ANNUAL INFORMATION FORM

Dated November 15, 2011

Galileo Funds

Class A and F units of:

Galileo High Income Plus Fund
Galileo Global Opportunities Fund

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INTRODUCTION

In this Annual Information Form:

"we", "us", "our", "Trustee", "Manager" and "Galileo" mean Galileo Funds Inc., the trustee and manager of each Fund.

"Portfolio Advisor" means Galileo Global Equity Advisors Inc.

"class" means a class of units of a Fund.

"Fund" means any of the mutual funds listed on the front cover of this Annual Information Form.

"unit" means a unit of any class issued by a Fund.

NAME, FORMATION AND HISTORY OF THE FUNDS

Each of the Funds is an open-end investment trust established pursuant to a declaration of trust (the Fund's "Declaration of Trust") under Ontario law.

The **Galileo High Income Plus Fund** was formed pursuant to a Declaration of Trust made as of September 14, 2006 by Galileo Funds Inc. as Trustee. The Declaration of Trust of Galileo High Income Plus Fund was amended as of November 7, 2006 (before the offering of any units of the Fund to the public) to change the name of the Fund from Galileo Energy Income Plus Fund to Galileo High Income Plus Fund, and to modify the fundamental investment objective of the Fund. The Declaration of Trust was amended on June 22, 2010 to change the auditor of the Fund to PricewaterhouseCoopers LLP in place of Collins Barrow Toronto LLP, and to provide that, unless required by applicable securities laws, unitholder approval is not required for a change in the auditor of the Fund provided that the change of auditor is effected in accordance with applicable securities laws.

The **Galileo Global Opportunities Fund** was formed pursuant to a Declaration of Trust made as of June 15, 2000 with CIBC Mellon Trust Company as trustee. Units of this Fund were offered to investors on a private placement basis only prior to November 7, 2006. The name of the Fund was changed from Galileo Special Equity Fund to Galileo Small/Mid Cap Fund as of September 8, 2006. As of November 7, 2006, CIBC Mellon Trust Company resigned as trustee and Galileo Funds Inc. was appointed the successor trustee of the Fund, and the declaration of trust of this Fund was amended and restated to conform to regulatory requirements and current practice applicable to publicly offered mutual funds in Canada, including the provisions of National Instrument 81-102 Mutual Funds. The Declaration of Trust was amended on June 22, 2010 to change the auditor of the Fund to PricewaterhouseCoopers LLP in place of Collins Barrow Toronto LLP, and to provide that, unless required by applicable securities laws, unitholder approval is not required for a change in the auditor of the Fund provided that the change of auditor is effected in accordance with applicable securities laws. The Declaration of Trust was further amended on November 10, 2010 to change the fundamental investment objective of the Fund to "provide capital growth by investing primarily in shares of smaller and medium companies located around the world that are expected to profit from future economic growth", and to change the name of the Fund to "Galileo Global Opportunities Fund".

Effective May 31, 2009, Galileo Global Opportunities Fund (which at that time was named Galileo Small/Mid Cap Fund) acquired all of the assets of Galileo Absolute Return Fund, Galileo Canadian Active/Passive Fund, Galileo Fund and Galileo Global Active/Passive Fund (the "Terminating Funds") pursuant to fund mergers that were approved by unitholders of the Terminating Funds and unitholders of Galileo Global Opportunities

Fund at special meetings of unitholders held on May 15, 2009. Prior to completion of the mergers, the Independent Review Committee of the Funds reviewed the mergers and advised Galileo, in its capacity as manager, that in the Independent Review Committee's opinion, having reviewed the mergers as potential conflicts of interest, the mergers achieved a fair and reasonable result for each of Galileo Global Opportunities Fund and the Terminating Funds. As a result of the mergers, the Terminating Funds were terminated effective May 31, 2009.

Each Fund can issue an unlimited number of units of one or more classes. The Trustee has sole discretion to determine whether the capital of a Fund is divided into one or more classes of units and the attributes which attach to each class of units. The classes of units authorized for a Fund, and the attributes attached thereto, will be as shown from time to time in the Simplified Prospectus and in the Annual Information Form.

On September 14, 2011, Michael Waring, the President, Chief Executive Officer and a director of the Manager and the Portfolio Advisor, acquired from Northland Bancorp Inc. all of the Class A common shares in the capital of the Portfolio Advisor. Following the completion of the transaction, Mr. Waring held 99.9997% of the issued and outstanding Class A common shares and 100% of the issued and outstanding Class B common shares of the Portfolio Advisor, and Northland Bancorp Inc. ceased to be a shareholder of the Portfolio Advisor. Since the Portfolio Advisor holds 100% of the issued and outstanding common shares of the Manager, the transaction resulted in an indirect change of control of the Manager. All necessary approvals for the change of control were received from securities regulators prior to the completion of the transaction.

On October 18, 2011, Michael Waring entered into an agreement with Michael Wekerle, Stephen Craig, Joseph F. MacDonald and Paul Sparkes pursuant to which Mr. Waring has agreed to sell approximately 75% of the issued and outstanding common shares of the Portfolio Advisor to the Purchasers. The transaction will result in an indirect change of control of the Manager. Unitholders of the Funds were advised of the transaction by notice dated October 18, 2011 delivered pursuant to the provisions of Section 5.8 of National Instrument 81-102 - *Mutual Funds*. The transaction will not close prior to the expiry of 60 days following the delivery of that notice to unitholders, and the completion of the transaction is also subject to the satisfaction of closing conditions, including regulatory approvals. The transaction is expected to close prior to December 31, 2011 following receipt of the regulatory approvals and the expiration of the 60-day notice period described above. Please see "Principal Holders of Securities - Proposed Change of Control of the Manager", below, for more information.

The address of our head office and the principal office of the Funds is TD Canada Trust Tower, Suite 4730, 161 Bay Street, PO Box 205, Toronto, Ontario M5J 2S1.

INVESTMENT RESTRICTIONS

The Funds are subject to certain restrictions and practices contained in securities legislation, including National Instrument 81-102, which are designed in part to ensure that the investments of the Funds are diversified and relatively liquid and to ensure the proper administration of the Funds. Each of the Funds is managed in accordance with these restrictions and practices, which are deemed to be incorporated by reference into this Annual Information Form. We will provide you with a copy of these restrictions and practices upon request.

The net proceeds from the sale of units of a Fund, and any money available for investment or reinvestment, are invested according to the fundamental investment objective of the Fund. These investment objectives and the investment strategies used by each Fund are summarized in the Simplified Prospectus. Any change in the fundamental investment objective of a Fund requires approval by at least 50% of the votes cast at a meeting of unitholders called to consider the matter. Until these monies are invested or reinvested, they are maintained in Government of Canada treasury bills or in short-term paper or certificates of deposit issued or guaranteed by, or otherwise on deposit with, one or more Canadian financial institutions, or other cash equivalents.

A Fund may invest in units of another Fund provided it is consistent with the investing Fund's objectives. To the extent that such investments are made, there will be no duplication of management fees.

Each Fund is permitted to invest in derivatives to the extent such investments are consistent with the Fund's investment objective. A derivative is a contract between two parties, the value of which is based on or derived from an underlying asset, such as a stock, a market index, a currency, a commodity or a basket of securities. A derivative is not a direct investment in the underlying asset itself. The Funds' use of derivatives is described more fully under "Fund Governance" later in this document and in the Simplified Prospectus.

The Funds may engage in securities lending and repurchase transactions, and Galileo Global Opportunities Fund may engage in a limited amount of short selling, as described more fully under "Fund Governance" later in this document and in the Simplified Prospectus.

Effective June 22, 2010, PricewaterhouseCoopers LLP of Toronto, Ontario replaced Collins Barrow Toronto LLP as the auditor of the Funds. The change of auditor was approved by the Independent Review Committee of the Funds.

DESCRIPTION OF SECURITIES OFFERED BY THE FUNDS

An investment in a Fund is represented by units. Units will not be issued until they have been fully paid for. No certificates representing units of a Fund will be issued.

