

This Offering Memorandum constitutes an offering of securities only in those jurisdictions and to those persons where and to whom they may lawfully be offered for sale. This Offering Memorandum is not, and under no circumstances is to be construed as a prospectus or an advertisement for a public offering of these securities. No securities commission or similar authority in Canada has in any way passed upon the merits of the securities offered in this Offering Memorandum nor has it reviewed this Offering Memorandum and any representation to the contrary is an offence. The securities described herein are not "deposits" within the meaning of the Canada Deposit Insurance Corporation Act, are not insured under the provisions of that act or any other legislation, and are not guaranteed. Under applicable laws, resale of the units may be subject to indefinite restrictions, other than through redemption of the units or another available exemption.

No person has been authorized to give any information or to make any representations about the Fund not contained in this Offering Memorandum. Any such information or representation which is given or received must not be relied upon by any investor.

AMENDED AND RESTATED CONFIDENTIAL OFFERING MEMORANDUM

Continuous Offering

March 1, 2021



GOOD OPPORTUNITIES FUND

Good Opportunities Fund (the "**Fund**") is an open-end investment trust established under the laws of the province of Ontario pursuant to the terms of a declaration of trust dated as of January 2, 2008, as amended and restated as of April 1, 2011, January 2, 2014, January 1, 2016, December 21, 2020 and March 1, 2021 with GFI Investment Counsel Ltd. as trustee and manager (the "**Manager**").

The Fund is offering an unlimited number of Class A units, Class F Units and Class G Units of the Fund (collectively, the "**Units**"), on a continuous basis pursuant to this amended and restated confidential offering memorandum (the "**Offering Memorandum**"). The Units are being distributed to investors on a private placement basis only in reliance upon exemptions from the prospectus requirements under applicable securities legislation in each of the provinces and territories of Canada where units may lawfully be sold. Prospective investors must be "accredited investors", as defined under applicable securities laws, or otherwise be eligible to purchase the Units on a basis that is exempt from the prospectus requirements under applicable securities laws. Purchasers of Units will be obliged to establish their qualification to invest in Units in accordance with the requirements of the securities laws of their province of residence. See "Investing in the Fund".

The investment objective of the Fund is to achieve above-market returns through investing primarily in equity securities of companies with various levels of capitalization predominantly located in Canada and the United States and also around the world.

The Fund seeks to meet its investment objective by taking a value-oriented fundamental research approach in order to identify compelling long and short investments (the "**Long/Short Value Strategy**") and also by utilizing a top-down macro methodology to analyze economic trends evolving in various global economies to identify investment opportunities within those markets based on the trends

identified (the "**Global Macro Strategy**"). The Fund generally concentrates its investment in its best 10 - 20 ideas. See "Investment Objective, Strategies and Restrictions of the Fund".

This Offering Memorandum is submitted on a confidential basis for use by investors solely in connection with the consideration of the purchase of Units pursuant to exemptions from the prospectus requirements. This Offering Memorandum may not be reproduced in whole or in part and its use for any purpose other than to evaluate an investment in the securities described herein is prohibited. No one is authorized to make any representation or give any warranty on behalf of the Fund other than those representations and warranties made or referred to in this Offering Memorandum.

An investment in the Fund is speculative and involves a high degree of risk and is not intended as a complete investment program, and such an investment should only be made after consultation with independent qualified sources of investment and tax advice. The purchase of Units should be considered only by investors who do not require immediate liquidity of their investment and who can reasonably afford a substantial impairment or loss of some or all of their investment. See "Risk Factors".

GFI Investment Counsel Ltd. (the "Manager") is the investment fund manager, portfolio manager and trustee of the Fund. The Manager receives a management fee and may receive a performance fee from the Fund in connection with its services as an investment fund manager and portfolio manager. The Manager does not receive a fee for its services as a trustee. The Manager may also act as an exempt market dealer for the distribution of units of the Fund, but receives no fee for acting in such capacity. As a result of the foregoing relationships, the Fund may be considered a related and/or connected issuer of the Manager, as such terms are defined in National Instrument 33-105 *Underwriting Conflicts*. See "Conflicts of Interest".

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Offering Memorandum contains forward-looking statements. All statements, other than statements of historical fact, that address activities, events or developments that the Manager believes, expects or anticipates will or may occur in the future (including, without limitation, statements regarding any objectives and strategies of the Fund) are forward-looking statements. These forward-looking statements reflect the current expectations, assumptions or beliefs of the Manager based on information currently available to the Manager. Forward-looking statements are subject to a number of risks and uncertainties that may cause the actual results of the Fund to differ materially from those discussed in the forward-looking statements, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, the Fund. Factors that could cause actual results or events to differ materially from current expectations include, among other things, volatility in financial markets, fluctuations in currency exchange rates and interest rates, tax consequences, changes in applicable laws and other risks associated with investing in securities and those factors discussed under the section "Risk Factors" in this Offering Memorandum. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Fund disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Although the Manager believes that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.

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SUMMARY

Prospective investors are encouraged to consult their own professional advisors as to the tax and legal consequences of investing in the Fund. Terms not defined in this summary are defined in the Glossary of Terms. The following is a summary only and is qualified by the more detailed information contained in this Offering Memorandum and the Fund's Declaration of Trust.

The Fund

Good Opportunities Fund (the "**Fund**") is an open-end investment trust established under the laws of the province of Ontario pursuant to the terms of a declaration of trust dated as of January 2, 2008, as amended and restated as of April 1, 2011, January 2, 2014, January 1, 2016, December 21, 2020, March 1, 2021 and as may be further amended, restated or supplemented from time to time.

