FORM 51-102F3

MATERIAL CHANGE REPORT

1. Name and Address of Company

Strongco Income Fund (the "**Fund**" or "**Strongco**")
1640 Enterprise Road
Mississauga, ON L4W 4L4

2. Date of Material Change

March 25, 2010

3. News Release

A news release disclosing the nature and substance of the material change was disseminated via Marketwire on March 25, 2010.

4. Summary of Material Change

The Fund announced that its Board of Trustees has approved the reorganization of its income trust structure into a public corporation to be named "Strongco Corporation". The proposed reorganization is subject to unitholder and other approvals and will be undertaken pursuant to a plan of arrangement under the *Business Corporations Act* (Ontario). Pursuant to the plan of arrangement, each holder of Fund units will receive, for each Fund unit held, one common share of Strongco Corporation.

The Fund's unitholders will be asked to approve the proposed conversion at an annual and special meeting of unitholders to be held on May 14, 2010. Provided that the necessary approvals are obtained, Strongco anticipates that the conversion transaction will be completed on or about July 1, 2010.

5. Full Description of Material Change

(a) Full Description of Material Change

Please see copy of news release dated March 25, 2010 annexed hereto as Schedule A.

(b) Disclosure for Restructuring Transactions

Not applicable.

6. Reliance on subsection 7.1(2) of National Instrument 51-102

Not Applicable.

7. Omitted Information

Not Applicable.

8. Executive Officer

Robert H.R. Dryburgh
President and Chief Executive Officer
Telephone: (905) 565-3802

9. Date of Report

March 30, 2010

Schedule A

See attached.

Tel: (905) 565-1899
Fax: (905) 565-1907

Strongco Income Fund
1640 Enterprise Road
Mississauga, Ontario L4W 4L4

TSX Symbol: SQP.UN **For Immediate Release**

Strongco Announces Planned Conversion To Corporation

Mississauga, Ontario – March 25, 2010 – Strongco Income Fund (the "Fund") today announced that its Board of Trustees has approved the reorganization of its income trust structure into a public corporation to be named "Strongco Corporation".

The proposed reorganization, to be effective July 1, 2010, is subject to unitholder and other approvals and will be undertaken pursuant to a plan of arrangement under the *Business Corporations Act* (Ontario). Pursuant to the plan of arrangement, each holder of Fund units will receive, for each Fund unit held, one common share of Strongco Corporation.

"With many income trusts making similar announcements at this time, we wanted our unitholders and the investment community to know Strongco's intentions," said Bob Dryburgh, President and Chief Executive Officer. "We believe that the actions we took during 2009 to focus on our core business, restructure our cost base and improve our balance sheet puts Strongco in a position to now focus on growing the company and pursuing attractive acquisition opportunities. This change in structure will be fundamental in helping us achieve our strategic growth objectives over the coming years and provide an attractive investment opportunity for our existing and new investors."

At this time, it is not anticipated that Strongco will pay dividends in the balance of 2010. However, management and the Board intends to establish a dividend policy taking into account Strongco's cash flow and capital requirements. National Bank Financial Inc. has been retained to conduct an analysis of the Fund's capital structure and requirements and to provide advice regarding the implementation of an appropriate dividend policy in the context of the growth and acquisition plans of the company.

Background and Reasons for the Conversion Transaction

The decision to reorganize the Fund's income trust structure stems from the federal government's announcement on October 31, 2006 to amend the tax treatment of specified investment flow-through trusts with effect commencing on January 1, 2011. The amendment will result in a tax at the trust level on distributions of certain income from publicly traded mutual fund trusts, such as the Fund, at rates of tax comparable to the combined federal and provincial corporate tax rate and treat such distributions as dividends to unitholders.

The Trustees believe that the conversion of the Fund to a public corporation provides a number of strategic benefits to the Fund and its unitholders. The Trustees have determined that the proposed conversion transaction is in the best interest of the Fund and is fair to unitholders and recommend that unitholders vote in favour of the conversion.

