the terms of the Trust Declaration. Units of each of the Existing Funds will be delisted from the TSX on or about the effective date of the Mergers.

In connection with the Mergers, PIMCO Monthly Enhanced Income Fund will be authorized to issue an unlimited number of redeemable and transferable Class A units, each of which represents an equal, undivided interest in the capital of the Top Fund. The Continuing Class of PIMCO Monthly Enhanced Income Fund will be listed on the TSX, the same designated exchange as the classes of units of the Existing Funds. Each unit of the Continuing Class of PIMCO Monthly Enhanced Income Fund will entitle the owner to one vote at any meeting of unitholders at which they are entitled to vote. Each unit of the Continuing Class is entitled to participate equally with all other units of the Continuing Class with respect to all payments and distributions made to unitholders, other than capital gains allocated and designated as payable to a redeeming unitholder and, on liquidation, to participate equally in the net assets of the Top Fund remaining after satisfaction of any outstanding liabilities that are attributable to units of the Continuing Class. All other rights attached to the units of the Top Fund may only be modified, amended or varied in accordance with the terms of the Trust Declaration.

Redemptions

Class A units of an Existing Fund may be surrendered at any time for redemption on the second last Business Day of any month (a "**Monthly Redemption Date**"), subject to certain conditions. In order to effect such a redemption, the Class A units must be surrendered by no later than 5:00 p.m. (Toronto time) on the date which is the

last Business Day of the month preceding the month in which the Monthly Redemption Date falls, subject to the Fund's right to suspend redemptions in certain circumstances. Class A units properly surrendered for redemption within such period will be redeemed on the Monthly Redemption Date and the Unitholder surrendering such Class A units will receive payment on or before the 15th day of the month following the Monthly Redemption Date. A Unitholder who properly surrenders a Class A unit for redemption on a Monthly Redemption Date, will receive the amount per Class A unit, if any, equal to the lesser of (i) 94% of the average market price; and (ii) 100% of the closing market price of a Class A unit on the applicable Monthly Redemption Date, in each case subject to a maximum redemption price per Class A unit equal to the net asset value per Class A unit on the applicable Monthly Redemption Date, less, any costs associated with the redemption including commissions and such other costs, if any.

The Continuing Class of PIMCO Monthly Enhanced Income Fund will offer the same monthly redemption features.

OTHER BUSINESS

The Manager knows of no other business to be presented at the Meetings. 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.

RECOMMENDATIONS

Management's Recommendation

The board of directors of the Manager, taking into account the foregoing considerations, including the tax considerations and the considerations set forth herein, recommends that unitholders of each Existing Fund vote **IN FAVOUR** of the proposed Merger resolution.

Independent Review Committee

As required by National Instrument 81-107 – *Independent Review Committee for Investment Funds* ("**NI 81-107**"), the Manager has referred the Mergers to each Existing Fund's IRC as a conflict of interest matter. The IRC of each Existing Fund has reviewed the proposed Mergers, including the proposed steps to be taken in implementing the proposed Mergers, and has concluded that the proposed Mergers represent the business judgment of the Manager uninfluenced by considerations other than the best interests of the Existing Funds and that the Mergers achieve a fair and reasonable result for the relevant Existing Fund.

REQUIRED UNITHOLDER APPROVAL

The special resolution in the form substantially set forth in Schedule "A" to this Circular must be approved by at least 66 2/3% of the votes cast either in person or by proxy at the Meetings by all unitholders of each Existing Fund.

By approving the Mergers, securityholders also will be authorizing any director or officer of the Manager to take all such steps as may be necessary or desirable to give effect to the Mergers. Under such authority, the Manager will amend the Trust Declaration to require that unitholders of each Existing Fund transfer their units to the Top Fund in return for a number of units of the Continuing Class having a net asset value equal to the net asset value of such units in effect at the time such transfer is made.

Any securityholder of an Existing Fund who does not wish to participate in the Mergers can, at any time up to the close of business on the effective date of the Mergers, sell his or her units of such Existing Fund on the designated exchange on which such units are listed. In addition, immediately following completion of the Mergers, an investor, as a securityholder of the Top Fund may sell his or her securities on the designated exchange on terms consistent with the existing Trust Declaration.

Unless otherwise determined by the Manager, it is expected that an Existing Fund that receives the necessary securityholder approvals for the Merger will not be permitted to complete the Merger unless each other Existing Fund proceeds with the Merger. The Manager will also be authorized, in its discretion, not to proceed with the Mergers, in whole or in part, if it determines this to be in the best interest of an Existing Fund and is authorized to complete the Merger steps to the extent permitted by the securities regulatory authorities. If the Mergers are not approved, or if the Mergers are approved but subsequently not implemented for any reason, including if in the opinion of the Manager it would no longer be advisable for any reason, it is currently anticipated that each Existing Fund will continue in the ordinary course as a non-redeemable investment fund.

Voting and Record Date

Unitholders of each Existing Fund are entitled to one vote for each whole unit of the Existing Fund held. Only unitholders of an Existing Fund of record at the close of business on October 16, 2024 will be entitled to receive notice of the Meetings of the Existing Funds and to vote in respect of the matters to be voted at the Meetings, including the proposed resolution.

Quorum and Adjournment

The quorum required for a Meeting to be duly constituted in respect of an Existing Fund is one or more unitholders of the applicable Existing Fund present in person or by proxy and representing not less than 5% of the outstanding units of such Existing Fund. Notice is hereby given that in the event the quorum requirement of an Existing Fund is not satisfied within one-half hour of the scheduled time for a Meeting in respect of that Existing Fund, then the Meeting in respect of that Existing Fund will be adjourned by the chairman of the Meeting. The adjourned Meeting will be rescheduled for 9:00 a.m. (Toronto time) on December 5, 2024, at the offices of Blake, Cassels & Graydon LLP, 199 Bay Street, Suite 4000, Toronto, Ontario M5L 1A9. At any adjourned Meeting of an Existing Fund, the business of the Meeting will be transacted by those unitholders of such Existing Fund present in person or represented by proxy.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is a summary, as of the date hereof, of the principal Canadian federal income tax considerations generally applicable under the Tax Act to a unitholder in respect of the disposition of units of an Existing Fund (for purposes of this "*Certain Canadian Federal Income Tax Considerations*" and "*Tax Considerations for Non-Residents of Canada*", the "**Units**") prior to or on the Merger, and the acquisition, holding and disposition of units of the Top Fund (for purposes of this "*Certain Canadian Federal Income Tax Considerations*" and "*Tax Considerations for Non-Residents of Canada*", the "**Continuing Units**") by a unitholder who acquires such Continuing Units pursuant to the Mergers. This summary is applicable only to a unitholder who, for purposes of the Tax Act and at all relevant times, (i) is resident in Canada, (ii) deals at arm's length with the Top Fund, each Existing Fund, any applicable dealer and any person to whom such unitholder sells or otherwise disposes of Units or Continuing Units, (iii) is not affiliated with the Top Fund, any of the Existing Funds, any applicable dealer or any person to whom such unitholder sells or otherwise disposes of Units or Continuing Units, and (iv) holds Units as capital property and (where applicable) will hold Continuing Units as capital property (a "**Holder**").

Generally, Units and Continuing Units ("**Securities**") will be considered to be capital property to a Holder provided that the Holder does not hold the Securities in the course of carrying on a business and has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade. In circumstances where Securities may not otherwise constitute capital property to a particular holder for purposes of the Tax Act, such holder may be entitled to elect that such Securities be deemed to be capital property by making an irrevocable election under subsection 39(4) of the Tax Act (the "**Canadian securities election**") to deem every "Canadian security" (as defined in the Tax Act) owned by such holder in the taxation year of the election and in each subsequent taxation year to be capital property. Holders who may not otherwise hold their Securities as capital property should consult with their own tax advisors regarding the availability and desirability of making such an election in their particular circumstances**.**

This summary is not applicable to a Holder: (i) that is a "financial institution" for purposes of the "mark-to-market rules" in the Tax Act; (ii) that is a "specified financial institution"; (iii) that has elected to report its "Canadian

tax results" in a currency other than Canadian currency; or (iv) that has entered or will enter into a "derivative forward agreement" with respect to any Securities (in each case, as those terms are defined in the Tax Act). Any such Holders should consult their own tax advisors with respect to the consequences of disposing of their Units and acquiring, holding or disposing of Continuing Units. In addition, this summary does not address the deductibility of interest on money borrowed to acquire Units disposed of prior to or under the Mergers.

This summary is of a general nature only and is based upon the facts set out in this Circular, the provisions of the Tax Act in force at the date hereof, all specific proposals to amend the Tax Act publicly announced by the Minister of Finance (Canada) prior to the date hereof (the "**Tax Proposals**") and the Manager's understanding of the current administrative policies and assessing practices of the CRA which have been made public prior to the date hereof. This summary assumes that the Tax Proposals will be enacted as proposed but no assurances can be given that the Tax Proposals will be enacted in their current form or at all. This summary does not otherwise take into account or anticipate any changes in law or in the administrative policies and assessing practices of the CRA, whether by legislative, governmental or judicial decision or action, and does not take into account any provincial, territorial or foreign tax legislation or considerations, which may differ significantly from those discussed in this summary. Modification or amendment of the Tax Act or the Tax Proposals could significantly alter the tax status of the Existing Funds, Top Fund or the tax consequences described herein.

This summary is based on the assumption that the Top Fund and the Existing Funds will at all relevant times comply with their investment restrictions, that neither the Top Fund nor any of the Existing Funds is or will be a "covered entity" as defined in section 183.3 of the Tax Act, and that the Existing Funds are and will be at all times "portfolio investment entities" and, throughout any taxation years after the Existing Funds are delisted from the TSX, "excluded subsidiary entities" (each as defined in the SIFT Rules).

Certain Tax Proposals released on September 23, 2024 to implement proposals first announced in the 2024 Federal Budget (the "**Capital Gains Amendments**") would generally increase the capital gains inclusion rate from one-half to two-thirds. The Capital Gains Amendments are described in this Circular under the heading "Income Tax Considerations – Capital Gains Amendments" but are not otherwise described in this Circular.

For purposes of the Tax Act, all amounts relating to the computation of the income of the Existing Funds and Top Fund, or to the acquisition, holding or disposition of Securities, must be expressed in Canadian dollars. Amounts denominated in another currency generally must be converted into Canadian dollars based on the exchange rate quoted by the Bank of Canada on the date such amounts arise or such other rate of exchange as is acceptable to the CRA.