Each Fund can issue an unlimited number of units of one or more classes, as determined by the Trustee. The Trustee determines whether the capital of a Fund is divided into one or more classes of units and the attributes which attach to each class of units. The classes of units authorized for each Fund, and the attributes attached thereto, will be as shown from time to time in the Simplified Prospectus and in the Annual Information Form. The units of each class of a Fund have the following attributes:

(a) each entitles the holder to one vote:

  (i) at all meetings where all Unitholders vote together, and

  (ii) at all meetings where Unitholders of a particular class vote separately as a class;

(b) each entitles the holder to participate pro rata in such manner and at such times as the Trustee considers appropriate and equitable, with respect to all distributions of the net income and net realized capital gains attributable to that class of units of the Fund to holders of units of the same class; and

(c) on liquidation of the Fund to participate pro rata in such manner and at such times as the Trustee considers appropriate and equitable with the other unitholders of the same class in the net assets attributable to that class of units of the Fund remaining after the satisfaction of its outstanding liabilities, other than Investment Incentives which are payable to certain eligible unitholders (see "Fees and Expenses - Investment Incentive Program", below, for more information).

Units may not be transferred except in the event of death or by operation of law. The value of your investment is realized by selling your units back to the Fund (commonly known as redeeming).

The Funds do not hold regular meetings of unitholders. A meeting will be held to enable unitholders to vote on the following matters:

a. any increase in the fees to be charged to the Fund;
b. the appointment of a new manager other than an affiliate of Galileo;
c. any change in the fundamental investment objective of the Fund;
d. the appointment of a new auditor of the Fund;
e. any decrease in the frequency of calculating the net asset value per unit;
f. any material reorganization of the Fund; and
g. certain amendments to the Declaration of Trust of the Fund.

Each of these matters requires an affirmative vote of at least 50% of the votes cast at the meeting called to consider the matter. The required quorum (minimum attendance) for a meeting is unitholders owning at least 10% of the outstanding units of the Fund. Unitholders have no voting rights except as described above.

NET ASSET VALUE

The issue and redemption price of units of a Fund is based on the Fund's net asset value (NAV), or unit price, next determined after our receipt of a purchase or redemption order for the units. We calculate the NAV per unit separately for each class of a Fund by determining the value of the assets in the relevant class of the Fund, subtracting the total liabilities allocated to that class, and dividing the balance by the number of units held by investors in that class. We do this at the end of each business day (which means any day that the Toronto Stock Exchange is open for trading), unless the Toronto Stock Exchange closes earlier. All unit prices are calculated in Canadian dollars.

Pursuant to National Instrument 81-106 *Investment Fund Continuous Disclosure*, the Funds are required to calculate the net asset value per unit for the purposes of the financial statements in accordance with Canadian generally accepted accounting principles (GAAP). For all other purposes, including the calculation of net asset value for purchases and redemptions, the net asset value per unit is calculated in accordance with the following rules and considerations:

a. Cash on hand or on deposit, Government of Canada treasury bills, and short-term paper, certificates of deposit of Canadian chartered banks, cash dividends and interest declared or accrued and not yet received are valued at the full amount or a lesser amount that we consider to be the fair value.

b. Securities listed on a securities exchange or traded in an over-the-counter market are valued at their latest sale price on that day, if traded. If there are no trades on that day, we will value these securities at a price that will not be higher than the closing asked price and will not be lower than the closing bid price. If securities are traded on more than one exchange, we will determine which exchange will be considered the primary market for those securities and use that exchange's trading for valuation of the securities. If there are no bid or ask quotations, we will make a realistic and fair valuation taking into consideration the last sale.

c. If the resale of any security held by a Fund is restricted or limited by law (including by statutory holding period, or by investment letter, escrow provisions or other representation, undertaking or agreement), the value of that security will be the lesser of:

i. the value of that security based on reported quotations in common use; and

ii. the percentage of the market value of securities of the same class, the trading of which is not subject to the same restrictions or limitations, equal to the percentage that the Fund's acquisition cost of the securities was of the market value of the securities at the time of acquisition. Where the date on which the restrictions will be lifted is known, the actual value of the securities may be taken into account.

d. If a security was:

i. acquired by a Fund through the exercise of (a) a conversion or exchange right attached to a security, or (b) a right, option or warrant; and

ii. the resale of the security, right, option or warrant was restricted by statutory holding period, investment letter, escrow provisions or otherwise,

then the value of the security will be the value otherwise determined in accordance with these rules, except that (i) the value will be reduced by the same rate of discount which applied at the time the Fund acquired the security, right, option or warrant, and (ii) the rate of the discount may be reduced proportionately where the resale restriction is to be lifted on a specific date.

e. The value of bonds and debentures will be determined by (i) taking the average of the bid and ask quotations as of the valuation date, or (ii) according to a formula that determines the value of the bond or debenture by comparing the rate of investment return on the bond or debenture with the rate of investment return prevailing at that time for similar investments, and the selection of the quotations or formula will be at our discretion.

f. Securities which a Fund has agreed to purchase or sell will be included or excluded as if the agreements were in fact fully carried into effect.

g. Any item quoted or computed in a currency other than Canadian dollars will be valued at the equivalent in Canadian dollars at the exchange rate in effect on the date of valuation for the sale of that currency in Canada. If there are any forward currency contracts or currency futures contracts, these will be valued at their current market value on the valuation date. Any difference resulting from revaluation will be treated as an unrealized gain or loss on investment.

h. If a Fund writes a covered clearing corporation option, an option on futures, or an over-the-counter option, the premium received by the Fund will be reflected as a deferred credit which will be valued at an amount equal to the current market value of the option that would have the effect of closing the position. Any difference resulting from revaluation will be treated as an unrealized gain or loss on investment. The deferred credit will be deducted in calculating the net asset value of the Fund. Any securities which are the subject of a written clearing corporation option or over-the-counter option will be valued at their current market value.

i. The value of a futures contract or a forward contract will be the gain or loss that would be realized if the position in the futures contract or the forward contract were to be closed out on the valuation date. However, if "daily limits" are in effect, fair value will be based on the current market value of the underlying interest. Margin paid or deposited in respect of futures contracts and forward contracts will be reflected as an account receivable. Margin consisting of assets other than cash will be noted as held as margin.

j. The issue or redemption of units of a Fund will be reflected in the next calculation of the net asset value of the Fund made following the time that the net asset value per unit was determined for the purpose of such issue or redemption.

k. In the case of any security or other property of a Fund which does not fall under the methods for determining value which are described above, or where the value of any such security or other property of a Fund determined as described above would not, in our opinion, reflect the fair value of such security or other property, the value of that security or other property will be a value that we consider to be fair. We have not had to exercise this discretion over the last three years.

l. If there are any accrued management fees or other expenses which a Fund is required to pay but has not yet paid, they will be deducted from the value of the Fund.

m. The amount of any Investment Incentive payable to certain eligible unitholders is excluded from the calculation.

PURCHASES, SWITCHES AND REDEMPTIONS

Purchasing Units

The Funds are marketed and distributed through registered dealers and brokers. You can buy units by contacting your financial advisor. Your financial advisor must forward your purchase order to us within 24 hours of receiving it. If we receive the order before 4:00 p.m. (Toronto time) on a business day, we will process your purchase using that day's unit price. If we receive your purchase order after 4:00 p.m. on a business day, or on a weekend or holiday, we will process your purchase using the next business day's unit price. We may refuse your purchase order within one business day of receiving it, in which case we will return your money immediately to your dealer.

The issue price of units is based on the net asset value of a unit next determined after we receive your purchase order. Your initial investment in any Fund must be at least $500 and each additional purchase must be at least $25.

We must receive payment within three business days of receiving your order for a purchase of any Fund. If we do not receive payment by these dates or your cheque is returned due to insufficient funds, we will sell the units you bought. If we sell the units for more than the amount you owe, the Fund will keep the difference. If we sell those units for less than the amount you owe, we will charge your dealer for the difference. Your dealer may make provision in arrangements that it has with you that will require you to compensate the dealer for any losses suffered by the dealer in connection with any failed settlement of a purchase of units of any Fund caused by you.

Sales charge options

You can buy units of the Funds under one of our two sales charge options:

- Front-end sales charge option
- No Load option

We no longer offer a Low Load option or a Deferred Sales Charge option for purchases of the Funds.

Class A units may only be purchased under the front-end sales charge option, and Class F units may only be purchased under the No Load option. The No Load option is only available if your dealer offers it and if you are eligible to purchase Class F units.

If you select the front-end sales charge option, you and your financial advisor negotiate the sales charge you pay at the time of purchase. The maximum sales charge is 5% of the amount you are investing. The sales charge is deducted from your investment and paid to your dealer. The net amount remaining is applied to the purchase of units of a Fund at the Fund's unit price on the trade date.

