

EAST COAST INVESTMENT GRADE INCOME FUND CLOSES

\$135 MILLION INITIAL PUBLIC OFFERING

PRESS RELEASE FOR IMMEDIATE RELEASE

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TORONTO, May 18, 2012 – Arrow Capital Management Inc. (“Arrow”) is pleased to announce that East Coast Investment Grade Income Fund (the “Fund”) has completed its initial public offering of 11,250,000 units (the “Units”) at a price of \$12.00 per Unit for gross proceeds of \$135 million. The Units commenced trading on the Toronto Stock Exchange on May 18, 2012 under the symbol ECF.UN.

“We are extremely pleased with the positive response we have experienced with this closed end fund offering”, says Rob Parsons, Managing Director and COO of Arrow. Adding, “We continue to broaden our product line-up with unique and compelling alternative income and equity solutions that meet a wide variety of client needs.”

The Fund has been created to provide enhanced exposure, on a tax advantaged basis, to an actively managed portfolio (the “Portfolio”) comprised primarily of Canadian investment grade corporate bonds. The Portfolio is designed to generate attractive risk-adjusted returns, while seeking to eliminate the interest rate risk normally associated with such fixed income investments. The Fund will be advised by East Coast Fund Management Inc. (“East Coast”). The experienced investment and trading team will be led by Mike MacBain, a credit specialist with over 25 years of experience in fixed income, money markets, derivatives and foreign exchange as the former President of TD Securities and Head of Global FIC (fixed income, cash, derivatives and currencies) at RBC Capital Markets.

“We recognize the challenges facing investors in the current market environment, which is why we launched the Fund with our partners at Arrow, as it provides a compelling story that we believe will benefit our investors in both the short and long term,” added Mike MacBain, Founding Partner of East Coast.

The Fund has granted the Agents for the offering an over-allotment option to acquire up to an additional 1,687,500 Units at a price of \$12.00 per Unit exercisable in whole or in part during the next thirty days.

The syndicate of Agents for the offering was led by RBC Capital Markets and includes CIBC, TD Securities Inc., BMO Capital Markets, Scotiabank, Macquarie Private Wealth Inc., GMP Securities L.P., Raymond James Ltd., Canaccord Genuity Corp., and Manulife Securities Incorporated.

About Arrow Capital Management Inc.

[Arrow Capital Management Inc.](#) is an employee-owned company, founded in 1999 by James McGovern. Arrow's expertise in active portfolio management and manager selection is evident in its strong, diverse platform, which provides our clients with access to a global selection of outstanding alternative investment funds. One of the most experienced alternative investment fund companies in Canada and with an extensive network of global resources, Arrow has successfully navigated its clients through all types of market conditions. Arrow is a founding member of AIMA Canada (Alternative Investment Management Association) and is a substantial co-investor in its own funds. Arrow is based in Toronto, Canada, with sales offices in Vancouver, Calgary, and a joint venture relationship in London, UK with Generation Asset Management (UK) Limited.

Certain statements included in this news release constitute forward-looking statements, including, but not limited to, those identified by the expressions "expect," "intend," "will" and similar expressions to the extent that they relate to the Fund. The forward-looking statements are not historical facts but reflect Arrow's current expectations regarding future results or events. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations. Although Arrow believes that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and, accordingly, readers are cautioned not to place undue reliance on such statements due to the inherent uncertainty therein. Arrow does not undertake any obligation to update publicly or otherwise revise any forward-looking statement or information whether as a result of new information, future events or other such factors which affect this information, except as required by law.

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