This summary describes the principal Canadian federal income tax consequences generally applicable to a Holder in respect of a disposition of Units prior to the Mergers, a transfer of Units to Top Fund in exchange for Continuing Units, and the acquisition, holding or disposition of Continuing Units acquired pursuant to the Mergers. The income and other tax consequences of such a disposition of Units, and of the acquisition, holding or disposition of Continuing Units, will vary depending on a Holder's particular circumstances, including the province or provinces in which the Holder resides or carries on business. Accordingly, this summary is of a general nature only and is not intended to be legal or tax advice to any Holder or prospective holder of Continuing Units. Investors should consult their own tax advisors with respect to the tax consequences of the Mergers and the acquisition, holding or disposition of Securities based on their particular circumstances.

Taxation of the Existing Funds prior to the Mergers

Please refer to the annual information form of each Existing Fund for a general description of the status and taxation of the Existing Funds and their unitholders (including in particular the tax consequences of any special distribution of income or capital gains effected by an Existing Fund in connection with the Mergers) and the general income tax consequences of acquiring, holding and disposing of Units of an Existing Fund.

Taxation of Holders – Disposition of Securities prior to the Mergers

Taxation of Taxable Holders

A Holder who disposes of Units of an Existing Fund, including on a redemption, prior to the Mergers will generally be considered to have disposed of such Units for proceeds of disposition equal to the fair market value of the consideration received therefor.

A Holder will realize a capital gain (or capital loss) to the extent that the proceeds of disposition of Units so disposed of, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base to the Holder of such Units.

In certain situations where a Holder disposes of Units of an Existing Fund and would otherwise realize a capital loss, the loss may be denied (in the case of a Holder that is an individual (other than a trust)) or suspended (in the case of a Holder that is a corporation or a trust). This may occur if the Holder, the Holder's spouse or another person affiliated with the Holder (including a corporation controlled by the Holder) has acquired securities ("**substituted property**") which are considered to be the same or "identical property" within 30 days before or after the Holder disposed of the Units of an Existing Fund, and the Holder, or a person affiliated with the Holder, owns the substituted property 30 days after the original disposition. For this purpose, units of a particular class of a particular Fund that are disposed of by the Holder are considered to be "identical" to each other, and Holders should consult their own tax advisors as to whether any particular securities (including units of the Top Fund) would be considered identical to units of an Existing Fund. A denied capital loss will generally be added in computing the aggregate adjusted cost base to the owner of the securities which are "identical property", and if a Holder's loss is suspended, the Holder cannot deduct the loss until the substituted property is sold and is not reacquired by the Holder, or a person affiliated with the Holder, within 30 days before and after the sale.

The taxation of capital gains and capital losses is described below under the heading "*Taxation of Holders of Continuing Units*".

Taxation of Registered Plans

In general, if Units are held by trusts governed by registered retirement savings plans ("**RRSPs**"), registered education savings plans ("**RESPs**"), tax-free savings accounts ("**TFSAs**"), registered retirement income funds ("**RRIFs**"), registered disability savings plans ("**RDSPs**"), first home savings accounts ("**FHSAs**") or deferred profit sharing plans (collectively, "**Registered Plans**"), capital gains realized in connection with a disposition of Units prior to the Mergers will, provided such Units are qualified for investment by such Registered Plans, be exempt from tax. Withdrawals from a Registered Plan (other than a TFSA and certain withdrawals from an RESP, FHSA or RDSP) are generally fully taxable. See "*Eligibility for Investment*".

Taxation of Holders in connection with the Mergers

Taxation of Taxable Holders

A Holder who transfers their Units of a particular Existing Fund to the Top Fund in exchange for Continuing Units pursuant to the Mergers will be considered to have disposed of such Units for proceeds of disposition equal to the fair market value of the Continuing Units received as consideration therefor. The cost to a Holder of the Continuing Units so acquired will be equal to the fair market value thereof at the time of issue, and the adjusted cost base of such Continuing Units at any time will be determined by averaging the cost of such Continuing Units with the adjusted cost base of any other Continuing Units held by the Holder as capital property at that time.

A Holder will realize a capital gain (or capital loss) to the extent that the proceeds of disposition of Units of the relevant Existing Fund so disposed of, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base to the Holder of such Units. The taxation of capital gains and capital losses is described below under the heading "*Taxation of Holders of Continuing Units*".

Taxation of Registered Plans

In general, if Units are held by trusts governed by Registered Plans, capital gains realized in connection with the Mergers and any special distribution of income or capital gains effected by an Existing Fund in connection with the Mergers will, provided such Units are qualified for investment by such Registered Plans, be exempt from tax. Withdrawals from a Registered Plan (other than a TFSA and certain withdrawals from an FHSA, RESP or RDSP) are generally fully taxable. See "*Eligibility for Investment*".

Taxation of the Top Fund and its Unitholders

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 taxation of the Top Fund and the acquisition, holding and disposition of Continuing Units by a Holder.

Status of the Top Fund

This summary is based on the assumption that the Top Fund qualifies as a "mutual fund trust" as defined in the Tax Act at all relevant times. To qualify as a mutual fund trust: (i) the Top Fund must be a Canadian resident "unit trust" for purposes of the Tax Act, (ii) the only undertaking of the Top Fund 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 Top Fund, or (c) any combination of the activities described in (a) and (b), and (iii) the Top Fund must comply with certain minimum requirements respecting the ownership and dispersal of Continuing Units (the "**minimum distribution requirements**"). In this regard, the Manager intends to (i) cause the Top Fund to qualify as a unit trust throughout the existence of the Top Fund, (ii) ensure that the Top Fund's undertaking conforms with the above-mentioned restrictions for mutual fund trusts and (iii) cause the Top Fund to make an election in its first tax return so that it qualifies or is deemed to qualify as a mutual fund trust from the commencement of its first taxation year. The Manager has no reason to believe that the Top Fund will not comply with the minimum distribution requirements at all material times and the Manager intends to ensure that Top Fund will meet the requirements necessary for it to qualify as a mutual fund trust at all times.

If the Top Fund were not to qualify as a mutual fund trust at all relevant times, the income tax considerations described below would, in some respects, be materially and adversely different.

Taxation of the Top Fund

The Top Fund is expected to elect to have a taxation year that ends on December 15 of each calendar year. If the Top Fund does not validly make such election, it will have a taxation year that ends on December 31.

The Top Fund will be subject to tax in each taxation year under Part I of the Tax Act on the amount of its income for the year, including net realized taxable capital gains, less the portion thereof that it claims in respect of the amount paid or payable to unitholders in the year. The Top Fund will make distributions to unitholders as described under its Distribution Policy and deduct, in computing its income in each taxation year, such amount as will be sufficient to ensure that the Top Fund will not be liable for income tax under Part I of the Tax Act for each year, other than such tax on net realized capital gains that will be recoverable by the Top Fund in respect of such year by reason of the capital gains refund mechanism.

Following the Mergers, it is currently expected that substantially all of the assets of each Existing Fund will remain in the portfolio of each Existing Fund for the exclusive benefit of the Top Fund, until such time as the underlying assets mature, may be liquidated or are otherwise transferred to the Top Fund at the discretion of the Manager. Upon the future liquidation of assets by an Existing Fund following the Mergers, the proceeds of liquidation will be distributed to the Top Fund (by way of distribution or redemption), in which case the Top Fund will invest such proceeds in portfolio assets directly.

Where the Top Fund holds trust units issued by a trust resident in Canada, which would include the Existing Funds (each such trust, an "**Underlying Fund**") as capital property for the purposes of the Tax Act, and which Underlying Fund is not subject in a taxation year to the tax under the rules in the Tax Act applicable to certain publicly traded trusts and partnerships that are specified investment flow-through trusts or partnerships (the "**SIFT Rules**"), the Top Fund will be required to include in the calculation of its income for a particular taxation year the net income, including net taxable capital gains, paid or payable to the Top Fund by such Underlying Fund in the calendar year in which the taxation year ends, notwithstanding that certain of such amounts may be reinvested in additional units of the Underlying Fund. The Top Fund will be required to reduce the adjusted cost base of units of the Underlying Fund by any amount paid or payable by the Underlying Fund to the Top Fund except to the extent that the amount was included in calculating the income of the Top Fund or was the Top Fund's share of the non-taxable portion of capital gains of the Underlying Fund, the taxable portion of which was designated in respect of the Top Fund. If the adjusted cost base to the Top Fund of such units becomes a negative amount at any time in a taxation year of the Top Fund, that negative amount will be deemed to be a capital gain realized by the Top Fund in that taxation year and the Top Fund's adjusted cost base of such units will be increased by the amount of such deemed capital gain to zero.

With respect to indebtedness, the Top Fund will be required to include in its income for each taxation year all interest that accrues to it or is deemed to accrue to it to the end of the year, or becomes receivable or is received by it before the end of the year, including on a conversion, redemption or repayment on maturity, except to the extent that such interest was included in computing its income for a preceding taxation year or was otherwise excluded from income and excluding any interest that accrued prior to the time of the acquisition of the indebtedness by the Top Fund. Upon the actual or deemed disposition of indebtedness, the Top Fund will be required to include in computing its income for the year of disposition all interest that accrued on such indebtedness from the last interest payment date to the date of disposition except to the extent such interest was included in computing the Top Fund's income for that or another taxation year and such interest will not be included in the proceeds of disposition for purposes of computing any capital gain or loss. Certain investments of the Top Fund may result in a deemed accrual or receipt of income even though the Top Fund will not receive the income on a current basis or in cash.

The Top Fund (directly or through an Underlying Fund) may derive income and capital 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 Top Fund (or paid by an Underlying Fund and deemed to be paid by the Top Fund) does not exceed 15% of its income from property in respect of such investments, the Top Fund may designate foreign source income in respect of a unitholder so that such income and a corresponding portion of the foreign tax paid by the Top Fund (or paid by an Underlying Fund and deemed to be paid by the Top Fund) may be regarded as foreign source income of, and foreign tax paid by, the unitholder for the purposes of the foreign tax credit provisions of the Tax Act. To the extent that such foreign tax paid directly by the Top Fund on income from property exceeds 15% of such income, such excess may generally be deducted by the Top Fund in computing its income for the purposes of the Tax Act.