Your dealer may offer the No Load Option to purchase Class F units of the Funds if your dealer offers a managed investment account service under which the only fees and compensation the dealer receives are to be paid directly by you to the dealer, or debited from your account by the dealer, under arrangements made by you with your dealer. We pay no servicing or other commissions to dealers in respect of purchases of Class F units.

The sales charge option you choose will affect the fees you pay and the compensation that we pay your dealer. See "Fees and Expenses" and "Dealer Compensation" in the Simplified Prospectus for more information.

Sales Commissions

When you purchase units of a Fund, your dealer (which employs your financial advisor) receives a sales commission, and your financial advisor receives part of this commission. The amount of the commission depends on which sales charge option you choose:

- Under the front-end sales charge option, your dealer receives a commission equal to the amount you negotiate with your financial advisor. Under this option, the maximum commission is 5% of the amount of your investment.

- Under the No Load option (available only for purchases of Class F units), we do not pay your dealer a commission.

We reserve the right to change the rate of any sales commission from time to time.

Switching Units

You can switch between different Funds by contacting your financial advisor. Your financial advisor must forward your purchase order to us within 24 hours of receiving it. If we receive the order before 4:00 p.m. (Toronto time) on a business day, we will process your purchase using that day's unit price. If we receive your purchase order after 4:00 p.m. on a business day, or on a weekend or holiday, we will process your purchase using the next business day's unit price.

The number of units issuable upon a switch is determined based upon the respective net asset values of the units of the Funds involved. We will not charge you any fees for a switch transaction unless a Short-Term Trading Fee applies, as described under “Redeeming Units”, below. Your financial advisor may charge you a transfer fee of up to 2% of the amount being transferred. This transfer fee is negotiated with you by your financial advisor.

If you switch units originally purchased under the discontinued Low Load option or the discontinued Deferred Sales Charge option, we will consider the units that you acquired through the switch to have been purchased on the date that you purchased the original units, in order to calculate the amount of the redemption fee.

Redeeming Units

You can redeem your units by contacting your financial advisor or by calling us toll-free at 1-888-912-2288. Units of a Fund will be redeemed, without charge, at their unit price next determined following our receipt of a written redemption order for a specified number (or dollar value) of units, or in accordance with a Systematic Withdrawal Plan.

Your financial advisor must forward your redemption order to us within 24 hours of receiving it. If we receive your redemption order before 4:00 p.m. (Toronto time) on a business day, we will process your redemption using that day's unit price. If we receive your redemption request after 4:00 p.m. on a business day, or on a weekend or holiday, we will process your redemption using the next business day's unit price. Once your redemption order is forwarded to us, it cannot be revoked. We will transfer or mail your redemption proceeds within three business days of the settlement of the redemption.

No redemption fees are payable in respect of Class A units purchased under the front-end sales charge option or Class F units purchased under the No Load option. For any units that were purchased under the discontinued Deferred Sales Charge option or the discontinued Low Load option, the redemption fee schedule that was in effect at the time of purchase will continue to apply if those units are redeemed within seven (7) years after the date of purchase in the case of the Deferred Sales Charge option or within two (2) years after the date of purchase in the case of the Low Load option. See “Fees and Expenses” in the Simplified Prospectus for more information about these fees. The amount of the redemption fee depends mostly on the amount of your original investment and on how long you have owned the units. To minimize the amount of the redemption fee, the following rules will apply:

- If you acquired units under our distribution reinvestment program, we will consider these to have been purchased on the same date as the units that gave rise to the distribution. If you acquired units in a switch transaction, we will consider these to have been acquired on the same date as the original units were purchased.
- The amount of any distributions that are reinvested will be deducted from the cost of the units held before the distribution. This reduces your unit cost. Since the redemption fee is based on your unit cost, this reduces the amount of redemption fee you will pay in the future when units are redeemed.
- Any units subject to the 10% free redemption amount (described below) are redeemed first. After this, your oldest units will be redeemed first.

If you originally purchased units under the Low Load option or the Deferred Sales Charge option, both of which options have been discontinued, you can redeem up to 10% of those units without paying redemption fees. At the beginning of each year, we calculate an amount equal to 10% of the number of units you hold that were purchased under the discontinued Low Load option or the discontinued Deferred Sales Charge option. We adjust this amount during the year by adding 10% of any new units acquired on reinvestment of distributions, and deducting the number of 10% free units redeemed earlier in the year. If you don't use your entire 10% free redemption amount in a calendar year, you cannot carry the balance forward to the next year. We may change or cancel the 10% free redemption program at any time after giving you 60 days notice.

If the value of your units in a Fund falls below $250 due to redemptions, we may redeem your units after giving you 30 days notice. If you redeem or switch any units within 30 days after the date that you bought them under any sales charge option or acquired them in a switch transaction, we will charge you a Short-Term Trading Fee equal to 2% of the value of the units redeemed or switched. This fee does not apply to redemptions under the Systematic Withdrawal Program or the 10% free redemption program. This fee is payable to the applicable Fund, and is in addition to any other fees to which you would otherwise be subject.

If you redeem units worth more than $10,000 or want the redemption proceeds to be paid to someone other than you, the signature on your redemption request must be guaranteed by a Canadian chartered bank or trust company, or by an investment lender or other guarantor acceptable to us. For a unitholder that is a corporation, partnership, agent, fiduciary, surviving joint owner or other person not an individual acting in such individual's own right, we will require additional documentation of a customary nature in connection with a redemption request. No redemption will be effected until we actually receive the request for redemption and any required additional documentation, duly executed, at our head office.

If we do not receive all documentation required to complete your redemption within 10 business days of receiving your redemption order, we will repurchase the units you redeemed. If the cost of the units is less than your redemption proceeds, the Fund will keep the difference. If the cost of the units is more than your redemption proceeds, we will charge your dealer for the difference. Your dealer may make provision in arrangements that it has with you that will require you to compensate the dealer for any losses suffered by the dealer in connection with any failure by you to satisfy the requirements of the Fund or securities legislation for a redemption of units of the Fund.

Please see "Income Tax Considerations" below for a reference to the tax consequences of a redemption.

Suspension of redemptions

A Fund may suspend your right to request a redemption for all or part of a period when:

- normal trading is suspended on a stock, options or futures exchange in Canada or outside Canada on which securities or derivatives that make up more than 50% of the value or underlying exposure of the Fund's total assets are traded; and
- those securities or derivatives are not traded on any other exchange that represents a reasonable alternative for the Fund.

A Fund may postpone a redemption payment during any period which your right to request a redemption is suspended under the circumstances described above or with the approval of the Ontario Securities Commission. You have the option of withdrawing your request for redemption or completing your redemption order at the net asset value per unit on the first business day after the termination of the suspension. None of the Funds will accept any orders for the purchase of securities during any period when the redemption of securities has been suspended.

RESPONSIBILITY FOR FUND OPERATIONS

Trustee

Galileo Funds Inc. is the trustee of each Fund. As such, we have overall responsibility for each Fund. The Funds themselves have no other trustees, officers or directors. Details about the officers and directors of Galileo Funds Inc. are set out below.

Manager

Galileo Funds Inc. is the manager of the Funds. As such, we have the power and authority to manage, supervise and administer each Fund. This power and authority has been delegated to us under the terms of the Declarations of Trust, pursuant to management agreements ("Management Agreements") made with respect to each Fund. You may contact us at our head office at TD Canada Trust Tower, Suite 4730, 161 Bay Street, PO Box 205, Toronto, Ontario M5J 2S1, toll-free 1-888-912-2288, e-mail clientservices@galileofunds.ca, or see our website at www.galileofunds.ca.

Under the Management Agreements, our responsibilities as manager include providing (or, subject to our general supervision and control, arranging for qualified persons to provide) the following services to the Fund: (a) services in connection with marketing, promotion and communications of the Fund, (b) services and facilities required in connection with the general administration of the Fund (including the payment of certain expenses of the Funds as described in "Fees and Expenses" below), (c) registry and transfer agency services required by the Fund, (d) valuation services required by the Fund, (e) services with respect to the custody of the Fund's assets, and (f) discretionary management of the investment portfolio of the Fund on a segregated basis, including the purchase and sale of portfolio securities.

As the manager of the Funds, we have no responsibility to the Funds other than to render the services called for honestly, in good faith and in the best interests of the unitholders, and in connection therewith to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. As long as we, as manager, meet the required standard, we are entitled to indemnifications similar to those available to a director of a corporation under the Business Corporations Act (Ontario).