Details of the Conversion

Unitholders will be asked to approve the proposed conversion at an annual and special meeting of unitholders to be held on May 14, 2010. A management information circular related to the meeting will be distributed to unitholders for consideration in advance of the meeting and will be available at www.sedar.com.

Provided that the necessary approvals are obtained, Strongco anticipates that the conversion transaction will be completed on or about July 1, 2010.

About Strongco

Strongco Income Fund is a trust established to hold one of the largest multi-line industrial equipment distribution providers in Canada. Over 500 employees provide retail service at 27 branches located from Newfoundland to Alberta. Strongco sells, rents and services mobile industrial equipment to sectors that include construction, road building, mining, forestry, utilities and municipalities. Strongco represents leading equipment manufacturers that include Volvo, Case, Manitowoc, Cedarapids, Skyjack, Fassi, Allied, Gomaco, Taylor, ESCO and Dressta.

Strongco Income Fund is listed on the Toronto Stock Exchange under the symbol SQP.UN.

Forward-Looking Statements

This news release contains "forward-looking" statements within the meaning of applicable securities legislation which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Fund or industry results, to be materially different from any future results, events, expectations, performance or achievements expressed or implied by such forward-looking statements. All such forward-looking statements are made pursuant to the "safe harbour" provisions of applicable Canadian securities legislation. Forward-looking statements typically contain words or phrases such as "may", "outlook", "objective", "intend", "estimate", "anticipate", "should", "could", "would", "will", "expect", "believe", "plan" and other similar terminology suggesting future outcomes or events.

This news release contains forward-looking statements relating to: the anticipated benefits of the proposed conversion; the potential for the payment of dividends by Strongco Corporation following completion of the proposed conversion; the timing of the effective date of the proposed conversion; and the listing of the shares of Strongco Corporation. Forward-looking statements respecting the anticipated benefits of the proposed conversion and the potential for the payment of dividends by Strongco Corporation following completion of the proposed conversion are based upon the financial and operating attributes of the Fund as at the date hereof, anticipated operating and financial results from the date hereof to the effective date of the proposed conversion, the anticipated operating and financial results of Strongco Corporation after the effective date of the proposed conversion, the views of management and the trustees of the Fund respecting the benefits associated with the proposed conversion and the current and anticipated market conditions. Forward-looking statements regarding the timing of the effective date of the proposed conversion and the public listing of the shares of Strongco Corporation are based upon advice received from advisors related to timing expectations.

Forward-looking statements involve numerous assumptions and should not be read as guarantees of future performance or results. Such statements will not necessarily be accurate indications of whether or not such future performance or results will be achieved. You should not unduly rely on forward-looking statements as a number of factors, many of which are beyond the control of the Fund, could cause actual performance or results to differ materially from the performance or results discussed in the forward-looking statements, including, failure of a party to the proposed conversion to satisfy the conditions precedent to completion of the proposed conversion; inability to obtain requisite consents or approvals related to the proposed conversion; failure to realize anticipated benefits of the proposed conversion; actual future market conditions being different than anticipated by management and the trustees of the Fund; actual future operating and financial results of the Fund and/or Strongco Corporation being different than anticipated by management and the trustees of the Fund; general economic conditions; business cyclicality, relationships with manufacturers; access to products; competition with existing business; reliance on key personnel; litigation and product liability claims; inventory obsolescence; sufficiency of credit availability; credit risks of customers; warranty claims; technology interpretations; and labour relations. Although the forward-looking statements contained in this news release are based upon what management of the Fund believes are reasonable assumptions, the Fund cannot assure investors that actual performance or results will be consistent with these forward-looking statements. These statements reflect current expectations regarding future events and operating performance and are based on information currently available to the Fund's management. There can be no assurance that the plans, intentions or expectations upon which these forward-looking statements are based will occur. All forward-looking statements in this news release are qualified by these cautionary statements. These forward-looking statements and outlook are made as of the date of this news release and, except as required by applicable law, the Fund assumes no obligation to update or revise them to reflect new events or circumstances.

Information Contact

Robert Dryburgh
President and Chief Executive Officer
Telephone: 905.565.3802
Email: rdryburgh@strongco.com

www.strongco.com