Generally, subject to the DFA Rules discussed below, the Top Fund will include gains and deduct losses on income account in connection with investments made through derivative securities, including certain short sales of securities that are not "Canadian securities" (as defined in the Tax Act), except where such derivatives (or short sales) are used to hedge Portfolio Assets held on capital account and there is sufficient linkage, and will recognize such gains and losses for tax purposes at the time they are realized.

The derivative forward agreement rules ("**DFA Rules**") target certain financial arrangements 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 derivatives). If the DFA Rules were to apply to derivatives utilized by the Top Fund the gains in respect of which would otherwise be capital gains, gains realized in respect of such derivatives could be treated as ordinary income rather than capital gains. The Tax Act includes rules which clarify that the DFA Rules generally should not apply to currency hedges in relation to investments held on capital account.

In computing its income for tax purposes, the Top Fund may deduct reasonable administrative and other expenses incurred to earn income in accordance with the detailed rules in the Tax Act, which may include interest paid on money borrowed to invest in securities in the Portfolio. The Top Fund may deduct expenses incurred by the

Top Fund in the course of issuing units and not reimbursed at a rate of 20% per year, pro-rated where the Top Fund's taxation year is less than 365 days.

The Top Fund will be 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 Continuing 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 Top Fund 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 Continuing Units.

Upon the actual or deemed disposition of a security included in its portfolio, the Top Fund will realize a capital gain (or capital loss) 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 Top Fund were considered to be trading or dealing in securities or otherwise carrying on a business of buying and selling securities or the Top Fund has acquired the security in a transaction or transactions considered to be an adventure or concern in the nature of trade. The Top Fund will hold the securities in its portfolio with the objective of receiving income thereon and will take the position that gains and losses realized on the disposition thereof are capital gains and capital losses. The Top Fund will make the Canadian securities election so that, if applicable, all securities included in the portfolio that are Canadian securities are deemed to be capital property to the Top Fund.

A loss realized by the Top Fund on a disposition of capital property will be considered to be a suspended loss if the Top Fund, or a person affiliated with the Top Fund, acquires a property (a "**substituted property**") that is the same or identical to the property disposed of, within 30 days before and 30 days after the disposition and Top Fund, or a person affiliated with the Top Fund, owns the substituted property 30 days after the original disposition. If a loss is suspended, the Top Fund cannot deduct the loss from the Top Fund's capital gains until the substituted property is sold and is not reacquired by the Top Fund, or a person affiliated with the Top Fund, within 30 days before and after the sale.

Any losses incurred by the Top Fund may not be allocated to unitholders but may generally be carried forward (or back) and deducted in computing the taxable income of the Top Fund in accordance with the detailed rules in the Tax Act.

Taxation of Existing Funds following the Mergers

As a result of the Mergers, the Existing Funds are expected to cease to meet the minimum distribution requirements to qualify as mutual fund trusts under the Tax Act (although, based on the provisions of the Tax Act and the CRA's administrative policy, the Existing Funds are expected to retain their status as mutual fund trusts until the end of the calendar year of the Mergers). The taxation of the Existing Funds following the Mergers may therefore be, in some respects, materially and adversely different. For example, if an Existing Fund does not qualify as a "mutual fund trust" within the meaning of the Tax Act throughout a taxation year, the Existing Fund would not be entitled to the capital gains refund. In addition, if an Existing Fund disposes of a Canadian security at a time when it does not qualify as a mutual fund trust and the Existing Fund is considered to be a trader or dealer in securities, the Canadian securities election would not apply to deem the Canadian security to be capital property. An Existing Fund that does not qualify as a mutual fund trust may also be liable to pay alternative minimum tax under the Tax Act; however, pursuant to recent amendments to the Tax Act, trusts that meet certain conditions, including limiting their beneficiaries to persons that are exempt from alternative minimum tax or trusts with a similar limitation on their beneficiaries, are generally exempt from alternative minimum tax for taxation years commencing on or after January 1, 2024.

Each of the Existing Funds will be subject to tax in each taxation year under Part I of the Tax Act on the amount of its income for the year, including net realized taxable capital gains, less the portion thereof that it claims in respect of the amount paid or payable to its unitholder (the Top Fund) in the year. Each of the Existing Funds will make distributions to its unitholder (the Top Fund) and deduct, in computing its income in each taxation year, such amount as will be sufficient to ensure that the Existing Fund will not be liable for income tax under Part I of the Tax Act for the year.

The Existing Funds have capital loss carryforwards that are expected to be preserved following the Mergers, although there can be no assurance in this regard. Capital loss carryforwards may generally be applied to reduce net taxable capital gains realized in a subsequent year, in accordance with the detailed rules in the Tax Act.

Please refer to the annual information form of each Existing Fund for a general description of the taxation of the Existing Funds, noting that the Existing Funds are expected to cease to qualify as mutual fund trusts as of the beginning of the calendar year following the Mergers.

Taxation of Holders of Continuing Units

A Holder will generally be required to include in computing income for a taxation year the amount of the Top Fund's net income for the taxation year, including net realized taxable capital gains, paid or payable to the Holder (whether in cash or in Continuing Units or reinvested in additional Continuing Units pursuant to the Reinvestment Plan) in the taxation year. Where the Top Fund has made an election to have a December 15 taxation year end, amounts paid or payable by the Top Fund to a Holder after December 15 and before the end of the calendar year will be deemed to have been paid or become payable to the Holder on December 15. The non-taxable portion of the Top Fund's net realized capital gains for a taxation year paid or payable to a Holder in that taxation year, the taxable portion of which was designated to the Holder in that taxation year, will not be included in the Holder's income for the year. Any other amount in excess of the Holder's share of the Top Fund's net income for a taxation year paid or payable to the Holder in the year will not generally be included in the Holder's income, but will generally reduce the adjusted cost base of the Holder's Continuing Units. Under the Tax Act, the Top Fund is permitted to deduct in computing its income for a taxation year an amount that is less than the amount of its distributions of income for the year. This will enable the Top Fund to utilize, in a taxation year, losses from prior years without affecting the ability of the Top Fund to distribute its income annually. The amount distributed to a Holder but not deducted by the Top Fund will not be included in the Holder's income. However, the adjusted cost base of the Holder's Continuing Units will be reduced by such amount. To the extent that the adjusted cost base of a Continuing Unit would otherwise be less than zero, the negative amount will be deemed to be a capital gain realized by the Holder from the disposition of the Continuing Unit and the Holder's adjusted cost base will be increased by the amount of such deemed capital gain to zero.

Provided that appropriate designations are made by the Top Fund, such portion of (i) the net realized taxable capital gains of the Top Fund, and (ii) the foreign source income of the Top Fund as is paid or 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 and, in the case of foreign source income, the related foreign taxes will be regarded as having been paid by the Holder for foreign tax credit purposes. Any loss incurred by the Top Fund 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 Continuing Unit, including on a redemption of a Continuing Unit, 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 amounts of capital gains made payable by the Top Fund to the Holder which represent capital gains realized by the Top Fund in connection with its disposition of assets in order to fund the redemption) exceed (or are exceeded by) the aggregate of the adjusted cost base of the Continuing Unit and any reasonable costs of disposition. For the purpose of determining the adjusted cost base to a Holder of a Continuing Unit, when a Continuing Unit is acquired, the cost of the newly-acquired Continuing Unit will be averaged with the adjusted cost base of all Continuing Units owned by the Holder as capital property immediately before that time. The cost of Continuing Units acquired as a distribution of income or capital gains will generally be equal to the amount of the distribution. A consolidation of Continuing Units following a distribution paid in the form of additional Continuing Units will not be regarded as a disposition of Continuing Units and will not affect the aggregate adjusted cost base to a Holder of Continuing Units.

Any additional Continuing Units acquired by a Holder on the reinvestment of distributions will generally have a cost equal to the amount reinvested. If a Holder participates in the Reinvestment Plan and the Holder acquires a Continuing Unit from the Top Fund at a price that is less than the then fair market value of the Continuing Unit, it is the administrative position of the CRA that the Holder must include the difference in income and that the cost of the Continuing Unit will be correspondingly increased.

The Top Fund may, in its discretion, determine what portion, if any, of the amount paid to a redeeming Holder on a redemption of Continuing Units is an allocation and designation to the Holder of net realized capital gains of the

Top Fund that were realized by the Top Fund to facilitate the redemption of Continuing Units. Any such allocation and designation will reduce the redemption price otherwise payable to the redeeming Holder, and therefore, the Holder's proceeds of disposition. Under related rules in the Tax Act, a taxable capital gain in respect of an amount so allocated and designated to a redeeming Holder will generally only be deductible to the Top Fund to the extent of half of the amount of the gain that would otherwise be realized by the Holder on the redemption of Continuing Units.

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

In general terms, net income of the Top Fund paid or payable to a Holder who is an individual (other than certain trusts) that is designated as net realized taxable capital gains, as well as taxable capital gains realized on the disposition of Continuing Units, may increase the Holder's liability for alternative minimum tax. Such Holders should consult their own tax advisors in this regard.

A Holder that is throughout the relevant taxation year a "Canadian-controlled private corporation" or is, at any time during the relevant taxation year, a "substantive CCPC" (each as defined in the Tax Act), may be liable to pay an additional refundable tax on its "aggregate investment income" (as defined in the Tax Act) for the year, including taxable capital gains realized on the disposition of Continuing Units and taxable capital gains designated by the Top Fund.

Capital Gains Amendments

Under the Capital Gains Amendments, the capital gains inclusion rate applicable for the purposes of determining a taxpayer's taxable capital gains and allowable capital losses for a particular taxation year is proposed to increase from one-half to two-thirds. Where allowable capital losses in excess of taxable capital gains realized in a taxation year (a "**net capital loss**") are applied against taxable capital gains realized in another taxation year for which there is a different inclusion rate, the amount of the net capital loss that can be applied against the taxable capital gains will be adjusted to match the inclusion rate used to compute those taxable capital gains.

The Capital Gains Amendments are generally proposed to apply for taxation years ending after June 24, 2024 (for a taxation year that includes June 25, 2024, the period prior to June 25, 2024 being the "**first period**" and the period after June 24, 2024 being the "**second period**"). Accordingly, the Capital Gains Amendments include transitional rules that will effectively adjust a taxpayer's capital gains inclusion rate for the 2024 taxation year to generally include only one-half of "**net capital gains**" (i.e., capital gains in excess of capital losses) realized by the taxpayer in the first period (including any portion of a deemed capital gain), with the result that a taxpayer may have a blended inclusion rate for the taxation year that includes June 25, 2024.