Each Management Agreement is subject to automatic renewal for additional one year terms. A Management Agreement may be terminated during its term if we default in our performance of any of our duties or obligations thereunder and the unitholders pass a resolution at a meeting of unitholders terminating the Management Agreement as a result of such default. Further, the unitholders of a Fund may, by resolution passed at a meeting of unitholders at least 180 days before the end of the initial term or each anniversary thereof, elect not to renew a Management Agreement, whereupon the Management Agreement will not be renewed beyond its existing term. As manager, we must give the Trustee and unitholders at least 180 days' notice of our intention not to renew a Management Agreement.

If a Management Agreement is terminated or not renewed, the Trustee shall use its best efforts to appoint a successor manager provided that no such appointment shall be effective until it has been approved by unitholders in the same manner as is set forth above with respect to a change of manager. If a successor manager of a Fund has not been appointed within 90 days of the termination or non-renewal of the Fund's Management Agreement, the Fund will terminate.

Officers and Directors of Galileo

The names, places of residence, present positions and principal occupations during the preceding five years of the directors and officers of Galileo are as follows:

Name and Place of Residence	Present Position with the Manager	Principal Occupation During past Five Years
Michael Waring, Toronto, Ontario	President, Chief Executive Officer, Chief Investment Officer, Chief Compliance Officer and a Director	President, Chief Executive Officer, Chief Investment Officer, Chief Compliance Officer and a Director of the Manager and the Portfolio Advisor. Mr. Waring has over 25 years experience as an investment manager and investment analyst. Mr. Waring holds BA and MBA degrees and the CFA charter.
Evelyn Foo Toronto, Ontario	Chief Financial Officer, Secretary and a Director	Chief Financial Officer of the Manager and the Portfolio Advisor since May 2009, Secretary of the Manager and the Portfolio Advisor since March 2010, and a Director of the Manager and the Portfolio Advisor since September 2011. Prior thereto, Ms. Foo was with CIBC where she was the Controller for the CIBC family of investment funds. Ms. Foo is a Chartered Accountant.
Joseph F. MacDonald Mississauga, Ontario	Chief Operating Officer and a Director	Chief Operating Officer and a Director of the Manager and the Portfolio Advisor since September 2011; Head of Strategic Initiatives of the Portfolio Advisor from December 2010 to April 2011; Executive Vice-President, Sales & Marketing of the Citadel Group of Funds from March 2004 to May 2009.

The Funds have not paid, and are not obligated to pay, any remuneration to the directors and officers of Galileo.

It is anticipated that on or before December 31, 2011, there will be an indirect change of control of the Manager as a result of the sale by Michael Waring to Joseph F. MacDonald, Michael Wekerle, Stephen Craig and Paul Sparkes of approximately 75% of the issued and outstanding common shares of the Portfolio Advisor (the "Transaction"), which owns the sole issued and outstanding voting share of the Manager (see "Principal Holders of Securities - Proposed Change of Control of the Manager", below, for more information). If the Transaction closes as expected, it is intended that Michael Waring, Joseph F. MacDonald and Evelyn Foo will remain directors of the Manager, and that Michael Wekerle, Stephen Craig and Paul Sparkes will be appointed as additional directors of the Manager. The following table sets out the names, places of residence, proposed positions with the Manager, and principal occupations during the preceding five years of the three individuals who are proposed to be added as directors of the Manager following the closing of the Transaction.

Name and Place of Residence	Proposed Position with the Manager	Principal Occupation During past Five Years
Michael Wekerle Toronto, Ontario	Director (proposed)	Vice-Chairman, Institutional Trading at Griffiths McBurney Canada Corp., the general partner of GMP Securities L.P., an investment dealer, until August 2011. Mr. Wekerle was a co-founder of Griffiths McBurney & Partners (a predecessor of GMP Securities L.P.) where he co-founded the firm's sales and trading operations and served from 1995 until August 2011.
Stephen Craig Mississauga, Ontario	Director (proposed)	Managing Director and Head Trader at Salida Capital, a natural resources investment firm, from 2003 to 2011 where he was responsible for execution management for multiple portfolio managers and strategies.

Name and Place of Residence	Proposed Position with the Manager	Principal Occupation During past Five Years
Paul Sparkes Toronto, Ontario	Director (proposed)	Executive Vice President, Corporate Affairs of CTVglobemedia from June 2001 to April 2011. Previously, Mr. Sparkes held senior positions in the public service, including Director of Operations and Special Assistant for Atlantic Canada in the Office of the Prime Minister from 1996 to 2001 and Executive Assistant to the Premier of Newfoundland and Labrador from 1989 to 1996.

The Transaction is not expected to result in any changes to the officers of the Manager. It is anticipated that the individuals chiefly responsible for the management and administration of the Funds - namely Michael Waring (President, Chief Executive Officer, Chief Investment Officer and Chief Compliance Officer), Evelyn Foo (Chief Financial Officer) and Joseph F. MacDonald (Chief Operating Officer) - will continue in their current capacities following the closing of the Transaction.

Portfolio Advisor

Galileo Global Equity Advisors Inc. (the "Portfolio Advisor") is the portfolio advisor for the Funds pursuant to portfolio advisory agreements ("Portfolio Advisory Agreements") made between the Portfolio Advisor and the Manager with respect to each Fund. The Manager is a wholly owned subsidiary of the Portfolio Advisor. Michael Waring, who is an officer and director of the Portfolio Advisor and the Manager, is the portfolio manager principally responsible for each of the Funds. Please refer to the table under "Officers and Directors of Galileo" for information about his prior experience.

Under the Portfolio Advisory Agreements, subject to the general supervision and control of the Manager, the Portfolio Advisor is responsible for the discretionary management of the investment portfolio of each Fund on a segregated basis, including the purchase and sale of portfolio securities. Each Portfolio Advisory Agreement continues in effect from year to year unless terminated by (a) the resignation of the Manager or the Portfolio Advisor, (b) the insolvency of the Manager or the Portfolio Advisor, (c) a resolution of the unitholders terminating the Management Agreement as the result of a material default by the Manager in its duties thereunder, or (d) a resolution of the unitholders electing not to renew the Portfolio Advisory Agreement, which must be passed at least 180 days before the end of the initial term of the Portfolio Advisory Agreement or any anniversary thereof.

Brokerage Arrangements

Decisions as to the purchase and sale of portfolio securities and decisions as to the execution of all portfolio transactions, including selection of market, dealer or broker and the negotiation, where applicable, of commissions, are made by the Portfolio Adviser. The Portfolio Adviser will make reasonable and good faith efforts to achieve best execution for portfolio transactions executed on behalf of the Funds having regard to such factors as price, speed of execution, certainty of execution and the overall cost of the transaction. Allocation of the Funds' brokerage business is not based on any formula and there are no arrangements in place for the provision of any goods and services to the Funds or the Portfolio Adviser, by a dealer or broker, other than order execution. Brokerage transactions involving client brokerage commissions of the Funds are not, and since the date of the Funds' last annual information form have not been, directed to dealers or brokers in return for the provision of goods or services (including "order execution goods and services" or "research goods and services", as these terms are defined in National Instrument 23-102 *Use of Client Brokerage Commissions*) by the dealer or broker or a third party, other than order execution.

Distributor

Pursuant to the Declarations of Trust of the Funds, we are responsible for distributing units of the Funds. We facilitate the offering and sale of units through dealers who are duly licensed or registered to trade in securities or otherwise lawfully entitled to act in connection with trades in units in jurisdictions where the units of the Funds may be lawfully offered and sold. There is no principal distributor (as defined in National Instrument 81-102) of the Funds. Our dealings with any dealer may be by way of formal appointment or on an ad hoc basis. We are not entitled to any fee or other compensation payable by the Funds for our services as distributor.

Registrar and Transfer Agent

CIBC Mellon Global Securities Services Company of Toronto, Ontario acts as registrar for each Fund and maintains a register of unitholders at its Toronto head office.