Investment Objective, Strategies and Restrictions of the Fund

The investment objective of the Fund is to achieve above-market returns through investing primarily in equity securities of companies with various levels of capitalization predominantly located in Canada and the United States and also around the world. The Manager considers "equity securities" to include common shares, preferred shares, securities convertible into common or preferred shares, warrants and rights, limited partnership interests, units or shares of undertakings for collective investment and depository receipts.

The Fund seeks to meet its investment objective primarily by taking a value-oriented fundamental research approach to identifying compelling long and short investments (the "**Long/Short Value Strategy**") and also by utilizing a top-down macro methodology to analyze economic trends evolving in various global economies to identify investment opportunities within those markets based on the trends identified (the "**Global Macro Strategy**").

The Long/Short Value Strategy

The Fund's assets are primarily invested using a strategy which can take long and/or short positions in securities but is not intended to be "market neutral". Investments in equity, debt and other securities of issuers primarily in Canada and the United States and across global markets will be considered. A variety of hedging strategies may be deployed to enhance returns, reduce risk, or both.

The Manager may use techniques such as fundamental analysis to assess growth potential. This means evaluating the financial condition and management of a company, its industry and the overall economy. As part of this evaluation, the Manager analyzes financial data and other information sources, assesses the quality of management and may conduct company interviews, where possible.

When deciding to buy or sell an investment, the Manager also considers whether the investment is a good value relative to its current price.

The Global Macro Strategy

The Manager will invest a portion of the Fund's assets across global markets when the Manager identifies investment opportunities using a top-down view to analyze economic trends evolving in various markets. Macro events are changes in global economies, typically as a result of shifts in government policy, that impact interest rates which, in turn, affect various financial instruments, including currency, equity and fixed-income markets. Using this strategy, the Fund may take positions in the currency, fixed-income, commodity, equity and other markets. Such positions may be initiated to express macro views or to exploit inter-market pricing discrepancies, as well as to hedge as needed. The Fund may take long and short positions in the markets in which it invests.

Additional Investment Strategies

The Fund may from time to time engage in option strategies designed to reduce risk and/or enhance upside potential. The Fund may employ leverage to meet its investment objective, and may hedge the portfolio by using certain exchange traded securities or mutual funds that are designed to profit when equity securities are generally declining. The Fund may also use derivatives to hedge its foreign currency exposure. The Manager, provided that it obtains and maintains the necessary registrations under applicable securities laws, also expects to utilize futures contracts and options thereon to enhance the returns of the Fund, including trades in commodity, interest rate, stock index and currency futures contracts.

Investment Restrictions

Short positions in equity securities will not exceed 50% of the Fund's net assets at the time of investment. Leverage will not exceed 25% of the Fund's net assets at the time of investment.

Although the Manager will attempt to reasonably diversify the Fund's investments, there are no limitations on the concentration of the Fund's assets in any issue, issuer, market sector, country, currency or securities of any particular maturity or credit quality. The Fund may make large investments in any country, including emerging markets or emerging industries of any market.

See "Investment Objective, Strategies and Restrictions of the Fund".

There can be no assurance that the Fund will achieve its investment objective. See "Risk Factors".

**The Trustee and
Manager**

GFI Investment Counsel Ltd. is the trustee (the "Trustee") and manager (the "Manager") of the Fund. See "The Fund".

The Trustee holds title to the property of the Fund and, under the Declaration of Trust, is responsible for the day-to-day management of the Fund. See "Management of the Fund - The Manager".

Units of the Fund

The Fund is authorized to issue an unlimited number of classes of units, having such terms and conditions as the Trustee may determine. Each unit represents an undivided ownership interest in the assets of that class. To date, three classes of units have been created: Class A Units, Class F Units and Class G Units (collectively, the "**Units**"). Units are redeemable and non-transferable. See "Units of the Fund".

Management Fee

The Fund currently pays to the Manager a management fee in respect of each class of Units (the "**Management Fee**") at an annual rate of:

- i. 2% of the Net Asset Value (as defined herein) of the Class A Units plus applicable taxes; plus
- ii. 1.35% of the Net Asset Value (as defined herein) of the Class F Units plus applicable taxes; plus
- iii. 0.75% of the Net Asset Value (as defined herein) of the Class G Units plus applicable taxes.

The Management Fee is calculated and accrued monthly based on the assets attributed to each class of Units of the Fund and is payable as of the last Valuation Date of each month. See "Fees and Expenses - Management Fees".

Performance Fee

The Manager is also entitled to receive from the Fund an annual performance fee (the "**Performance Fee**") equal to 20% in the case of Class A Units and Class F Units, and equal to 15% in the case of Class G Units, of the net increase in the Net Asset Value per Unit of a Unitholder's Units during the calendar year (prior to accruals with respect to the Performance Fee) plus applicable taxes, provided, however, that a Performance Fee will only be paid with respect to the net increase in the Net Asset Value per Unit of the applicable class in excess of the "**Prior High NAV per Unit**" plus the "**Hurdle Rate**".

The Prior High NAV per Unit is the Net Asset Value per Unit of the applicable class as of the first Business Day immediately following the last date as of which the Performance Fee with respect to such Unit was payable (or if no Performance Fee has yet been payable with respect to such Unit, the price at which such Unit was issued).