Where the Holder is an individual (other than certain trusts), the income of the Holder for a particular taxation year in which the increased rate applies will be subject to certain adjustments which are intended to effectively reduce the Holder's net inclusion rate to the original one-half for up to $250,000 of net capital gains realized (or deemed to be realized) by the Holder in the year that are not offset by an amount in respect of net capital losses carried back or forward from another taxation year.

Under the transitional rules of the Capital Gains Amendments, if a trust (including an Existing Fund) realizes net taxable capital gains for a taxation year of the trust that includes June 25, 2024 and designates an amount of its net taxable capital gains in respect of a unitholder (the "**allocated gain**"), the unitholder will not include the amount of the allocated gain in its income and will instead generally be deemed to realize a capital gain for its taxation year in which the taxation year of the trust ends equal to the amount of the allocated gain divided by the inclusion rate, which may be blended, which applies to the trust for the year (the quotient being a "**deemed capital gain**"). Where the

unitholder of such a trust has a taxation year that begins after June 24, 2024 (which unitholder may include the Top Fund), the amount of any deemed capital gain will be adjusted such that the unitholder (including where applicable the Top Fund in respect of its interest in an Existing Fund) is effectively subject to a one-half inclusion rate for the portion of the deemed capital gain that is in respect of capital gains realized (or deemed to be realized) by the trust on dispositions of property that occur in the first period. Any deemed capital gain will be included in computing the unitholder's capital gains inclusion rate for the year as determined under the transitional rules noted above, which may be blended, and the balance of the deemed capital gain will not be included in computing the unitholder's income.

A trust that designates a net taxable capital gain that is paid or becomes payable to a unitholder in a taxation year of the trust that includes June 25, 2024 is required to disclose to the unitholder in prescribed form the portion of the deemed capital gain that is in respect of capital gains realized by the trust on dispositions of property that occur in each of the first period and the second period, respectively, and, if it does not do so, the deemed capital gain is deemed to be in respect of capital gains realized on dispositions of property that occurred in the second period. A trust may make an election, the effect of which is that the portion of the deemed capital gain that relates to each of the first period and the second period is determined proportionately based on the respective number of days in each such period. If a trust makes this election, the proportion determined in such election will be used to calculate the trust's blended capital gains inclusion rate for its taxation year that includes June 25, 2024. The Manager currently intends not to make such election in respect of any of the Existing Funds.

In the event that the Top Fund designates an amount of its net taxable capital gains in respect of a Holder for a particular taxation year of the Top Fund that ends in a taxation year of the Holder that begins before June 25, 2024 and ends after June 24, 2024, the Holder will not include the amount of the designated gain in its income and will instead be deemed to realize a capital gain on the day on which the taxation year of the Top Fund ends equal to the amount of the designated gain divided by two-thirds.

The Capital Gains Amendments also include corresponding changes to the rules in the Tax Act relating to the allocation of capital gains to redeeming unitholders.

The Capital Gains Amendments are complex and may be subject to further changes, and their application to a particular Holder will depend on the Holder's particular circumstances. Holders should consult their own tax advisors with respect to the Capital Gains Amendments.

Taxation of Registered Plans

Distributions received by Registered Plans on Continuing Units while the Continuing Units are a qualified investment for Registered Plans will be exempt from income tax in the plan, as will capital gains realized by the plan on the disposition of such Continuing Units. Withdrawals from such plans (other than a TFSA and certain withdrawals from an FHSA, RESP or RDSP) are generally subject to tax under the Tax Act. Unitholders should consult their own advisers regarding the tax implications of establishing, amending, terminating or withdrawing amounts from a Registered Plan.

Tax Implications of Top Fund's Distribution Policy

The net asset value per Continuing Unit will, in part, reflect any income and gains of the Top Fund that have accrued or have been realized but have not been made payable at the time Continuing Units are acquired. Accordingly, a Holder who acquires Continuing Units may become taxable on such Holder's share of such income and gains of Top Fund notwithstanding that such amounts will have been reflected in the price paid by the unitholder for the Continuing Units. In particular, where a Holder acquires Continuing 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 Continuing Units were acquired. The consequences of acquiring Continuing Units late in a calendar year will generally depend on whether an additional distribution is necessary late in the calendar year to ensure that the Top Fund will not be liable for non-refundable income tax under Part I of the Tax Act.

Eligibility for Investment

Based on the current provisions of the Tax Act, provided that, at all relevant times, Top Fund qualifies as a "mutual fund trust" under the Tax Act or Continuing Units are listed on a "designated stock exchange", Continuing Units, if issued on the date of the Mergers, would be on such date qualified investments under the Tax Act for trusts governed by Registered Plans.

Notwithstanding the foregoing, the holder of a TFSA, FHSA, or RDSP, the annuitant under an RRSP or RRIF or the subscriber of an RESP will be subject to a penalty tax in respect of Continuing Units held by such TFSA, FHSA, RDSP, RRSP, RRIF or RESP, as the case may be, if such Continuing Units are a "prohibited investment" for such Registered Plan for the purposes of the Tax Act. Continuing Units will not be a "prohibited investment" for trusts governed by a such a Registered Plan unless the holder of the TFSA, FHSA or RDSP, the annuitant under the RRSP or RRIF or the subscriber of an RESP, as applicable, does not deal at arm's length with Top Fund for purposes of the Tax Act, or has a "significant interest" as defined in the Tax Act in Top Fund.

In addition, Continuing Units will not be a "prohibited investment" if the Continuing Units are "excluded property" as defined in the Tax Act for trusts governed by a TFSA, FHSA, RDSP, RRSP, RRIF or RESP. Holders, annuitants and subscribers should consult their own tax advisors with respect to whether Continuing Units would be a prohibited investment in their particular circumstances, including with respect to whether Continuing Units would be excluded property.

TAX CONSIDERATIONS FOR NON-RESIDENTS OF CANADA

Canadian Federal Income Tax Considerations

A disposition of Units of an Existing Fund in connection with the Mergers (including a disposition or redemption of Units prior to the Mergers) by a person who is a non-resident of Canada for purposes of the Tax Act (a "**Foreign Person**"), and who does not carry on business in Canada and holds such Units as capital property for purposes of the Tax Act, will not give rise to any capital gain subject to tax under the Tax Act, provided that the Units do not constitute "taxable Canadian property" within the meaning of the Tax Act of the Foreign Person.

Provided the applicable Existing Fund is, at the time of the disposition of Units, a "mutual fund trust" (within the meaning of the Tax Act), the Units of an Existing Fund generally will not be taxable Canadian property of a Foreign Person for these purposes unless at any time during the 60-month period that ends immediately before the disposition of the Units (A) the Foreign Person, persons with whom the Foreign Person did not deal at arm's length (for purposes of the Tax Act), partnerships in which the Foreign Person or such a person holds a membership interest directly or indirectly through one or more partnerships, or any combination thereof, held 25% or more of the issued and outstanding Units of the applicable Existing Fund, and (B) more than 50% of the fair market value of the Units of the Existing Fund was, at that time, derived, directly or indirectly, from one or any combination of (i) real or immovable property situated in Canada, (ii) Canadian resource property (as defined in the Tax Act), (iii) timber resource property (as defined in the Tax Act), or (iv) options or interests in respect of properties described in (i) to (iii) (whether or not such properties exist).

Foreign Persons should consult their own tax advisors with respect to the Canadian tax consequences of the Mergers and the acquisition, holding or disposition of Continuing Units based on their particular circumstances.

Non-Canadian Tax Considerations

This Circular does not address any tax considerations of the Mergers other than certain Canadian federal income tax considerations for unitholders resident or (to the extent discussed above) not resident in Canada. Unitholders who are resident in or are otherwise taxable in jurisdictions other than Canada should consult their own tax advisors with respect to the tax implications of the Mergers in such jurisdictions, including any associated filing requirements, whether a deferral of the recognition of capital gains in connection with the Mergers is available under the applicable tax laws (including any income tax treaty between Canada and the jurisdiction in which the unitholder

is resident), and with respect to the tax implications in such jurisdiction of acquiring, holding or disposing of Continuing Units upon completion of the Mergers.

INTEREST OF MANAGEMENT AND OTHERS IN THE PROPOSED MERGERS

None of the directors or officers of the Manager nor its associates or affiliates has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meetings, other than as disclosed herein.

The Manager is the manager and promoter of each Existing Fund. The Manager receives a management fee from each Existing Fund as set forth in the applicable prospectus of each Existing Fund. As set out in Schedule "F" hereto, following the proposed Mergers, no management fee will be payable by any Existing Funds to the Manager. Accordingly, there will be no duplication of management fees payable by the Top Fund and the Existing Funds at any time.

As of October 16, 2024, the Manager and its directors and officers, as a group, did not beneficially own, or control or direct, directly or indirectly, more than 10% percent of the securities of any Existing Funds. See also "*Voting Securities and Principal Holders*", below.

AUDITOR

The auditor of the Existing Funds is PricewaterhouseCoopers LLP, Chartered Professional Accountants, Licensed Public Accountants, at its principal address PwC Tower, 18 York Street, Suite 2600, Toronto, Ontario M5J 0B2.

VOTING SECURITIES AND PRINCIPAL HOLDERS

Except as set out in the table below, as at the close of business on October 16, 2024, to the knowledge of the directors and senior officers of the Manager, no person or company (other than CDS & Co., as nominee of CDS) beneficially owns, directly or indirectly, or exercises control or direction over, more than 10% of the voting rights attached to the units of an Existing Fund entitled to be voted at the Meeting.

Based on public filings, as at the close of business on October 16, 2024, certain subsidiaries of the Royal Bank of Canada in aggregate have control or direction over more than 10% of the issued and outstanding Class A units of each of PTO and PIX.