Custodian

Canadian Imperial Bank of Commerce ("CIBC") is the custodian of each Fund's cash and securities pursuant to an amended and restated custodial services agreement (the "Custodial Services Agreement") dated as of November 7, 2006 among CIBC, CIBC Mellon Global Securities Services Company, the Manager and the Portfolio Advisor. The Custodial Services Agreement may be terminated by the Manager or CIBC upon at least 90 days' prior written notice, and may be terminated immediately if any party becomes insolvent, or makes an assignment for the benefit of creditors, or a petition in bankruptcy is filed by or against that party and is not discharged within 30 days, or proceedings for the appointment of a receiver for that party are commenced and not discontinued within 30 days. All securities, other than foreign securities, are held at CIBC's principal office in Toronto. Foreign securities are held by a sub-custodian appointed in the country where the principal trading market is located. The principal sub-custodian for U.S. securities is Mellon Bank N.A. CIBC and any sub-custodian may use a domestic or foreign depositary authorized to operate a book-based system.

Auditor

PricewaterhouseCoopers LLP of Toronto, Ontario, is the auditor of the Funds. PricewaterhouseCoopers LLP replaced Collins Barrow Toronto LLP as the auditor of the Funds effective June 22, 2010. The change of auditor was approved by the Independent Review Committee of the Funds.

Independent Review Committee

In accordance with National Instrument 81-107 - Independent Review Committee for Mutual Funds, the Manager has established an Independent Review Committee for the Funds. The Independent Review Committee is responsible for overseeing conflict of interest matters submitted to it by the Manager relating to the operation of the Funds. The compensation payable to, and the expenses of, the Independent Review Committee are paid by the Funds. For further information, please see "Fund Governance - Independent Review Committee", below.

CONFLICTS OF INTEREST

The Funds may be subject to various conflicts of interest because we are engaged in a range of management, advisory and other business activities. The investment restrictions applicable to the Funds referred to above in "Investment Restrictions" have been adopted in part to protect the interests of the Funds and the unitholders from such conflicts. We will make investment decisions for the Funds independently of those made for other clients of Galileo and independently of Galileo's own investments.

We may from time to time make the same investment for one or more Funds and one or more of our other clients. Pursuant to the Management Agreements, we are not obligated to present any particular investment opportunity to a Fund and we may take for our own account and recommend to others any such investment opportunity. Where one or more Funds and one or more of our other clients are engaged in the purchase or sale of the same security, the same transaction will be effected on an equitable basis.

PRINCIPAL HOLDERS OF SECURITIES

Principal Holders of Units of the Funds

The following table shows the number and class of units of each Fund owned of record or known by the Trustee to be owned beneficially, directly or indirectly, by persons owning 10% or more of the Units of those Funds as of October 31, 2011:

Name of Unitholder	Fund	Type of Ownership	Class of Units	No. of Units	Percentage of Units
IG* and MG*	Galileo Global Opportunities Fund	Of record and beneficial	Class F	69,120.325	23.073%
KW*	Galileo Global Opportunities Fund	Of record and beneficial	Class F	37,723.566	12.593%
KW*	Galileo High Income Plus Fund	Of record and beneficial	Class F	28,219.793	13.591%
HF*	Galileo Global Opportunities Fund	Of record and beneficial	Class F	77,390.053	25.834%
RJ*	Galileo High Income Plus Fund	Of record and beneficial	Class F	37,891.595	18.250%
PJ*	Galileo High Income Plus Fund	Of record and beneficial	Class F	26,945.805	12.978%

* To protect the privacy of individual investors, we have omitted the names of the beneficial owners. This information is available on request by contacting us at the telephone number on the back cover of this Annual Information Form.

As at October 31, 2011, the directors and senior officers of the Manager, in the aggregate, did not beneficially own, in the aggregate, directly or indirectly, 10% or more of the Units of any class of any Fund.

As at October 31, 2011, the members of the Independent Review Committee did not beneficially own, in the aggregate, directly or indirectly, 10% or more of the Units of any class of any Fund.

Principal Holders of Shares of the Manager

As at October 31, 2011, Galileo Global Equity Advisors Inc. (the Portfolio Advisor) owned the sole issued and outstanding voting share of Galileo Funds Inc. (the Manager). The following table shows the number of voting securities of the Portfolio Advisor owned of record or known by the Manager to be owned beneficially, directly or indirectly, by persons owning 10% or more of the voting securities of the Portfolio Advisor as at the date hereof.

Name	Designation or Class of Security	Type of Ownership	Securities Owned or Controlled	Percentage of Class
Michael Waring	Class A Common Shares	Of record and beneficial	5,769,618,175	99.99%
Michael Waring	Class B Common Shares	Of record and beneficial	1,104,458,753	100%

As at October 31, 2011, the directors and senior officers of the Manager, as a group, owned directly or indirectly, an interest in 99.99% of the voting securities of the Portfolio Advisor (which owns the sole issued and outstanding voting share of the Manager).

As at October 31, 2011, the members of the Independent Review Committee did not beneficially own, in the aggregate, directly or indirectly, any voting or equity securities of the Manager or, to the knowledge of the Manager, any material amount of any class or series of voting or equity securities of any material service provider to the Funds or to the Manager.

Proposed Change of Control of the Manager

On October 18, 2011, Michael Waring, the controlling shareholder of Galileo Global Equity Advisors Inc. (the Portfolio Advisor) and the indirect controlling shareholder of Galileo Funds Inc. (the Manager) entered into an agreement with Michael Wekerle, Stephen Craig, Joseph F. MacDonald and Paul Sparkes (collectively, the "Purchasers") pursuant to which Mr. Waring has agreed to sell approximately 75% of the issued and outstanding common shares of the Portfolio Advisor to the Purchasers (the "Transaction"). The Transaction will result in an indirect change of control of the Manager, since the Portfolio Advisor owns the sole issued and outstanding voting share of the Manager.

Michael Waring currently holds 5,769,618,175 Class A common shares and 1,104,458,753 Class B common shares in the capital of the Portfolio Advisor, together representing approximately 99.9999% of the total issued and outstanding common shares of the Portfolio Advisor. The following table shows the number of voting securities of the Portfolio Advisor that are anticipated to be owned of record or beneficially, directly or indirectly, by persons owning 10% or more of the voting securities of the Portfolio Advisor upon completion of the Transaction.

Name	Designation or Class of Security [1]	Type of Ownership	Securities Owned or Controlled	Percentage of Class
Michael Waring	Class A Common Shares	Of record and beneficial	1,718,519,232	25.00%
Joseph F. MacDonald	Class A Common Shares	Of record and beneficial	1,718,519,232	25.00%
Michael Wekerle	Class A Common Shares	Of record and beneficial	1,718,519,232	25.00%
Stephen Craig	Class A Common Shares	Of record and beneficial	1,374,815,385	20.00%

NOTE:

1. The holders of Class A common shares and Class B common shares rank equally with respect to voting, the payment of dividends and the participation in the distribution of the assets of the Portfolio Advisor upon liquidation, dissolution or winding up. The Class B common shares carry the right to convert into Class A common shares at the option of the holder and will automatically convert into Class A common shares on October 1, 2012 on a one-to-one basis. It is anticipated that all Class B common shares held by Michael Waring at the date of this Annual Information Form will be converted into Class A common shares before the closing of the Transaction.

Unitholders of the Funds were advised of the Transaction by notice dated October 18, 2011 delivered pursuant to the provisions of Section 5.8 of National Instrument 81-102 - *Mutual Funds*. The Transaction will not close prior to the expiry of 60 days following the delivery of that notice to unitholders, and the completion of the Transaction is also subject to the satisfaction of closing conditions, including regulatory approvals. The Transaction is expected to close prior to December 31, 2011 following receipt of the regulatory approvals and the expiration of the 60-day notice period described above.

FUND GOVERNANCE

As the trustee and manager of each Fund, we are ultimately responsible for each Fund. The officers and directors of Galileo listed under the heading "Officers and Directors of Galileo" (above) are responsible for the management of Galileo. The board of directors of Galileo approve the financial statements for the Funds on a semi-annual basis.

Policies and Procedures

We have written policies and procedures that apply to all of our employees, officers and directors. These are intended to ensure, among other things, that our employees, officers and directors put the interests of the Funds and unitholders ahead of their own. These policies and procedures deal with matters such as privacy and confidentiality, conflicts of interest and personal trading activities.

Use of Derivatives

All of the Funds may use derivatives as disclosed in the Simplified Prospectus. All derivative contracts entered into by or on behalf of the Funds must be in accordance with the investment objectives and strategies of such Funds as well as applicable securities legislation, rules and policies, including National Instrument 81-102. The Manager establishes and reviews the investment policies of the Funds, including the use of derivatives.