The Hurdle Rate is an annual rate of return equal to 6% of the Prior High NAV per Unit. The Hurdle Rate will be prorated monthly, from January 1 of the relevant fiscal year or the date on which such Unit was issued (as applicable) and reset on January 1 of the following year.

To the extent that the Net Asset Value of an investor's Units declines in any year the negative amount will be carried forward and deducted from the Net

Asset Value used to calculate the Performance Fee in respect of such Units in future years. To the extent that the Class Net Asset Value of a Unitholder's Units in any year exceeds the Prior High NAV per Unit of such Units by an amount that is less than the Hurdle Rate, such Class Net Asset Value per Unit shall be the Prior High NAV per Unit for the subsequent year. (In other words, the Performance Fee will be based on a "high water mark" net asset value for the Units issued on each investment.) The Performance Fee will be calculated and accrued monthly and will be payable on the last Valuation Date of each calendar year, except where a Unitholder redeems Units, in which case the Performance Fee will be payable by the Fund in respect of the redeemed Units and the redemption proceeds payable to the Unitholder will be reduced by such amount. The Manager has no obligation to repay to the Fund or any investor any Performance Fees previously earned and paid, even if there is a decrease in the Net Asset Value per Unit of the applicable class of the Fund in a subsequent year. See "Fees and Expenses - Performance Fee".

Administration Fees and Expenses

The Fund is responsible for the costs of offering the Units, including without limitation the fees and expenses of counsel and the Fund's auditors. The Fund was responsible for the organizational expenses incurred during the initial organization of the Fund (the "**Initial Expenses**"). For the purposes of determining the Net Asset Value and the Net Asset Value per Unit, the Fund amortized the Initial Expenses over a five-year period.

The Fund is responsible for the payment of all fees and expenses relating to its operation, including audit, accounting, administration, recordkeeping, legal fees and expenses, custody and safekeeping charges, providing financial and other reports to Unitholders and convening and conducting meetings of Unitholders, all taxes, assessments or other governmental charges levied against the Fund, interest and all brokerage and other fees relating to the purchase and sale of the assets of the Fund. See "Fees and Expenses - Administration Fees and Expenses".

Dealer Compensation

Sales Charges. No sales charges are payable on subscriptions for Units.

Servicing Commissions. The Manager may pay Registered Dealers servicing commissions as compensation for ongoing advice and service to investors in respect of Class A Units. The servicing commissions are based on a monthly total of client assets invested in the Fund at an annual rate that is not to exceed one half of the then current Management Fee for the Class A Units, payable on a quarterly basis in arrears. A Registered Dealer is entitled to such fees in respect of Class A Units for so long as its clients hold those Units. Notwithstanding the foregoing, the payment of servicing commissions is at the discretion of the Manager and servicing commissions may be modified or discontinued by the Manager at any time. The Manager does not pay servicing commissions on Class F Units or Class G Units. See "Dealer Compensation".

Subscribing for Units

Purchases of Units can be made on the last day of each month on which the Toronto Stock Exchange is open or such other date or dates on which the Manager determines is appropriate, and at least December 31 of each year (each, a "**Valuation Date**"). Purchase orders may be made directly through the Manager or through Registered Dealers and must be received by the Manager prior to 4:00 p.m. (Toronto time) on the Valuation Date on which the investor wishes to purchase Units. Orders received after this time will be effective on the next Valuation Date. See "Investing in the Fund - Subscribing for Units".

Minimum Initial Investment and Additional Investments

Subject to available exemptions under securities laws in the purchaser's province of residence, Class A Units and Class F Units are offered in minimum initial investment amounts of \$50,000 and Class G Units are offered in minimum initial investment amounts of \$3,000,000. In certain circumstances, securities laws may require initial investments of higher amounts for Class A Units and Class F Units. The Manager has the discretion to accept initial investments of less than the minimum amounts stated above subject to compliance with applicable laws. If the net asset value of the Class G Units held by an investor falls below the required minimum as a result of a redemption, the Manager may, in its sole discretion, redesignate the investor's remaining Class G Units as Class A Units or Class F Units, as applicable.

Additional investments are generally permitted in amounts of \$5,000, subject to applicable securities laws. Subject to compliance with applicable laws, the Manager has the discretion to accept subsequent investments of lesser amounts. See "Investing in the Fund".

Redeeming Units

A Unitholder may surrender Units for redemption at any time. A redemption order received by the Manager at least 10 Business Days prior to a month-end Valuation Date will be effective on that Valuation Date at the Net Asset Value per Unit of the applicable class as of that Valuation Date (each, a "**Redemption Date**"). Units may be redeemed either directly through the Manager or through a Registered Dealer by providing the Manager with at least 10 Business Days' prior written notice. Redemption orders received by the Manager after 4:00 p.m. (Toronto time) on the 10th Business Day prior to a month-end Valuation Date will be processed on the next Valuation Date. Once submitted, a redemption order is irrevocable by the Unitholder. Subject to the provisions below, payment of redemption proceeds will be made on or about the 10th Business Day following the Redemption Date on which Units were redeemed.

If the Manager has received redemption orders for 5% or more of the outstanding Units on a Redemption Date, the Manager may defer the payment of the redemption proceeds for up to 30 days following the Redemption Date. See "Redeeming Units - How to Redeem Units".

A redemption charge may be charged on Units tendered for redemption within the first two years following their purchase as follows:

Class A Units - at the rate of 2.5% during the first 3 months, 2% during months 4 through 6 and 1% during months 7 to 12.

Class F and Class G Units - at the rate of 2.5% during the first 15 months, 2% during months 16 through 18 and 1% during months 19 to 24.