The following table sets forth the number of voting securities, net asset value and management expense ratio (for the most recently completed calendar year) of each Existing Fund issued and outstanding:

Existing Fund	Number of Units Outstanding as of October 16, 2024	Total Net Asset Value as of October 16, 2024	Management Expense Ratio (2023 calendar year)
PIMCO Multi-Sector Income Fund	25,613,259	$234,435,935.46	3.71%
PIMCO Tactical Income Opportunities Fund	34,476,468	$290,139,488.35	4.17%
PIMCO Tactical Income Fund	37,619,995	$288,179,606.46	4.77%

The management expense ratio is based on total expenses (excluding distributions, commissions and other portfolio transaction costs) for the stated period for each Existing Fund and is expressed as an annualized percentage of each Existing Fund's daily average net asset value during the period. Out of its management fees, the Manager pays for all ordinary expenses incurred in connection with the operation and administration of each Existing Fund including trustee, custody, accounting, audit and valuation fees, costs of reporting to holders of units, registrar and transfer agent fees.

No Units of any Existing Fund are held by the Manager or by other mutual funds or exchange traded funds managed by the Manager.

GENERAL PROXY INFORMATION

The persons named in the enclosed form of proxy or voting instruction form, as applicable, are directors and/or officers of the Manager.

You have the right to appoint some other person or company (who need not be a unitholder of an Existing Fund) as nominee to attend and act on your behalf at a Meeting by inserting the name of such other person in the blank space provided in the form of proxy or voting instruction form, as applicable, or on www.proxyvote.com.

A registered unitholder may submit his or her proxy by mail or over the internet in accordance with the instructions below.

If you hold your units through a financial intermediary, (a bank, trust company, securities broker, or other financial institution) you will receive a voting instruction form that allows you to vote on the internet, by telephone, or by mail. To vote, you should follow the instructions provided on your voting instruction form.

Voting – Registered and Beneficial Unitholders

Voting by Mail. A unitholder may submit his or her proxy or voting instructions, as applicable, by mail by completing, dating and signing the enclosed form of proxy or voting instruction form, as applicable, and returning it using the envelope provided to Data Processing Centre, P.O. Box 3700, Stn. Industrial Park, Markham ON, L3R 9Z9. To be valid, forms of proxy or voting instruction forms, as applicable, must be received before 9:00 a.m. (Toronto time) on December 2, 2024, or not later than 48 hours (excluding Saturdays, Sundays and holidays) prior to the commencement of any adjournment or postponement of a Meeting, or must be deposited with the chairman of the Meeting prior to commencement of such Meeting (or any adjournment or postponement thereof).

Voting by Internet. A unitholder may submit his or her proxy or voting instructions, as applicable, at www.proxyvote.com by following the instructions provided on the screen, prior to 9:00 a.m. (Toronto time) on December 2, 2024, or not later than 48 hours (excluding Saturdays, Sundays and holidays) prior to the commencement of any adjournment or postponement of a Meeting, or must deposit his or her proxy with the chairman of the Meeting prior to commencement of such Meeting (or any adjournment or postponement thereof).

Voting by Phone (Canada and U.S. only). A beneficial unitholder may submit his or her voting instructions by telephone by calling the toll-free number on his or her voting instruction form and following the instructions provided.

Your intermediary must receive your voting instructions with enough time to act on your instructions. Check the form for the deadline for submitting your voting instructions. If you are mailing your voting instruction form, be sure to allow enough time for the envelope to be delivered.

If you give a proxy, you may revoke it in relation to any matter, provided a vote has not already been taken on that matter. You can revoke your proxy by:

- completing and signing a proxy bearing a later date and depositing it as described above;
- depositing a written revocation executed by you, or by your attorney who you have authorized in writing to act on your behalf, at the above address at any time up to and including the last business day preceding the day of the Meeting, or any postponement(s), adjournment(s) or continuance(s), at which the proxy is to be used, or with the chair of the Meeting prior to the beginning of the Meeting on the day of the Meeting or any postponements(s), adjournment(s) or continuance(s); or
- any other manner permitted by law.

EXERCISE OF DISCRETION BY PROXIES

On any ballot that may be called for at the Meetings, the management representatives designated in the enclosed form of proxy will vote the units for which they are appointed proxy in accordance with your instructions as indicated on the form of proxy.

In the absence of such direction, such units will be voted by the management representatives IN FAVOUR of the proposed resolution.

The enclosed form of proxy confers discretionary authority on the designated management representatives relating to amendments to or variations of matters identified in the Notice attached to this Circular and relating to other matters which may properly come before the Meeting. At the date of this Circular, the Manager does not know of any such amendments, variations or other matters.

UNITS HELD THROUGH INTERMEDIARIES

The information set forth in this section is important to unitholders who do not hold their units in their own name but rather through securities dealers, banks and trust companies, or their nominees (the "intermediaries").

Beneficial unitholders should note that only proxies deposited by unitholders whose names appear on the records of an Existing Fund as the registered holders of units can be recognized and acted upon at a Meeting. If units are listed in an account statement provided to a unitholder by a broker, then in almost all cases those units will not be registered in the unitholder's name on the records of an Existing Fund. Such securities will more likely be registered under the name of the unitholder's financial adviser, broker or an agent of the financial adviser or broker. Units held by financial advisers, brokers or their nominees can only be voted (for or against the resolution) upon the instructions of the beneficial unitholder. Without specific instructions, the brokers/nominees are prohibited from voting units for their clients.

Beneficial unitholders will be provided with a request for voting instructions. Beneficial unitholders who wish to file proxies or attend a Meeting in person to vote their units should appoint themselves on their voting instruction form, sign it and return it in the postage prepaid envelope accompanying this Circular, or appoint themselves on www.proxyvote.com. Presenting a voting instruction form at a Meeting will not permit you to vote in person.

DOCUMENTS INCORPORATED BY REFERENCE

For additional information about the Existing Funds, including information regarding: (i) investment objectives, strategies and restrictions, (ii) distribution policies, (iii) valuation policies, (iv) descriptions of the securities, (v) service providers, (vi) risk factors and (vii) fee structure, investors may obtain the most recently filed interim and annual financial statements, management reports of fund performance and annual information forms, all of which are deemed to be incorporated by reference into the accompanying Management Information Circular, on the internet at www.sedarplus.com or by accessing the Manager's website at www.pimco.ca. Additional information about PIMCO Monthly Enhanced Income Fund will be available in a preliminary non-offering prospectus that is, or will be, filed by the Manager and available on the internet at www.sedarplus.com. A copy of the preliminary non-offering prospectus for PIMCO Monthly Enhanced Income Fund is, or will be, filed with the securities regulatory authorities in each of the provinces and territories in Canada but has not yet become final for the purpose of the sale of securities. Information contained in such preliminary non-offering prospectus may not be complete and may have to be amended. Securities may not be sold under the non-offering prospectus for PIMCO Monthly Enhanced Income Fund, and the Mergers contemplated hereby may not be completed, until a receipt for the non-offering prospectus of PIMCO Monthly Enhanced Income Fund is obtained from the securities regulatory authorities. The above documents may be obtained upon request, without charge, by calling the Manager's toll-free telephone number at 1-877-506-8126 or by writing the Manager a request at PIMCO Canada Corp. 199 Bay Street, Suite 2050, Commerce Court Station, P.O. Box 363, Toronto, Ontario, M5L 1G2.

CERTIFICATE

The contents of this Circular and its distribution have been approved by the board of directors of the Manager.

DATED at Toronto, Ontario this 18th day of October, 2024.

PIMCO CANADA CORP.,
as manager of each Existing Fund

(Signed) "Greg Tsagogeorgas"
Name: Greg Tsagogeorgas
Title: Co-Head

SCHEDULE "A"

FORM OF SPECIAL RESOLUTION OF UNITHOLDERS OF EACH OF

PIMCO Tactical Income Opportunities Fund
PIMCO Tactical Income Fund
PIMCO Multi-Sector Income Fund

(each, an "**Existing Fund**")

BE IT RESOLVED THAT:

1. the reorganization (the "**Merger**"), to be carried out substantially in the manner described in the Management Information Circular dated October 18, 2024 (the "**Circular**"), of the Existing Fund into the Continuing Class (as defined in the Circular) of PIMCO Monthly Enhanced Income Fund, a new non-redeemable investment fund structured as a trust (the "**Top Fund**"), is approved;

2. the Existing Fund is authorized to amend the trust agreement ("**Trust Declaration**") to, among other matters: (i) require that every unitholder of each Existing Fund transfer each of his or her units of such Existing Fund to the Top Fund in consideration for the issuance by the Top Fund of a number of units of the Continuing Class determined based on an exchange ratio established as of the close of trading on the business day immediately preceding the effective date of the Merger, and (ii) otherwise facilitate the Merger and the implementation of the steps and transactions involved as described herein.

3. any director or officer of the trustee or PIMCO Canada Corp., the manager of the Existing Fund (the "**Manager**") is authorized to take all such steps as may be necessary or desirable to give effect to the foregoing including, without limitation, to amend the Trust Declaration of the Existing Fund as described in the Circular, such determination to be conclusively evidenced by the execution and delivery of such document or the performance of such action by any director or officer of the Manager or trustee;

4. Notwithstanding that this resolution has been passed by unitholders, the Manager is hereby authorized to delay, modify or terminate the Merger or make such other changes contemplated by this resolution if the Manager determines in its sole discretion that it would be necessary or desirable, or otherwise necessary in order to proceed with the Merger in accordance with applicable regulatory approvals; and

5. All capitalized terms not otherwise defined in this resolution have the meanings ascribed thereto in the Circular.

SCHEDULE "B"

FUNDAMENTAL INVESTMENT OBJECTIVES AND STRATEGIES OF THE EXISTING FUNDS AND THE TOP FUND

The investment objectives of PIMCO Monthly Enhanced Income Fund will be substantially similar to the investment objectives of the Existing Funds, which are set forth below. Following the Mergers, the Existing Funds will be permitted to hold all or a part of their assets in cash and cash equivalents. Additional information on the investment objectives of PIMCO Monthly Enhanced Income Fund is or will be set forth in the prospectus of the Top Fund incorporated by reference herein (see "*Investment Objectives*" and "*Investment Strategies*"), which is or will be available at www.sedarplus.com.