We have written policies and procedures relating to the use of derivatives as investments within the Funds. These policies and procedures, which are reviewed at least annually, set out specific procedures for the authorization, documentation, reporting, monitoring and review of derivative strategies and positions. The effective exposure of derivatives in a Fund is monitored daily by the Manager as part of the compliance monitoring and daily pricing of a Fund. Contracts are held by an independent third party and derivative trading also occurs with a third party organization

Securities Lending and Repurchase Transactions

Each of the Funds is permitted to enter into securities lending and repurchase transactions as described in the Simplified Prospectus and only as permitted under applicable securities laws. We intend to enter into an agreement on behalf of the Funds with the Custodian of the Funds, CIBC, under which the Custodian will act as the agent for each Fund in administering the securities lending and repurchase transactions of the Fund. The agreement will comply with the relevant provisions of National Instrument 81-102. To manage the risks associated with securities lending and repurchase transactions, which are described in the Simplified Prospectus, it is intended that the agreement will require the Custodian to:

- enter into securities lending and repurchase transactions with reputable and well-established Canadian and foreign brokers, dealers and institutions ("counterparties");

- maintain internal controls, procedures and records including a list of approved counterparties based on generally accepted creditworthiness standards, transaction and credit limits for each counterparty and collateral diversification standards;

- establish daily the market value of both the securities loaned by a Fund under a securities lending transaction or sold by a Fund under a repurchase transaction and the cash or collateral held by the Fund, and if on any day the market value of the cash or collateral is less than 102% of the market value of the borrowed or sold securities, the counterparty will be required to provide additional cash or collateral to the Fund to make up the shortfall;

- ensure that a Fund does not lend more than 50% of the total value of its assets through securities lending transactions (excluding the collateral for loaned securities); and

- ensure that the collateral to be delivered to the Fund is one or more of cash, qualified securities or securities immediately convertible into, or exchangeable for, securities of the same issuer, class or type, and same term, if applicable, as the securities being loaned by the Fund.

The Custodian will be required to provide us with regular reports summarizing the securities lending and repurchase transactions to facilitate our monitoring of these transactions. We will review these policies and procedures at least annually to ensure that the risks associated with securities lending and repurchase transactions are being properly managed.

Policies on Proxy Voting

We have policies and procedures with respect to the exercise of voting rights related to securities held in the Funds' portfolios. Pursuant to these policies and procedures, voting rights must be exercised with a view to the best interests of a Fund and its unitholders. The policies and procedures include: (a) a standing policy for dealing with routine matters on which a Fund may vote; (b) the circumstances under which a Fund will deviate from the standing policy for routine matters; (c) the basis on which, and the manner in which, a Fund will determine how to vote or refrain from voting on non-routine matters; and (d) procedures to ensure that securities held in a Fund's portfolio are voted in accordance with the policies and procedures. Each Fund's portfolio advisor is required to acknowledge and undertake to observe these policies and procedures.

These policies and procedures are general in nature and cannot contemplate all possible proposals or non-routine matters with which a Fund may be presented. Under our standing policy on routine matters, the routine matters on which a Fund may vote include matters such as the election of directors, appointment of auditors, and remuneration of auditors. We will vote with management of the issuer on these routine matters. Non-routine matters generally include all matters that are not specified to be routine, such as corporate restructurings, mergers and acquisitions, proposals affecting shareholder rights, corporate governance and executive compensation. To satisfy our obligations with respect to these proxy voting policies, we will review relevant documentation available to us, such as research on management performance and corporate governance, and all other factors that we consider relevant.

If a matter on which a Fund may vote presents a conflict between the interests of unitholders and those of the Fund's manager, portfolio advisor or any of their affiliates or associates, the matter will be referred to an appropriate independent third party. The Fund will be required to vote in a manner consistent with the recommendation of the independent third party, or to refrain from voting on the matter. A copy of these policies and procedures is available at no cost by calling toll-free 1-888-912-2288 or by writing to us at TD Canada Trust Tower, Suite 4730, 161 Bay Street, PO Box 205, Toronto, Ontario M5J 2S1. A Fund's proxy voting record for the most recent period ended June 30 of each year will be available on our website at www.galileofunds.ca and will be available at no cost upon request at any time after August 31 of that year.

Independent Review Committee

In accordance with National Instrument 81-107 – Independent Review Committee for Mutual Funds, the Manager has established an Independent Review Committee ("IRC") for all of the Funds. The IRC is composed of three individuals, each of whom is independent of the Manager and its affiliates. The current members of the IRC are John Willson (Chair of the IRC), Jerry Giroux and Tom Caswell. The IRC has adopted a written charter that sets out its mandate, responsibilities and functions and the policies and procedures it will follow when performing its functions. The IRC is responsible for overseeing conflict of interest matters submitted to it by the Manager relating to the operation of the Funds, reviewing and providing input on the Manager's written policies and procedures which deal with conflict of interest matters, and providing the IRC's recommendations or approvals as may be required under applicable securities laws. The IRC will report at least annually to the Funds and to unitholders in respect of its functions. The compensation payable to the IRC and all costs and expenses reasonably incurred by the IRC are paid out of the assets of the Funds and allocated among the Funds in a manner that is considered by the IRC to be fair and reasonable to the Funds. In the aggregate, the compensation paid to the members of the IRC for the year ended December 31, 2010 was $30,000.

It is anticipated that on or before December 31, 2011, there will be an indirect change of control of the Manager as a result of the sale by Michael Waring of approximately 75% of the issued and outstanding common shares of the Portfolio Advisor, which owns the sole issued and outstanding voting share of the Manager (see "Principal Holders of Securities - Proposed Change of Control of the Manager", above, for more information). Although the current members of the IRC will automatically cease to be members of the IRC by operation of section 3.10(1)(c) of National Instrument 81-107 - *Independent Review Committee for Investment Funds* upon the closing of that share purchase transaction, the Manager intends to reappoint all three current members of the IRC immediately after the closing of that transaction.

Short Selling

Galileo Global Opportunities Fund has obtained permission from the Canadian securities regulatory authorities to deviate from National Instrument 81-102 by selling securities short, by providing a security interest over Fund assets in connection with the short sales and by depositing Fund assets with dealers as security in connection with such transactions. A short sale by the Fund involves borrowing securities from a lender and selling those securities in the open market (or "selling short" the securities). At a later date, the same number of securities are repurchased by the Fund and returned to the lender. In the interim, the proceeds from the first sale are deposited with the lender and the Fund pays compensation to the lender on the borrowed securities. If the value of the securities declines between the time that the Fund borrows the securities and the time it repurchases and returns the securities to the lender, the Fund will make a profit for the difference (less any compensation the Fund is required to pay to the lender). Selling short provides the Fund with more opportunities for profits when markets are generally volatile or declining.

Galileo Global Opportunities Fund will engage in short selling only within certain controls and limitations. Securities will be sold short only for cash and the Fund will receive the cash proceeds within normal trading settlement periods for the market in which the short sale is made. All short sales will be effected only through market facilities through which those securities normally are bought and sold and the Fund will short sell a security only if:

(i) the security is listed and posted for trading on a stock exchange and the issuer of the security has a market capitalization of not less than $300 million at the time the short sale is made or the portfolio manager has pre-arranged to borrow securities for the purposes of such short sale; or

(ii) the security is a bond, debenture or other evidence of indebtedness of or guaranteed by the Government of Canada or any province or territory of Canada or the Government of the U.S.A. At the time securities of a particular issuer are sold short by the Fund, the aggregate market value of all securities of that issuer sold short will not exceed 2% of the total net assets of the Fund. In addition, the Fund will place a "stop-loss" order (effectively a standing instruction) with a dealer to immediately repurchase for the Fund the securities sold short if the trading price of the securities exceeds 115% (or a lower percentage determined by us) of the price at which the securities were sold short. The aggregate market value of all securities sold short by the Fund will not exceed 10% of its total net assets on a daily marked-to-market basis.

Investment in Certain Exchange Traded Funds

The Funds have obtained relief from the Canadian securities regulatory authorities to invest in certain exchange traded funds managed by BetaPro Management Inc. ("BetaPro ETFs"). The BetaPro ETFs do not issue "index participation units" (securities traded on a stock exchange in Canada or the United States that are issued by an issuer whose only purpose is to hold the securities that are included in a specified widely quoted market index in substantially the same proportion as those securities are reflected in that index, or invest in a manner that causes the issuer to replicate the performance of that index.). The BetaPro ETFs are investment funds that seek to provide returns that correlate to the performance of a "permitted index", as defined in National Instrument 81-102, and utilize leverage in an attempt to magnify returns by either a multiple or an inverse multiple of that permitted index. The relief does not permit the Funds to invest in BetaPro ETFs that are, directly or indirectly (through a derivative) exposed to physical commodities other than gold.