Any applicable redemption charge will be calculated using the higher of: (i) the acquisition cost; and (ii) the then current market value; of the Units tendered for redemption. The redemption charge is paid to the Fund. See "Redeeming Units - Short Term Trading Fee".

Suspension of Redemptions

The Trustee may suspend the redemption of Units, or payments in respect thereof, for any period during which normal trading is suspended on any stock exchange, options exchange or futures exchange within or outside Canada on which securities which represent more than 50% of the underlying market exposure of the total assets of the Fund, without allowance for liabilities, are listed and traded, or during any other period in which the Manager determines that conditions exist which render impractical the sale of assets or impair the ability to determine the value of any of the Fund's assets. The redemption price will be adjusted by changes in the Net Asset Value per Unit of the applicable class during this suspension period and calculated on the Valuation Date on which the redemption occurs. See "Redeeming Units - Suspension of Redemptions".

Valuation

The Net Asset Value of the Fund and of each class of Units is determined as at the close of business on every Valuation Date in accordance with the Declaration of Trust. See "Valuation - Determination of Net Asset Value".

Distributions

The Fund currently pays annual distributions. The Fund distributes net income and net realized capital gains, if any, to Unitholders of each class no less frequently than annually (by December 31 in each year) on a *pro rata* basis and, in the discretion of the Manager, on the redemption of Units. All distributions (other than distributions made upon the redemption of Units, if any) of net income and net realized capital gains will be made on a *pro rata* basis to each registered Unitholder of a class determined as of the close of business on the date of the distribution.

Subject to the receipt of any necessary approvals from the securities regulatory authorities, all distributions (other than distributions made upon the redemption of Units) of net income and net realized capital gains to Unitholders (less any amounts required by law to be deducted therefrom) will automatically be reinvested by the Trustee for the account of each Unitholder in additional Units of the same class at the Net Asset Value per Unit of the applicable class calculated as of the next Valuation Date, unless a Unitholder elects in writing to receive such distributions in cash. No sales charge or

commission shall be payable by a Unitholder in connection with any such reinvestment. The costs of distributions, if any, will be paid by the Fund.

Canadian Federal Income Tax Considerations

A Unitholder will generally be required to include in computing income for a year the amount of the Fund's net income for tax purposes, including net taxable capital gains, paid or payable to the Unitholder in the year, whether received in cash or reinvested in additional Units. The Fund intends to distribute to Unitholders sufficient net income and net taxable capital gains in each year so that the Fund will generally not be subject to tax under Part I of the *Income Tax Act* (Canada) (the "**Tax Act**"). A Unitholder who disposes of Units held as capital property (on redemption or otherwise) will realize a capital gain to the extent that the proceeds of disposition exceed the adjusted cost base of the Units and any reasonable costs of disposition. See "Canadian Federal Income Tax Considerations". **Each investor should satisfy himself or herself as to the federal, provincial and territorial tax consequences of an investment in Units by obtaining advice from his or her tax advisor.**

Eligibility for Investment

Provided the Fund qualifies at all relevant times as a "mutual fund trust" for purposes of the Tax Act, Units of the Fund will be qualified investments under the Tax Act for a trust governed by a registered retirement savings plan ("**RRSP**"), a registered retirement income fund ("**RRIF**"), a tax-free savings account ("**TFSA**"), a registered disability savings plan ("**RDSP**"), a registered education savings plan ("**RESP**") and a deferred profit sharing plan (each, a "**Registered Plan**"). The Fund expects to qualify as a mutual fund trust within the meaning of the Tax Act at all relevant times.

Notwithstanding that Units may be a qualified investment for Registered Plans, if the Units are "prohibited investments" for purposes of the Tax Act for an RRSP, RRIF, RESP, TFSA or RDSP, the annuitant of the RRSP or RRIF, the holder of the TFSA or RDSP, or the subscriber of the RESP, as the case may be, will be subject to a penalty tax as set out in the Tax Act. Investors who intend to hold Units in a Registered Plan should consult with their own tax advisors regarding the application of the prohibited investment rules in the Tax Act having regard to their particular circumstances and the tax consequences of Units being acquired or held by the Registered Plan. See "*Eligibility for Investment*".

Risk Factors

There are risks associated with an investment in the Fund as a result of, among other considerations, the proposed nature and operations of the Fund. An investment in Units should only be made after consultation with independent qualified sources of investment and tax advice. **An investment in the Fund is speculative and involves a high degree of risk and is not intended as a complete investment program. There is a risk that an investment in the Fund will be lost entirely or in part. Only investors who do not require immediate liquidity of their investment and who can reasonably afford a substantial impairment or loss of their entire investment should**

consider the purchase of Units. See "Risk Factors".

Auditors

The auditors of the Fund are PricewaterhouseCoopers LLP.

Valuation Agent

The current valuation agent of the Fund is SGGG Fund Services Inc. The Manager has the discretion to appoint a successor valuation agent.

Legal Counsel

Current legal counsel to the Fund and the Manager is AUM Law Professional Corporation. The Manager has the discretion to appoint new legal counsel.

Custodian and Prime Broker

The custodian and prime broker of the Fund is TD Securities Inc. The Manager has the discretion to appoint a successor custodian and prime broker.