Existing Fund	Fundamental Investment Objectives
PIMCO Multi-Sector Income Fund ("**PIX**")	PIX seeks to provide holders of units of PIX with current income as a primary objective and capital appreciation as a secondary objective, through various market cycles, by utilizing a dynamic asset allocation strategy among multiple sectors in the global credit markets, including corporate debt, mortgage-related and other asset-backed securities, government and sovereign debt, municipal bonds, other fixed-, variable- and floating-rate income-producing securities of U.S. and global issuers, including emerging market issuers, and real estate-related investments. The Fund has been created to invest in an actively managed portfolio of (i) debt obligations and other income-producing securities and instruments of any type and credit quality with varying maturities and related derivatives, and (ii) real estate-related investments.
PIMCO Tactical Income Opportunities Fund ("**PTO**")	PTO seeks to provide holders of units of PTO with current income as a primary objective and capital appreciation as a secondary objective, through various market cycles, by utilizing a dynamic asset allocation strategy among multiple sectors in the global credit markets, including corporate debt, mortgage-related and other asset-backed securities, government and sovereign debt, taxable municipal bonds, other fixed-, variable- and floating-rate income-producing securities of U.S. and global issuers, including emerging market issuers, and real estate-related investments. The Fund has been created to invest in an actively managed portfolio of (i) debt obligations and other income-producing securities and instruments of any type and credit quality with varying maturities and related derivatives, and (ii) real estate-related investments.
PIMCO Tactical Income Fund ("**PTI**")	PTI seeks to provide holders of units of PTI with current income as a primary objective and capital appreciation as a secondary objective, through various market cycles, by utilizing a dynamic asset allocation strategy among multiple sectors in the global credit markets, including corporate debt, mortgage-related and other asset-backed securities, government and sovereign debt, taxable municipal bonds, other fixed-, variable- and floating-rate income-producing securities of U.S. and global issuers, including emerging market issuers, and real estate-related investments. The Fund has been created to invest in an actively managed portfolio of (i) debt obligations and other income-producing securities and instruments of any type and credit quality with varying maturities and related derivatives, and (ii) real estate-related investments.
Top Fund	
PIMCO Monthly Enhanced Income Fund ("**PMEI**")	PMEI seeks to provide holders of units of PMEI with current income as a primary objective and capital appreciation as a secondary objective, through various market cycles, by utilizing a dynamic asset allocation strategy among multiple sectors in the global credit markets, including corporate debt, mortgage-related and other asset-backed securities, government and sovereign debt, municipal bonds, other fixed-, variable- and floating-rate income-producing securities of U.S. and global issuers, including emerging market issuers, and real estate-related investments. PMEI will be created to invest in an actively managed portfolio of (i) debt obligations and other income-producing securities and instruments of any type and credit quality with varying maturities and related derivatives, and (ii) real estate-related investments.

Schedule "C"

INVESTMENT RESTRICTIONS OF THE EXISTING FUNDS AND THE TOP FUND

The investment restrictions of PIMCO Monthly Enhanced Income Fund will be substantially similar to the investment restrictions of the Existing Funds, which are set forth below. Additional information on the investment restrictions of the Top Fund is or will be set forth in the prospectus of the Top Fund incorporated by reference herein (see "*Investment Restrictions*"), which is or will be available at www.sedarplus.com.

Investment Restrictions of the Existing Funds

The Existing Funds are subject to certain investment restrictions and practices contained in Canadian securities legislation, including National Instrument 81-102 – *Investment Funds* (subject to any exemptions), and the additional investment restrictions set out below that, among other things, limit the securities the Existing Funds may acquire for their portfolios. The Existing Funds' investment restrictions provide that the Existing Funds may not:

(i) invest more than 20% of the aggregate value of its assets, determined at the time of investment, in securities of any one borrower or issuer (excluding U.S. and Canadian Government securities);

(ii) invest more than 30% in the case of PIX, or 20% in the case of PTI and PTO, of the aggregate value of its assets, determined at the time of investment, in securities of issuers that are economically tied to emerging markets (defined for this purpose as any country that is included in the MSCI Emerging Market Index or a replacement index);

(iii) invest more than 40% of the aggregate value of its assets, determined at the time of investment, in bank loans (including, among others, senior loans, delayed funding loans, covenant-lite obligations, revolving credit facilities and loan participations and assignments);

(iv) invest more than 10% of the aggregate value of its assets, determined at the time of investment, in convertible debentures (i.e., debt securities that may be converted at either a stated price or stated rate into underlying shares);

(v) invest more than 20% of the aggregate value of its assets, determined at the time of investment, in securities rated CCC+ or lower by S&P and Fitch and Caa1 or lower by Moody's, or that are unrated but determined by Pacific Investment Management Company LLC, its sub-adviser ("**PIMCO**" or "**Sub-Adviser**"), to be of comparable quality to securities so rated, excluding mortgage-related and other asset backed securities (for purposes of applying the foregoing policy, in the case of securities with split ratings (i.e., a security receiving more than one different rating from the different rating agencies), the Existing Fund will apply the higher of the applicable ratings);

(vi) invest in securities of an issuer if, as a result of such investment, the Existing Fund would be required to make a take-over bid that is a "formal bid" for purposes of the *Securities Act* (Ontario) or the equivalent provision of applicable securities laws of any other jurisdiction;

(vii) enter into a short sale for purposes other than hedging if after such short sale the Existing Fund's aggregate market value of the securities sold short by the Existing Fund (determined on a mark to market basis), other than for hedging purposes, would exceed 50% of the Existing Fund's net asset value;

(viii) employ leverage in amounts exceeding 33 1/3% of the aggregate value of its assets. If at any time leverage exceeds the 33 1/3% limit, the Manager will, in its sole discretion, as soon as reasonably practicable, cause the leverage to be reduced below such threshold;

(ix) engage in securities lending that does not constitute a "securities lending arrangement" for purposes of the Tax Act;

(x) invest in or hold (i) 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 Fund (or the partnership) would be required to include any significant amounts in income pursuant to section 94.1 of the Tax Act, (ii) an interest in a trust (or a partnership which holds such an interest) which would require the Fund (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 (iii) any interest in a non-resident trust (or a partnership which holds such an interest) other than an "exempt foreign trust" for the purposes of section 94 of the Tax Act (or pursuant to any amendments to such provisions);

(xi) make any investment or conduct any activity that would result in the Existing Fund failing to qualify as a "unit trust" or "mutual fund trust" within the meaning of the Tax Act;

(xii) acquire or hold any property that would be "taxable Canadian property" within the meaning of the Tax Act if the definition were read without reference to paragraph (b) thereof (or any amendments to that definition) if the fair market value of such property exceeds 10% of the fair market value of all property owned by the Existing Fund;

(xiii) enter into any arrangement (including the acquisition of securities for its portfolio) where the result is a "dividend rental arrangement" for the purposes of the Tax Act;

(xiv) make or hold any investments that would result in the Existing Fund itself being a "SIFT trust" for purposes of the SIFT Rules;

(xv) make or hold any investments in entities that would be "foreign affiliates" of the Existing Fund for purposes of the Tax Act; or

(xvi) invest in any security that would be a "tax shelter investment" within the meaning of section 143.2 of the Tax Act.

Notwithstanding the foregoing, the Existing Funds will not be restricted in any way from holding cash or cash equivalents within 60 days prior to the Existing Funds' termination and to facilitate the redemption of units of the Existing Funds. The Existing Funds may also hold cash and cash equivalents from time to time.

If a percentage restriction on investment or use of assets or borrowing or financing arrangements set forth above as an investment restriction is adhered to at the time of the transaction, later changes to the market value of the investment or the aggregate value of the Existing Funds' assets will not be considered a violation of the investment restrictions (except for the restrictions in paragraphs (xi) and (xiv) above, which must be complied with at all times and which may necessitate the selling of investments from time to time). If the Existing Funds receive from an issuer subscription rights to purchase securities of that issuer, and if the Existing Funds exercise those subscription rights at a time when the Existing Funds' holdings of securities of that issuer would otherwise exceed the limits set forth above, the exercise of those rights will not constitute a violation of the investment restrictions if, prior to the receipt of securities of that issuer on exercise of these rights, the Existing Funds have sold at least as many securities of the same class and value as would result in the restriction being complied with.

Unitholder approval is required to change the investment restrictions and investment objectives of the Existing Funds.

The Manager has obtained exemptive relief from the Canadian securities regulatory authorities to deviate from some of these investment restrictions, as more particularly described in the most recently filed annual information form for each Existing Fund.

Investment Restrictions of PIMCO Monthly Enhanced Income Fund

Defined Terms:

"**Borrowing**" means any amount that PIMCO Monthly Enhanced Income Fund borrows under a loan facility.

"**Total Assets**" means the aggregate value of the assets of PIMCO Monthly Enhanced Income Fund determined in accordance with the terms of the Trust Agreement.

The Top Fund is subject to certain investment restrictions and practices contained in Canadian securities legislation, including NI 81-102 (subject to any exemptions), and the additional investment restrictions set out below that, among other things, limit the securities that the Top Fund may acquire for the Portfolio. The Top Fund's investment restrictions provide that the Top Fund may not:

(i) invest more than 20% of Total Assets, determined at the time of investment, in securities of any one borrower or issuer (excluding U.S. and Canadian Government securities);

(ii) invest more than 30% of the Total Assets, determined at the time of investment, in securities of issuers that are economically tied to emerging markets (defined for this purpose as any country that is included in the MSCI Emerging Market Index or a replacement index);

(iii) invest more than 40% of Total Assets, determined at the time of investment, in bank loans (including, among others, senior loans, delayed funding loans, covenant-lite obligations, revolving credit facilities and loan participations and assignments);

(iv) invest more than 10% of Total Assets, determined at the time of investment, in convertible debentures (i.e., debt securities that may be converted at either a stated price or stated rate into underlying shares);

(v) invest more than 20% of Total Assets, determined at the time of investment, in securities rated CCC+ or lower by S&P and Fitch and Caa1 or lower by Moody's, or that are unrated but determined by PIMCO to be of comparable quality to securities so rated, excluding mortgage-related and other asset backed securities (for purposes of applying the foregoing policy, in the case of securities with split ratings (i.e., a security receiving more than one different rating from the different rating agencies), the Top Fund will apply the higher of the applicable ratings);

(vi) invest in securities of an issuer if, as a result of such investment, the Top Fund would be required to make a take-over bid that is a "formal bid" for purposes of the *Securities Act* (Ontario) or the equivalent provision of applicable securities laws of any other jurisdiction;

(vii) enter into a short sale for purposes other than hedging if after such short sale the Top Fund's aggregate market value of the securities sold short by the Top Fund (determined on a mark to market basis), other than for hedging purposes, would exceed 50% of the Top Fund's net asset value**;**

(viii) employ leverage in amounts exceeding 33 1/3% of the Total Assets. If at any time leverage exceeds the 33 1/3% limit, the Manager will, in its sole discretion, as soon as reasonably practicable, cause the leverage to be reduced below such threshold;

(ix) engage in securities lending that does not constitute a "securities lending arrangement" for purposes of the Tax Act;

(x) invest in or hold (i) 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 Top Fund (or the partnership) would be required to include any significant amounts in income pursuant to section 94.1 of the Tax Act, (ii) an interest in a trust (or a partnership which holds such an interest) which would require the Top Fund (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 (iii) any interest in a non-resident trust (or a partnership which holds such an interest) other than an "exempt foreign trust" for the purposes of section 94 of the Tax Act (or pursuant to any amendments to such provisions);

(xi) make any investment or conduct any activity that would result in the Top Fund failing to qualify as a "unit trust" or "mutual fund trust" within the meaning of the Tax Act;

(xii) acquire or hold any property that would be "taxable Canadian property" within the meaning of the Tax Act if the definition were read without reference to paragraph (b) thereof (or any amendments to that definition) if the fair market value of such property exceeds 10% of the fair market value of all property owned by the Top Fund;

(xiii) enter into any arrangement (including the acquisition of securities for the Portfolio) where the result is a "dividend rental arrangement" for the purposes of the Tax Act;

(xiv) make or hold any investments that would result in the Top Fund itself being a SIFT Trust for purposes of the SIFT Rules;

(xv) make or hold any investments in entities that would be "foreign affiliates" of the Top Fund for purposes of the Tax Act; or

(xvi) invest in any security that would be a "tax shelter investment" within the meaning of section 143.2 of the Tax Act.