FEES AND EXPENSES

In return for our services as manager of the Funds, each Fund pays us a management fee which is calculated daily and payable monthly. The management fee paid by each Fund is disclosed in the Simplified Prospectus.

In addition to management fees, the following expenses are borne by the Funds:

- Legal, audit, custodial, banking and other administrative fees;
- Record keeping and unitholder communication expenses;

- Brokerage fees, commission and other portfolio transaction expenses;
- Fees charged by portfolio advisors;
- Advertising and promotion;
- Taxes payable by the Fund;
- Interest charges if the Fund borrows to pay redemptions; and
- Fees and expenses payable in connection with the IRC, which currently comprise an annual payment of $10,000 to each IRC member plus expenses for each meeting that the member attends. In addition, the Funds will pay permitted expenses of the IRC including insurance premiums for coverage required by the IRC and costs of any outside advisers retained by the IRC. These fees and expenses are allocated among the Funds in a manner that is considered by the Manager to be fair and reasonable to all of the Funds.

Funds that offer more than one class of units allocate operating expenses proportionately among the classes, and operating expenses that are specific to a class are allocated to that class.

Prior to July 1, 2010, the Funds paid federal goods and services tax (“GST”) on management fees, administration fees and most operating expenses. Beginning on July 1, 2010, GST was replaced by a harmonized sales tax (“HST”) in certain provinces, which is imposed at a higher rate than GST. Generally, HST paid or payable by a Fund will not be recoverable and will accordingly increase its operating expenses.

Investment Incentive Program

To provide an incentive for you to make and maintain substantial investments in the Funds, we may pay or credit certain amounts ("Investment Incentives") against the management fees that would otherwise be payable. These Investment Incentives are available for each Fund and are paid by the Manager to the Trustee, or credited to the Trustee against management fees otherwise payable, for the benefit of eligible unitholders.

The Investment Incentive Program is available to any unitholder or related group of unitholders that makes a substantial investment in the Funds. Galileo determines the eligibility requirements for Investment Incentives and the amount of Investment Incentives from time to time in its discretion. These can only be changed after 60 days' written notice to eligible unitholders. We will send you a statement of the current eligibility requirements and Investment Incentive rates upon request. Eligibility is determined daily and Investment Incentives are calculated and accrued daily. Investment Incentive rates vary depending on the Fund, and are based on an annual percentage of the average unit price of the Fund. If you hold more than one account with us, we will calculate the total value of your investment in Units of all the Funds to determine whether you are an eligible unitholder.

If you are an eligible unitholder, unless you redeem all your Units in a Fund, all accrued Investment Incentives will be paid or credited to the Trustee of the Fund for your benefit at least quarterly, and the Trustee will immediately pay this amount to you. If you redeem all your Units in a Fund, including Units that you switch for Units of another Fund, then all accrued Investment Incentives will be paid or credited to the Trustee of the Fund for your benefit at the time of the redemption. If the redemption is for cash, the Trustee will immediately pay that amount to you. If the redemption is in connection with a switch of Units, the Trustee will immediately pay the same amount to Galileo and Galileo will invest this amount for your account in Units of the Fund into which you switched your Units.

INCOME TAX CONSIDERATIONS

The following is a fair summary of the principal Canadian federal income tax considerations generally applicable as at the date of this Annual Information Form to the Funds and, with respect to the acquisition, ownership and disposition of Units of a Fund, to an individual who, for the purposes of the Income Tax Act (Canada) (the "Tax Act") is a Canadian resident individual, is not affiliated and deals at arm's length with the Fund, will hold Units of the Fund as capital property and has invested for such individual's own benefit and not as a trustee of a trust.

This summary is based on the facts set out in this Annual Information Form, the current provisions of the Tax Act, the regulations thereunder and the current published administrative practices and policies of the Canada Revenue Agency, Taxation (“CRA”). It takes into account all specific proposals (the “Tax Proposals”) to amend the Tax Act and the regulations thereunder publicly announced by the Minister of Finance before the date hereof. Except for the Tax Proposals, this summary does not take into account or anticipate any changes in law whether by legislative, regulatory, administrative or judicial action. Furthermore, this summary does not take into account provincial or foreign income tax legislation or considerations.

This description of income tax considerations is of a general nature only, is not exhaustive of all possible income tax considerations and is not intended to constitute advice to any particular investor. Prospective investors should seek independent advice from their own tax advisors regarding the tax consequences of investing in Units of a Fund, based upon their own particular circumstances. The income and other tax consequences of acquiring, holding or disposing of Units of a Fund vary according to the status of the investor, the province or provinces in which the investor resides or carries on business and, generally, the investor's own particular circumstances.

The income tax consequences described in this summary are based on several assumptions:

(i) It is assumed that an investor does not undertake or arrange any transaction relating to the investor's Units, other than those referred to in this Annual Information Form, and that none of the transactions relating to the investor's Units and referred to in this Annual Information Form is undertaken or arranged primarily to obtain a tax consequence other than those specifically described herein.

(ii) It is assumed that each Fund has elected pursuant to the Tax Act to have all Canadian securities owned by it deemed to be capital property.

(iii) It is assumed that each Fund qualifies and will continue to qualify as a "unit trust" and a "mutual fund trust" for the purposes of the Tax Act (in order qualify as a mutual fund trust, a Fund must, among other things, comply with certain conditions as to the number of its Unitholders and the dispersal of ownership of its Units). The Manager expects each of the Funds to so qualify at all material times. If a Fund were not to so qualify, the income tax consequences described below would in some respects be materially different.

Taxation of the Funds

Provided that appropriate designations are made by a taxable Canadian corporation that is the issuer of securities held by a Fund, taxable dividends and eligible dividends paid by the issuer to the Fund will effectively retain their character in the hands of the Fund.

An "eligible dividend" as defined in the Tax Act will be entitled to an enhanced gross-up and dividend tax credit. To the extent available under the Tax Act and CRA's administrative practice the Funds will pass on to unitholders in respect of eligible dividends the benefit of the enhanced gross-up and dividend tax credit.

Each Fund will designate, to the extent permitted, any eligible dividends received by the Fund as eligible dividends to the extent such dividends are included in distributions to unitholders.

Each Fund is liable for tax in each year on:

- the amount of its net income for the year, including net realized taxable capital gains and Investment Incentives (described in "Investment Incentive Program", above); less
- the portion of the net income (including Investment Incentives) for the year, including net realized taxable capital gains, that is paid or payable to unitholders in the year. (For convenience, in the balance of this summary of income tax considerations, the term "distributed" is used in place of "paid or payable").

If a Fund makes distributions of its net income (including Investment Incentives) and net realized capital gains in any year and deducts the full amount available for deduction in computing its income for that year, as is the stated intention of each Fund, then the Fund will usually not have any income tax liability for that year. However, if a Fund does not distribute the full amount of its net income and net realized capital gains in the year that the gains are realized, the Fund may be liable for tax on the undistributed portion. If a Fund is liable for tax in a given year on undistributed net realized capital gains, the Fund can reduce this liability by an amount based on redemptions of its Units during the year if the Fund qualifies as a "mutual fund trust" for the purposes of the Tax Act (currently, each Fund qualifies as a mutual fund trust).

The Manager advises that, generally, (i) each Fund will include gains and deduct losses on income account in connection with its derivative activities and will recognize such gains or losses for tax purposes at the time they are realized by the Fund; and (ii) each Fund generally reports its gains (or losses) from the disposition of its investments as capital gains (or capital losses).