Other Restrictions

The securities offered under this Offering Memorandum have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any state securities laws and may not be offered or sold in the United States or to U.S. persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

This Offering Memorandum constitutes an offering of the securities described herein only in those jurisdictions and to those persons where and to whom they may be lawfully offered for sale. This Offering Memorandum is not, and in no circumstances is to be construed as, a prospectus or advertisement or public offering of securities. No securities commission or similar authority in Canada, the United States or in any other jurisdiction has reviewed this material or has in any way passed upon the merits of the securities offered hereunder and any representation to the contrary is an offence. This Offering Memorandum is submitted on a confidential basis for use by investors solely in connection with the consideration of the purchase of these securities pursuant to exemptions from the prospectus requirements. This Offering Memorandum may not be reproduced in whole or in part and its use for any purpose other than to evaluate an investment in the securities described herein is prohibited. No one is authorized to make any representation or give any warranty on behalf of the Fund other than those representations and warranties made or referred to in this Offering Memorandum.

Statutory and Contractual Rights

Investors may be entitled to the benefit of certain statutory or contractual rights of action which are described in Schedule "A" - Purchasers' Rights of Action.

GLOSSARY OF TERMS

"**Business Day**" means a day other than Saturday, Sunday or a statutory holiday in Ontario or any other day on which businesses are generally closed in the province of Ontario;

"**Declaration of Trust**" means the amended and restated declaration dated as of March 1, 2021, as amended, restated or supplemented from time to time;

"**Derivative Instruments**" means a financial instrument under which either or both parties agree to make payments or deliveries to the other based on the performance or change in the value of a reference rate or asset including, but not limited to, interest rates, currency exchange rates and debt and equity securities;

"**Fund**" means Good Opportunities Fund, an open-ended investment trust established under the laws of the province of Ontario pursuant to the terms of the Declaration of Trust;

"**Hedge**" means to enter into an off-setting transaction intended to reduce risk of loss of an investment, including loss due to fluctuations in interest rates, currency exchange rates, commodity prices or security prices;

"**Management Fee**" means an annual management fee payable by the Fund to the Manager which is a percentage of the Net Asset Value of each class of Units;

"**Manager**" means GFI Investment Counsel Ltd., a corporation incorporated under the laws of Ontario, in its capacity as manager of the Fund, or any successor thereto appointed pursuant to the terms of the Declaration of Trust;

"**Net Asset Value**" means the net asset value of the Fund, a class of Units, or a Unit, as the context may require, calculated as described under "Valuation";

"**Performance Fee**" means an annual performance fee paid to the Manager equal to 20%, in the case of Class A Units and Class F Units, and 15% in the case of Class G Units, of the net increase in the Net Asset Value per Unit of a Unitholder's Units during the calendar year (prior to accruals with respect to the Performance Fee) plus applicable taxes, as more particularly described under "Fees and Expenses - Performance Fee";

"**Registered Dealer**" means dealers or brokers registered under applicable securities law in a Selling Jurisdiction to sell securities or mutual funds that are not restricted from selling Units, and includes the Manager;

"**Selling Jurisdiction**" means each of the provinces of Canada, being the provinces and territories of Canada where the Units are being offered on a continuous basis to qualified investors pursuant to available prospectus exemptions (in accordance with securities legislation);

"**Tax Act**" means the *Income Tax Act* (Canada), as amended from time to time;

"**Trustee**" means GFI Investment Counsel Ltd. in its capacity as trustee and not in its personal capacity, or any successor trustee of the Fund as may be appointed in accordance with the provisions of the Declaration of Trust;

"**Unitholder**" means the holder of one or more Units;

"Units" means the Class A units, the Class F Units and the Class G units of the Fund;

"Valuation Agent" means SGGG Fund Services Inc., as valuation agent for the Fund, or any successor thereto appointed by the Manager; and

"Valuation Date" means the last day of each month on which the Toronto Stock Exchange is open or such other date or dates on which the Manager determines it is appropriate, and at least December 31 of each year.

All dollar amounts in this Offering Memorandum are expressed in Canadian dollars, except where indicated to the contrary. References to "\$" or dollars are to Canadian dollars.

THE FUND

Good Opportunities Fund is an open-end investment trust established under the laws of the province of Ontario by the Declaration of Trust, with GFI Investment Counsel Ltd. as trustee and Manager of the Fund.

An investment in the Fund is represented by units. The Fund is authorized to issue an unlimited number of classes of units each divisible into an unlimited number of series, having such terms and conditions as the Trustee may determine. To date, three classes of units have been created: Class A units, Class F Units and Class G Units. Each unit represents an undivided ownership interest in the assets of that class.

The only undertaking of the Fund will be the investment of its assets as described herein.

The Fund is a hedge fund which is a type of pooled investment vehicle and is distinguishable from conventional mutual funds in various ways. Unlike most mutual funds which are limited to long positions in securities, hedge funds can also engage in the short sale of investments and other strategies in order to reduce market exposure and enhance the rate of return. Hedge funds have been described as skill-based investment strategies because their returns are derived from the unique skill or strategy of the hedge fund manager. Because hedge funds are actively managed, the manager's management skills are important.

INVESTMENT OBJECTIVE, STRATEGIES AND RESTRICTIONS OF THE FUND

Investment Objective

The investment objective of the Fund is to achieve above-market returns through investing primarily in equity securities of companies with various levels of capitalization predominantly located in Canada and the United States and also around the world. The Manager considers "equity securities" to include common shares, preferred shares, securities convertible into common or preferred shares, warrants and rights, limited partnership interests, units or shares of undertakings for collective investment and depository receipts.