Notwithstanding the foregoing, the Top Fund shall not be restricted in any way from holding cash or cash equivalents within 60 days prior to the Top Fund's termination and to facilitate the redemption of Units. The Top Fund may also hold cash and cash equivalents from time to time.

If a percentage restriction on investment or use of assets or Borrowing or financing arrangements set forth above as an investment restriction is adhered to at the time of the transaction, later changes to the market value of the investment or Total Assets will not be considered a violation of the investment restrictions (except for the restrictions in paragraphs (xi)and (xiv) above, which must be complied with at all times and which may necessitate the selling of investments from time to time). If the Top Fund receives from an issuer subscription rights to purchase securities of that issuer, and if the Top Fund exercises those subscription rights at a time when the Top Fund's holdings of securities of that issuer would otherwise exceed the limits set forth above, the exercise of those rights will not constitute a violation of the investment restrictions if, prior to the receipt of securities of that issuer on exercise of these rights, the Top Fund has sold at least as many securities of the same class and value as would result in the restriction being complied with.

Unitholder approval is required to change the investment restrictions and investment objectives of the Top Fund.

The Manager has obtained exemptive relief from the Canadian securities regulatory authorities to deviate from some of these investment restrictions, as more particularly described in the most recently filed prospectus for the Top Fund.

Schedule "D"

RISK FACTORS FOR THE EXISTING FUNDS AND THE TOP FUND

The risk factors applicable to PIMCO Monthly Enhanced Income Fund are expected to be substantially similar to the risk factors inherent to an investment in the Existing Funds. Accordingly, the risk profile of PIMCO Monthly Enhanced Income Fund and each of the Existing Funds is expected to be substantially similar. Additional information about the risk factors inherent to an investment in the Top Fund is or will be set forth in the prospectus of the Top Fund incorporated by reference herein (see "*Risk Factors*"), which is or will be available at www.sedarplus.com.

These risks relate to the following factors:

- no assurances of achieving objectives
- loss on investment
- market discount risk
- limited term risk
- performance of the portfolio
- market risk
- asset allocation risk
- management risk
- issuer risk
- interest rate risk
- credit risk
- mortgage-related and other asset-backed securities risk
- mortgage-related derivative instruments risk
- privately-issued mortgage-related securities risk
- real estate industry risk
- distressed and defaulted securities risk
- inflation-indexed security risk
- senior debt risk
- loans, participations and assignments risk
- mortgage market/subprime risk
- platform risk
- "covenant-lite" obligations risk
- reinvestment risk
- call risk
- foreign (non-Canadian and non-U.S.) investment risk
- emerging markets risk
- foreign currency risk
- redenomination risk
- U.S. government securities risk
- foreign (non-Canadian and non-U.S.) government securities risk
- risk of investing in China
- convertible securities risk
- synthetic convertible securities risk
- contingent convertible securities risk
- valuation risk
- leverage risk
- segregation and coverage risk
- derivatives risk
- credit default swaps risk
- counterparty risk
- equity securities and related market risk
- preferred securities risk
- private placements risk
- confidential information access risk
- inflation/deflation risk
- risk of regulatory changes
- regulatory risk – LIBOR
- liquidity risk
- Canadian tax risk
- Issuer non-diversification risk
- securities lending risk
- portfolio turnover risk
- operational risk
- cyber security risk
- potential conflicts of interest risk
- reverse repurchase agreements risk
- structured investments risk
- collateralized loan obligations risk
- highly volatile markets risk
- market disruption risk
- focused investments risk
- other investment fund risk
- short exposure risk
- redemption risk
- Fannie Mae and Freddie Mac risk
- reliance on the Manager and the Sub-Adviser
- status of the Existing Funds for securities law purposes
- purposes
- custodian
- not a trust company
- nature of units
- no ownership interest
- absence of an active market for units
- enforcement of rights

For additional information about the risk factors inherent to an investment in the Existing Funds, please refer to the "Risk Factors" section of the annual information forms of each Existing Fund dated March 25, 2024.

Schedule "E"

DISTRIBUTION POLICIES FOR THE EXISTING FUNDS AND THE TOP FUND

(the "Funds")

The distribution policies of the Existing Funds and the Top Fund are the same. The following is a summary of the distribution policies and procedures of each of the Existing Funds and the Top Fund as of the date hereof. Additional information on the distribution policy of PIMCO Monthly Enhanced Income Fund is or will be set forth in the prospectus of the Top Fund incorporated by reference herein (see "*Distribution Policy*"), which are or will be available at www.sedarplus.com.

Distribution Policies of the Existing Funds and the Top Fund

The Funds do not have a fixed monthly distribution amount. Each Fund makes monthly cash distributions to its unitholders of record on the last Business Day of each month (each, a "**Distribution Record Date**"). Distributions will be paid on a business day designated by the Manager that will be no later than the 15th day of the following month for which the distribution is payable (each, a "**Distribution Payment Date**"). The Funds will, at least annually, determine and announce expected monthly distributions for the following calendar year based on the Manager's and Sub-Adviser's estimate of distributable cash flow in the Fund.

If the total return on the Portfolio is less than the amount necessary to fund the monthly distributions and all expenses of a Fund, and if the Manager chooses to nevertheless ensure that the monthly distributions are paid to unitholders, this will result in a portion of the capital of such Fund being returned to its unitholders, and accordingly, NAV per Unit would be reduced. The amount of monthly distributions may fluctuate from month to month and there can be no assurance that the Fund will make any distribution in any particular month or months. The amount of monthly distributions may vary if there are changes in any of the factors that affect the net cash flow on the Portfolio, including the amount of leverage employed by the Fund and the other assumptions noted above. See Schedule "Risk Factors for the Fund and the Top Fund".

Amounts distributed on the units of a Fund that represent returns of capital are generally non-taxable to a unitholder but reduce the unitholder's adjusted cost base of the Class A units for tax purposes. See "*Certain Canadian Federal Income Tax Considerations*".

If the Fund's net income for tax purposes, including net realized capital gains, for any taxation year exceeds the aggregate amount of the regular monthly distributions made in the year to unitholders, the Fund will also be required to pay one or more special distributions (either in cash or Units), by the end of the calendar year (in the case of a taxation year ending on December 15 of such calendar year) and by the end of such taxation year (in any other case), to unitholders as is necessary to ensure that the Fund will not be liable for income tax on such amounts under the Tax Act (after taking into account all available deductions, credits and refunds). Immediately after a *pro rata* distribution of Class A units to unitholders in satisfaction of any non-cash distribution, the number of outstanding Class A units will automatically be consolidated such that each holder of Class A units will hold, after the consolidation, the same number of Class A units as the unitholder held before the non-cash distributions, except in the case of a non-resident unitholder to the extent tax was required to be withheld in respect of the distribution. See "*Certain Canadian Federal Income Tax Considerations*".

There can be no assurance given as to the amount of distributions in the future.

Distribution Reinvestment Plans of the Existing Funds and Top Fund

The Funds have each adopted a distribution reinvestment plan (the "**Reinvestment Plan**") which provides that all cash distributions made by the Funds shall, at the election of each holder of Class A units (each, a "**Unitholder**"), be automatically reinvested in additional Class A units on behalf of each Unitholder in accordance with the terms of the Reinvestment Plan and the distribution reinvestment plan services agreement entered into by the Fund, the Manager and TSX Trust Company, in its capacity as agent under the Reinvestment Plan (the "**Plan Agent**") establishing the

Reinvestment Plan. Notwithstanding the foregoing, Unitholders who are non-residents of Canada for purposes of the Tax Act or that are partnerships which are not "Canadian partnerships" (as defined in the Tax Act) will not be able to participate in the Reinvestment Plan and Unitholders who cease to be resident in Canada for purposes of the Tax Act or cease to be Canadian partnerships (as defined in the Tax Act) will be required to terminate such Unitholders' participation in the Reinvestment Plan.

Subject to the foregoing, all cash distributions are automatically reinvested in additional Class A units on behalf of those Unitholders who are residents of Canada for purposes of the Tax Act or that are Canadian partnerships (as defined in the Tax Act) and elect to participate in the Reinvestment Plan (each such Unitholder being a "**Plan Participant**"). Such distributions due to Plan Participants are paid to the Plan Agent and applied to the purchase of Class A units on behalf of Plan Participants in the following manner. If the trading price of the Class A units on the TSX (or such other exchange or market on which the Class A units are then listed and primarily traded) (the "**Market Price**") on the relevant Distribution Payment Date plus estimated brokerage fees and commissions is below the NAV per Class A unit determined on the previous business day, the Plan Agent will purchase the Class A units on the TSX (or such other exchange or market on which the Class A units are trading) except the Plan Agent will endeavour to terminate purchases in the open market and cause the Fund to issue the remaining Class A units if, following commencement of the purchases, the Market Price, plus brokerage fees and commissions, exceeds the NAV per Class A unit determined on the previous business day. Provided the Plan Agent can terminate purchases on the open market, the remaining Class A units will be issued by the Fund from treasury at a price equal to the greater of (i) the NAV per Class A unit on the relevant Distribution Payment Date or (ii) 95% of the Market Price on the Distribution Payment Date. It is possible that the average purchase price per Class A unit paid by the Plan Agent may exceed the Market Price at the relevant Distribution Payment Date, resulting in the purchase of fewer Class A units than if the distribution had been paid entirely by Class A units issued by the Fund. Applicable brokerage fees and commissions incurred in connection with purchases of Class A units made in the market pursuant to the Reinvestment Plan will be paid by and from the accounts of Plan Participants.