On August 27, 2010, the Minister of Finance released for consultation Tax Proposals to implement tax measures previously announced in the recent federal budget, which was tabled in the House of Commons on March 4, 2010, and contained in the Notice of Ways and Means motion to amend the Tax Act dated March 4, 2010. As previously announced, prior Tax Proposals relating to the taxation of investments in foreign investment entities will not be implemented. Instead existing section 94.1 of the Tax Act will continue subject to certain limited enhancements as described in the Tax Proposals. A Fund may be subject to section 94.1 of the Tax Act if it holds or has an interest in "offshore investment fund property". In order for section 94.1 of the Tax Act to apply to a Fund, the value of the interests must reasonably be considered to be derived, directly or indirectly, primarily from portfolio investments of the offshore investment fund property. If applicable, these rules can result in the Fund including an amount in its income based on the cost of the Fund's offshore investment fund property multiplied by a prescribed interest rate. These rules would apply in a taxation year to the Fund if it could reasonably be concluded, having regard to all the circumstances, that one of the main reasons for the Fund acquiring, holding or having the investment in the entity that is an offshore investment fund property, was to benefit from the portfolio investments of the entity in such a manner that the taxes on the income, profits and gains therefrom, for any particular year were significantly less than the tax that would have been applicable if such income, profits and gains had been earned directly by the Fund. The Manager has advised that none of the reasons for a Fund acquiring an interest in "offshore investment fund property" may reasonably be considered to be as stated above. As a result, existing section 94.1 should not apply to the Funds.

Recent amendments to the Tax Act significantly change the income tax treatment of most publicly traded trusts and partnerships (other than certain REITs) and distributions or allocations, as the case may be, from such entities to their investors. In particular, certain income earned by these entities will be taxed in a manner similar to income earned by a corporation and distributions or allocations made by these entities to investors will be taxed in a manner similar to dividends from taxable Canadian corporations. If paid or allocated to a resident of Canada, these distributions or allocations will be deemed an eligible dividend for the purposes of the enhanced gross-up and dividend tax credit. (See the discussion of "eligible dividends" and enhanced gross-up and dividend tax credit under "Taxation of the Funds" above.) These amendments are effective for the 2007 taxation year for trusts and partnerships that commenced public trading after October 31, 2006, but will be delayed until the 2011 taxation year for trusts and partnerships that were publicly traded prior to November 1, 2006, except if there is "undue expansion" of such a trust or partnership in the intervening period.

Income and gains of a Fund may arise from investments in countries other than Canada. As a result, the Fund may be liable to pay income or profits tax to those countries. Such foreign tax up to 15% of the foreign income would generally give rise to a foreign tax credit. If the foreign tax paid by a Fund exceeds 15% of the foreign income, the excess above 15% may in limited circumstances be deducted from the Fund's income under the Tax Act.

Taxation of Unitholders

In computing your income for tax purposes for a particular year, you must generally include:

- the portion of the Fund's net income (including Investment Incentives) distributed to you; and
- the taxable portion of the Fund's net realized capital gains distributed to you (whether or not accrued or realized by the Fund prior to your acquisition of Units),

whether or not these amounts are reinvested in additional Units of the Fund.

If you are not eligible to participate in the Investment Incentive Program, you will not be affected by the existence of the Investment Incentive Program or by the payment of Investment Incentives to unitholders who are eligible to participate in it.

The following amounts will not be included in computing your income for a given year:

- the non-taxable portion of net realized capital gains of a Fund that is distributed to you in the year; and
- any other amount in excess of the net income of a Fund that is distributed to you in the year.

However, if any such excess amount is paid to you (other than as proceeds of disposition of a Unit or part of a Unit) it will reduce the adjusted cost base of the Unit to you. To the extent that the adjusted cost base to you of such Units would otherwise be a negative amount, you will be considered to have realized a capital gain at that time equal to the negative amount and the adjusted cost base of such Units will be increased to nil.

The Funds intend to make appropriate designations to the extent possible so that the following will retain their character in your hands for purposes of the Tax Act when they are distributed to you:

- taxable dividends received by the Fund on shares of the capital stock of taxable Canadian corporations (these amounts will be eligible for the normal gross-up and credit rules under the Tax Act);
- net realized taxable capital gains of the Fund; and
- foreign source income of the Fund and foreign taxes eligible for the foreign tax credit.

Your adjusted cost base of each Unit of a Fund will generally be the average calculated by totalling the actual amounts (including any brokerage fees and other costs incidental to the acquisition) that you paid to acquire all of the Units of the Fund you hold at the time and dividing by the number of Units held. Units acquired by reinvestment of distributions will be included in the calculation. In the unusual event that a Fund has returned capital as part of a distribution, the amount of capital received would be deducted in the averaging calculation.

When you dispose of a Unit of a Fund, whether by redemption or otherwise (including a sale of Units, switch of Units of one Fund for Units of another Fund, or deemed disposition at death), a capital gain or capital loss may arise. Currently, one-half of any capital gain (a "taxable capital gain") will be included in your income and one-half of any capital loss (an "allowable capital loss") may be deducted against taxable capital gains realized by you in the year the capital losses are realized.

Individuals may be liable for alternative minimum tax in respect of dividends and capital gains realized by them or distributed to them from a Fund.

Tax Information

We will provide you with transaction statements and the annual tax information slips reporting income and net realized capital gains distributions needed to complete their income tax returns.

ELIGIBILITY FOR REGISTERED PLANS

Each of the Funds is registered under the Tax Act as a "registered investment" for registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered disability savings plans, registered education savings plans and tax-free savings accounts (collectively, "registered plans"). Provided that each of the Funds continues to be registered under the Tax Act as a registered investment at all material times, units of the Funds will be qualified investments for registered plans.

REMUNERATION OF DIRECTORS, OFFICERS, AND TRUSTEE

The Funds themselves do not have directors or officers and therefore have not paid any remuneration to such persons. The Funds pay fees to the members of the Independent Review Committee. Please see "Fund Governance - Independent Review Committee" and "Fees and Expenses" for information on the remuneration paid to members of the Independent Review Committee. Apart from the compensation payable to us as the manager of each Fund as described under "Fees and Expenses", the Funds do not pay any compensation to us as the trustee of the Funds.

MATERIAL CONTRACTS

The material contracts entered into by or on behalf of the Funds are (a) the Declarations of Trust, referred to above in "Name, Formation and History of the Funds", (b) the Management Agreements referred to above in "Responsibility for Fund Operations - Manager", (c) the Custodial Services Agreement referred to above in "Responsibility for Fund Operations - Custodian", and (d) the portfolio advisory agreements referred to above in "Responsibility for Fund Operations - Portfolio Advisor". These contracts may be inspected during normal business hours at the principal office of Galileo in Toronto at TD Canada Trust Tower, Suite 4730, 161 Bay Street, PO Box 205, Toronto, Ontario M5J 2S1.

AUDITOR'S CONSENT

Re: Galileo High Income Plus Fund
Galileo Global Opportunities Fund

(collectively, the "Funds")

We have read the Simplified Prospectus and the related Annual Information Form of the Funds dated November 15 , 2011, relating to the issue and sale of units of the Funds. We have complied with Canadian generally accepted standards for an auditor's involvement with offering documents.

We consent to the use, through incorporation by reference in the above-mentioned Simplified Prospectus, of our report to the Unitholders of the Funds on the financial statements of each of the Funds which comprise the statements of investment portfolio and net assets as at December 31, 2010 and the statements of operations and changes in net assets for the year then ended, and the related notes, including a summary of significant accounting policies. Our report is dated March 28, 2011.

(Signed) "PricewaterhouseCoopers LLP"

Chartered Accountants, Licensed Public Accountants
Toronto, Ontario
November 15, 2011

CERTIFICATE OF THE FUNDS AND THE MANAGER AND PROMOTER OF THE FUNDS

This annual information form dated November 15, 2011, together with the simplified prospectus dated November 15, 2011 and the documents incorporated by reference into the simplified prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the simplified prospectus, as required by the securities legislation of the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, New Brunswick, Nova Scotia and Prince Edward Island, and do not contain any misrepresentations.

DATED November 15, 2011

(signed) "Michael Waring"
Michael Waring
Chief Executive Officer

(signed) "Evelyn Foo"
Evelyn Foo
Chief Financial Officer

On behalf of the Board of Directors of Galileo Funds Inc.,
as Manager, Trustee and Promoter of the Funds:

(signed) "Joseph F. MacDonald"
Joseph F. MacDonald
Director

[back cover]

Galileo Funds

Galileo High Income Plus Fund
Galileo Global Opportunities Fund

Additional information about the Galileo Funds is available in the Funds' Fund Facts, management reports of fund performance and financial statements. You can get a copy of these documents at no cost by calling us toll-free 1-888-912-2288 or from your dealer or by e-mail at clientservices@galileofunds.ca.

These documents and other information about the Galileo Funds, such as information circulars and material contracts, are also available on our website at www.galileofunds.ca or at www.sedar.com. Some of this information is available on our website in English only.

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