Investment Strategies

The Fund seeks to meet its investment objective primarily by taking a value-oriented fundamental research approach to identifying compelling long and short investments (the "**Long/Short Value Strategy**") and also by utilizing a top-down macro methodology to analyze economic trends evolving in various global economies to identify investment opportunities within those markets based on the trends identified (the "**Global Macro Strategy**"). The Fund generally concentrates its investment in its best 10 - 20 ideas.

The Long/Short Value Strategy

The Fund's assets are primarily invested using a strategy which can take long and/or short positions in securities but is not intended to be "market neutral". Investments in equity, debt and other securities of issuers primarily in Canada and the United States and across global markets will be considered. A variety of hedging strategies may be deployed to enhance returns, reduce risk, or both.

The Manager may use techniques such as fundamental analysis to assess growth potential. This means evaluating the financial condition and management of a company, its industry and the overall economy.

As part of this evaluation, the Manager analyzes financial data and other information sources, assesses the quality of management and may conduct company interviews, where possible.

When deciding to buy or sell an investment, the Manager also considers whether the investment is a good value relative to its current price.

The Global Macro Strategy

The Manager will invest a portion of the Fund's assets across global markets when the Manager identifies investment opportunities using a top-down view to analyze economic trends evolving in various markets. Macro events are changes in global economies, typically as a result of shifts in government policy, that impact interest rates which, in turn, affect various financial instruments, including currency, equity and fixed-income markets. Using this strategy, the Fund may take positions in the currency, fixed-income, commodity, equity and other markets. Such positions may be initiated to express macro views or to exploit inter-market pricing discrepancies, as well as to hedge as needed. The Fund may take long and short positions in the markets in which it invests.

Additional Investment Strategies

The Fund may from time to time engage in option strategies designed to reduce risk and/or enhance upside potential. The Fund may employ leverage to meet its investment objective, and may hedge the portfolio by using certain exchange traded securities or mutual funds that are designed to profit when equity securities are generally declining. The Manager, provided that it obtains and maintains the necessary registrations under applicable securities laws, also expects to utilize futures contracts and options thereon to enhance the returns of the Fund, including trades in commodity, interest rate, stock index and currency futures contracts.

In order to limit the exposure of the Fund and the Unitholders to the volatility associated with the foreign exchange market, when the Manager considers it appropriate, the Fund may enter into derivative transactions to hedge against foreign currency exposure so that the Fund and the Unitholders are not generally exposed to fluctuations in the value of foreign currencies.

Risk Management Systems

The Fund's portfolio is subjected to continuous analysis using risk management systems. These systems calculate:

- the performance of the portfolio relative to the volatility of the investments contained within it;
- the required adjustments between asset classes or investments necessary to re-establish the optimal profile;
- the degree to which each investment is deviating from its expected performance;

- the extent to which the characteristics of the underlying asset classes have changed (become more or less volatile); and
- scenario analysis as to how the portfolio can be improved by the addition of other investments which may be quite distinct and separate from those currently in the portfolio, but which are part of the universe of opportunities tracked by the Manager.

Investment Restrictions of the Fund

The Fund will not purchase securities other than through normal market facilities unless the purchase price therefor approximates the prevailing market price or is negotiated or established on an arm's length basis.

Although the Manager will generally attempt to diversify the Fund's investments, there are no limitations on the concentration of the Fund's assets in any particular sector or in any issue, issuer, country, currency or securities of any particular maturity or credit quality. The Fund may make investments in any country, including emerging markets or emerging industries of any market.

In addition to holding cash, the Fund also may invest excess cash in (i) any Canadian denominated debt security considered investment grade, at the time of investment, by Standard & Poor's Corporation or another equivalent credit rating agency, and (ii) cash equivalents.

Short positions in equity securities will not exceed 50% of the Fund's net assets at the time of investment. Leverage will not exceed 25% of the Fund's net assets at the time of investment.

Notwithstanding the foregoing, the Fund will not be permitted, at any time, to:

- make or hold any investment that would result in the Fund failing to qualify as a "mutual fund trust" for purposes of the Tax Act;
- make or hold any investments in entities that would be "foreign affiliates" of the Fund for purposes of the Tax Act;
- invest in or hold (i) any interest in a non-resident trust (or a partnership that holds such an interest) other than an "exempt foreign trust" as defined in section 94 of the Tax Act or (ii) an interest in a trust (or a partnership which holds such an interest) which would require the Fund (or the partnership) to report income in connection with such interest pursuant to the rules in section 94.2 of the Tax Act; or
- make or hold any investments that could require the Fund to include any material amount in its income pursuant to the offshore investment fund property rules in section 94.1 of the Tax Act.

The Fund may engage in securities lending as described under "Securities Lending" below.

Securities Lending

In order to generate additional returns, the Fund may lend securities to securities borrowers acceptable to the Fund pursuant to the terms of a securities lending agreement between the Fund and any such borrower (each, a "**Securities Lending Agreement**") provided the securities loans must qualify as "securities lending arrangements" for the purposes of the Tax Act. Under a Securities Lending Agreement, the borrower will pay to the Fund a negotiated securities lending fee and will make compensation payments to the Fund equal to any distributions received by the borrower on the securities borrowed.

MANAGEMENT OF THE FUND

The Manager

GFI Investment Counsel Ltd. is responsible for the day-to-day undertaking of the Fund. The address of the head office of the Manager is 45 St. Clair Avenue West, Suite 1000, Toronto ON M4V 1K9. The Manager was created to provide Canadian investors with alternative investment solutions that have proven long-term results regardless of market conditions. The Manager's investment philosophy emphasizes capital preservation combined with investment strategies that have proven to produce consistent long-term returns.