The Class A units purchased in the market or from the Fund will be allocated on a pro rata basis to the Plan Participants. The Plan Agent will credit a Plan Participant's account in respect of Class A units acquired on behalf of such Plan Participant under the Reinvestment Plan. The Fund will not issue fractional Class A units. Accordingly, Plan Participants will not be permitted to reinvest the portion of a cash distribution that would otherwise result in fractional Class A units being issued. In such circumstances, the Plan Participants will be paid the portion of the cash distribution that is not reinvested. No certificates representing Class A units issued or purchased pursuant to the Reinvestment Plan will be issued. The automatic reinvestment of the distributions under the Reinvestment Plan will not relieve Plan Participants of any income tax applicable to such distributions. See "*Certain Canadian Federal Income Tax Considerations*".

If the Class A units are thinly traded, purchases in the market under the Reinvestment Plan may significantly affect the market price. Depending on market conditions, direct reinvestment of cash distributions by Unitholders in the market may be more, or less, advantageous than the reinvestment arrangements under the Reinvestment Plan. The Plan Agent's fees for administering the Reinvestment Plan will be paid by the Manager.

To participate in the Reinvestment Plan, beneficial holders may elect to participate under the Reinvestment Plan by notifying their investment advisor, or any other broker, dealer, bank or trust company through which they hold their Class A units. Unitholders should consult their Participant to determine the procedures for participation in the Reinvestment Plan. The administrative practices of Participants may vary and, accordingly, the various dates by which actions must be taken and the required documentation may not be the same.

Participants, on behalf of Unitholders, must notify CDS Clearing and Depository Services Inc. ("**CDS**") of a Unitholder's intention to participate in the Reinvestment Plan no later than the Distribution Record Date (and by the cut off time on the Distribution Record Date established by CDS in its sole discretion) in order for the cash distribution to which such Distribution Record Date relates to be reinvested under the Reinvestment Plan. CDS must, in turn, notify the Plan Agent by no later than 2:00 p.m. (Toronto time) on the business day immediately following the Distribution Record Date of such Unitholder's participation in the Reinvestment Plan. Otherwise, reinvestment will not occur for such period. Unitholders who wish to participate in the Reinvestment Plan will need their Participant to elect to participate on their behalf every distribution period. A failure to elect will result in withdrawal of participation in respect of such distribution. Some Participants will automatically continue a Unitholder's participation in the

Reinvestment Plan unless otherwise instructed by the Unitholder. A Unitholder should confirm with its Participant regarding its particular practice.

Unitholders should consult their Participant to determine the procedures for terminating participation in the Reinvestment Plan. The administrative practices of Participants may vary and, accordingly, the various dates by which actions must be taken and required documentation may not be the same.

The Manager is able to terminate the Reinvestment Plan, in its sole discretion, upon not less than 30 days' notice to the Plan Participants (via the Participants through which the Unitholders hold their Class A units) and the Plan Agent. The Manager is also able to amend, modify or suspend the Reinvestment Plan at any time in its sole discretion, provided that it gives notice of that amendment, modification or suspension to Unitholders, which notice may be given by a Fund by issuing a press release. The Funds are not required to issue Class A units into any jurisdiction where that issuance would be contrary to applicable laws.

Schedule "F"

MANAGEMENT FEES FOR THE EXISTING FUNDS AND THE TOP FUND

The management fees of the Existing Funds and the Top Fund are the same. The following is a summary of the management fees of each of the Existing Funds and the Top Fund as of the date hereof. Additional information on the management fees of PIMCO Monthly Enhanced Income Fund is or will be set forth in the prospectus of the Top Fund incorporated by reference herein (see "Fees and Expenses"), which are or will be available at www.sedarplus.com.

Following the Mergers, the Existing Funds will no longer pay any management fees to the Manager. Accordingly, there will be no duplication of management fees payable by the Top Fund and the Existing Funds at any time.

Management Fees for the Existing Funds and Top Fund

For each Fund, an annual management fee ("**Management Fee**") equal to 1.30% of the aggregate value of the assets of the Fund attributable to units designated as "Class A units" is paid to the Manager, calculated daily and payable monthly in arrears, plus applicable taxes. The Manager is responsible for paying the fees payable to the Sub-Adviser out of the Management Fee. In addition, the Manager pays for all ordinary expenses incurred in connection with the operation and administration of each Fund including trustee, custody, accounting, audit and valuation fees, costs of reporting to unitholders, registrar and transfer agent fees, costs and expenses of preparing financial and other reports and costs and expenses arising in connection with complying with all applicable laws, regulations and policies that were in place on the inception date of the Fund, but excluding certain ongoing fees and expenses.

Schedule "G"

VALUATION POLICIES AND PROCEDURES OF THE EXISTING FUNDS AND THE TOP FUND

(the "Funds")

The valuation policies and procedures of the Existing Funds and the Top Fund are the same. The following is a summary of the valuation policies and procedures of each of the Existing Funds and the Top Fund as of the date hereof. Additional information on the valuation policies and procedures of the Top Fund is or will be set forth in the prospectus of the Top Fund incorporated by reference herein (see "*Calculation of Net Asset Value – Valuation Policies and Procedures of the Fund*") and is or will be available at www.sedarplus.com.

Valuation Policies and Procedures for the Existing Funds and Top Fund

Defined Terms:

"**Net Asset Value of the Fund**" or "**NAV of the Fund**" on a particular date will be equal to (i) the aggregate fair value of the assets of the Fund, less (ii) the aggregate fair value of the liabilities of the Fund expressed in Canadian dollars, as determined in accordance with the terms of the Trust Agreement, as applicable.

"**Net Asset Value per Unit**" or "**NAV per Unit**" means, for a class of Units on any date, the number obtained by dividing the NAV of the Fund attributable to the class of Units on such date by the total number of Units of the class outstanding on such date.

"**Portfolio**" means an actively managed portfolio comprised primarily of fixed-income securities selected from multiple global fixed-income sectors.

"**Portfolio Assets**" means the assets included in the Portfolio.

"**Valuation Agent**" means such person as may from time to time be appointed by the Manager to calculate the Net Asset Value per Unit and the Net Asset Value of the Fund. The initial Valuation Agent will be the Trustee.

"**Valuation Time**" means 4:00 p.m. (Toronto time), or such other time as the Manager deems appropriate.

For purposes of calculating the NAV of the Fund, Portfolio Assets for which market quotes are readily available are stated at market value. Market value is generally determined on the basis of official closing prices or the last reported sales prices, or if no sales are reported, based on quotes obtained from established market makers or prices (including evaluated prices) supplied by the Fund's approved pricing services, quotation reporting systems and other third-party sources (together, "**Pricing Services**"). The Fund will normally use pricing data for domestic equity securities received shortly after the TSX Close (as defined below) and do not normally take into account trading, clearances or settlements that take place after the TSX Close. A foreign equity security traded on a foreign exchange or on more than one exchange is typically valued using pricing information from the exchange considered by PIMCO to be the primary exchange. If market value pricing is used, a foreign equity security will be valued as of the close of trading on the foreign exchange, or the TSX Close, if the TSX Close occurs before the end of trading on the foreign exchange. Domestic and foreign fixed income securities, non-exchange-traded derivatives, and equity options are normally valued on the basis of quotes obtained from brokers and dealers or Pricing Services using data reflecting the earlier closing of the principal markets for those securities. Prices obtained from Pricing Services may be based on, among other things, information provided by market makers or estimates of market values obtained from yield data relating to investments or securities with similar characteristics. Certain fixed income securities purchased on a delayed-delivery basis are marked to market daily until settlement at the forward settlement date. Exchange-traded options, except equity options, futures and options on futures are valued at the settlement price determined by the relevant exchange. Swap agreements are valued on the basis of bid quotes obtained from brokers and dealers or market-based prices supplied by Pricing Services or other pricing sources. With respect to any portion of the Fund's assets that are invested in one or more open-end management investment companies (other than exchange-traded funds), the Fund's NAV will be calculated based upon the NAV of such investments.

Certain securities or investments for which daily market quotations are not readily available may be valued, pursuant to guidelines established by the Manager, with reference to other securities or indices. Other securities for which market quotes are not readily available are valued at fair value as determined in good faith by the Manager or persons acting at their direction.

Investments initially valued in currencies other than the Canadian dollar are converted to Canadian dollars using exchange rates obtained from Pricing Services. As a result, the NAV of the Fund may be affected by changes in the value of currencies in relation to the Canadian dollar.

The value of securities traded in markets outside Canada or denominated in currencies other than the Canadian dollar may be affected significantly on a day that the TSX is closed and an investor is not able to purchase, redeem or exchange securities.

Securities are valued as of the close of regular trading (the "**TSX Close**") on each day that the TSX is open. For purposes of calculating the NAV of the Fund, the Fund normally uses pricing data for domestic fixed income securities that reflects the closing of principal markets for those securities.

Foreign securities are normally priced using data reflecting the earlier closing of the principal markets for those securities. Information that becomes known to the Fund or its agents after the NAV has been calculated on a particular day will not generally be used to retroactively adjust the price of a security or the net asset value determined earlier that day.

In unusual circumstances, instead of valuing securities in the usual manner, the Fund may value securities at fair value or estimate their value as determined in good faith by the Manager, generally based upon methodologies approved by the Pricing Committee of PIMCO (for example, if trading in a security was halted because of significant negative news about a company, vendor pricing is not available or vendor pricing does not reflect the fair market value of the security). Fair valuation may also be used if extraordinary events occur after the close of the relevant market but prior to the TSX Close.

The NAV of the Fund and NAV per Unit will be calculated in accordance with the rules and policies of the Canadian Securities Administrators or in accordance with any exemption therefrom that the Fund may obtain.