Pursuant to the Declaration of Trust, the Manager (which is also the Trustee), acts as manager of the Fund, has the authority to manage the business and affairs of the Fund and has authority to bind the Fund. The Manager may delegate some or all of its powers and obligations to third parties where, in the discretion of the Manager, it would be in the best interests of the Fund to do so. The Manager is required to exercise its powers and discharge its duties honestly, in good faith, and in the best interests of the Fund and to exercise the care, diligence and skill of a prudent person in comparable circumstances.

The Declaration of Trust provides that the Manager and certain affiliated parties have rights of indemnification from the Fund in carrying out its duties under the Declaration of Trust except in cases of wilful misconduct, bad faith, negligence or any breach of the standard of duty and care set out in the Declaration of Trust. In addition, the Declaration of Trust contains provisions limiting the liability of the Manager.

Pursuant to the Declaration of Trust, the Manager will be deemed to have resigned if the Manager has been declared bankrupt or insolvent or has entered into liquidation or winding up, whether compulsory or voluntary or the Manager makes a general assignment for the benefit of creditors or otherwise acknowledges its insolvency. In addition, the Manager may resign upon 90 days' written notice to the Trustee and to Unitholders. The appointment of a successor Manager must be approved by a majority of the Unitholders at a meeting of Unitholders called by the Manager or the Unitholders. If no successor Manager is appointed or if the Unitholders fail to approve a successor, the Fund shall be terminated.

Portfolio Manager

Daniel Goodman, Chief Executive Officer

Daniel Goodman, Chief Executive Officer of the Manager approves all portfolio management decisions of the Manager. Having spent more than two decades as a senior executive, investment manager, and investor, Daniel founded the Manager in 2007 to create an investment counsel with a relentless focus on client service, performance and transparency.

Committed to lifelong learning and continuing education, Daniel is a CFA charterholder and received his undergraduate degree from the University of Western Ontario. Daniel completed executive education in Behavioural Finance and Investing from Harvard University. He also taught Financial Planning at the Schulich School of Business.

Previously, Daniel was on the board of directors of Dundee Corporation (TSX: DC.A) and served on the Finance and Investment Committee of the Mount Sinai Hospital Foundation of Toronto from April 2007 to June 2013.

Effie Wolle, President and Chief Investment Officer

Effie Wolle, President and Chief Investment Officer of the Manager, started at the Manager in October 2007. From 2005 to 2007, Effie was Director of Risk Management at Morrison Financial. While at Morrison, Effie worked side-by-side with senior management, overseeing operational and strategic changes. Effie's primary focus was in the information technology, software, and personnel industries. Prior to joining Morrison, Effie was an Actuarial Associate at Hewitt Associates, where he worked with multinational corporations on all aspects of their defined benefit pension plans. While at Hewitt, Effie completed three Society of Actuaries examinations. In 1999, Effie completed his Bachelor of Science (Honours) degree in Actuarial Science from The University of Western Ontario and, in 2005, he graduated with a Master of Business Administration degree from the Ivey School of Business. Effie is a CFA charterholder.

The Trustee

The Trustee of the Fund holds title to the property of the Fund as trustee under the Declaration of Trust. The Trustee (which is also the Manager) or any successor appointed pursuant to the terms of the Declaration of Trust may resign upon 90 days' written notice to the Manager during which period the Manager shall use its best efforts to arrange for a successor trustee. If the Manager is unable to arrange for a successor Trustee, the Trustee or Manager may apply to a court of competent jurisdictions for the appointment of a successor trustee and the Trustee shall remain in office until such successor trustee is appointed or until the court otherwise determines.

The Trustee is required to exercise the powers and discharge the duties of its office honestly and in good faith, with a view to the best interests of the Fund and in connection therewith is required to exercise the degree of care, diligence and skill that a reasonably prudent Canadian trust company would exercise in comparable circumstances.

The Declaration of Trust provides that the Trustee and certain affiliated parties have a right of indemnification from the Fund in carrying out its duties under the Declaration of Trust except in cases of willful misconduct, bad faith, negligence, breach of its standard of care or material breach or default of any duty or responsibility imposed upon it under the Declaration of Trust.

CONFLICTS OF INTEREST

GFI Investment Counsel Ltd. acts as the Trustee and the Manager of the Fund and may also act as a dealer with respect to the Units.

The services of the Manager and its officers, directors and affiliates are not exclusive to the Fund. The Manager currently manages the investments of clients other than the Fund and the Manager and any of its affiliates and associates may in the future, at any time, engage in the promotion, management or investment management of any other fund or trust and provide similar services to other investment funds and other clients and engage in other activities. As a result of such activities and other business activities, the Manager and its principals may be subject to conflicting demands in respect of allocating management time, services and other functions. The Manager and its principals and affiliates will endeavour to treat each investment pool and managed account fairly and not to favour one account or pool over another. In executing its duties on behalf of the Fund, the Manager will be subject to the provisions of the Declaration of Trust, which provide that the Manager will execute its duties in good faith and with a view to the best interests of the Fund.

Investment decisions for the Fund will be made independently of those made for other clients and independently of investments of the Manager. On occasion, however, the Manager may make the same

investment for the Fund and for one or more of its other clients. Directors, officers and employees of the Manager may also hold the same investments as the Fund, subject to the Manager's employee personal trading policies and procedures. If the Fund and one or more of the other clients of the Manager are engaged in the purchase or sale of the same security, the transactions will be effected on an equitable basis.

The Manager engages in a portfolio management business. The securities laws of the province of Ontario require securities dealers and advisers, when they trade in or advise with respect to their own securities or securities of certain other issuers to which they, or certain other parties related to them, are related or connected, to do so only in accordance with particular disclosure and other rules. These rules require dealers and advisers, prior to trading with or advising their customers or clients, to inform them of the relevant relationships and connections with the issuer of the securities. Clients and customers should refer to the applicable provisions of those securities laws for the particulars of these rules and their rights or consult with a legal adviser.

The Fund is a related and/or connected issuer of the Manager and its affiliates within the meaning of applicable Canadian securities legislation. The terms "related issuer" and "connected issuer" are defined in National Instrument 33-105 *Underwriting Conflicts*. The Manager, in its capacity as an exempt market dealer to the Fund, is offering the Units on a private placement basis. However, no fees are payable to the Manager in its capacity as an exempt market dealer. The Manager receives management fees and may receive performance fees from the Fund, based on the Net Asset Value of each class of Units of the Fund, from time to time. See "Fees and Expenses" and "Valuation".

REFERRAL ARRANGEMENTS

The Manager may enter into referral arrangements whereby the Manager pays a fee for the referral of a client to the Manager or to the Fund. No such payments will be made unless the referred investors are advised of the arrangement and all applicable securities laws are complied with.

UNITS OF THE FUND

An investment in the Fund is represented by units. The Fund is permitted to have an unlimited number of classes of units each divisible into an unlimited number of series, having such terms and conditions as the Trustee may determine. Each unit represents an undivided ownership interest in the assets of that class. To date, three classes of units have been created: Class A units, Class F units and Class G Units.

The Manager, in its discretion, determines the number of classes and/or series of Units and the attributes of the Units, including any minimum investment thresholds, any minimum redemption amounts or minimum account balances, valuation frequency, fees and expenses, sales or redemption charges payable and redemption rights.

All Units of a particular class are entitled to participate *pro rata*: (i) with respect to any and all payments made to Unitholders of such class, including all distributions (other than payments made on the redemption of a Unit); and (ii) upon liquidation of the Fund, in any distributions to Unitholders of net assets of the Fund attributable to that class remaining after satisfaction of outstanding liabilities. All Units are fully paid and non-assessable when issued. There are no pre-emptive rights attaching to Units. Units are not transferable except by operation of law or with the prior written consent of the Manager, which consent may be withheld in the Manager's sole and absolute discretion. To dispose of Units, a Unitholder must have them redeemed by the Fund. Fractional Units carry the same rights and are subject to the same conditions as whole Units (other than with respect to voting rights) in the proportion which they bear to a whole Unit. Outstanding Units may be subdivided or consolidated in the Manager's discretion. Subject

to certain conditions outlined in the Declaration of Trust, Units of one class may be redesignated by the Manager as Units of another class.

Limitation/Exclusion of Liability

Pursuant to the Declaration of Trust, the liability of Unitholders, the Manager and the Trustee for obligations and claims arising out of or in connection with the Fund is limited or excluded. The Declaration of Trust provides that:

- (a) no Unitholder shall be subject to any personal liability whatsoever, in tort, contract or otherwise, to any person in connection with the property of the Fund or the obligations or the affairs of the Fund;
- (b) no Unitholder is liable to indemnify the Trustee or the Manager and the Trustee and the Manager have waived any right to such indemnification under any applicable law;
- (c) the Trustee will not be liable to the Fund in carrying out its duties except in cases of wilful misconduct, bad faith, negligence or disregard of its obligations and duties that are not delegated to a third-party manager or by any breach by it of the standard of care; and
- (d) subject to compliance at all times with the terms of the Declaration of Trust, the Trustee has no personal liability to satisfy any obligation or claim arising out of or in connection with any contract or other obligation of the Fund.

FEES AND EXPENSES

Management Fees

For its services to the Fund, the Manager is entitled to receive the Management Fee from the Fund. The Management Fee is charged to the Fund in respect of each class of Units at an annual rate of: (i) 2.0 % of the Net Asset Value of the Class A Units plus applicable taxes; (ii) 1.35% of the Net Asset Value of the Class F Units plus applicable taxes; and (iii) 0.75% of the Net Asset Value of the Class G Units plus applicable taxes. The Management Fee is calculated and accrued monthly at a rate of 1/12 of 2% for the Class A Units, 1/12 of 1.35% for the Class F Units and 1/12 of 0.75% for the Class G Units and is payable as of each Valuation Date. From time to time, the Manager may charge a reduced Management Fee to a Unitholder in the form of a management fee distribution that will be automatically reinvested in additional Units of the same class of the Fund unless otherwise requested. The Manager will be entitled to a reimbursement of its out of pocket expenses incurred with respect to the operation of the Fund.

Performance Fee

The Manager is also entitled to receive the Performance Fee from the Fund, provided, however, that a Performance Fee will only be paid with respect to the net increase in the Net Asset Value per Unit of the applicable class in excess of the "**Prior High NAV per Unit**" plus the "**Hurdle Rate**".

The Prior High NAV per Unit is the Net Asset Value per Unit of the applicable class as of the first Business Day immediately following the last date as of which the Performance Fee with respect to such Unit was payable (or if no Performance Fee has yet been payable with respect to such Unit, the price at which such Unit was issued). To the extent that the Net Asset Value of an investor's Units declines in any year, the negative amount will be carried forward and deducted from the Net Asset Value used to calculate the Performance Fee in respect of such Units in future years. To the extent that the Class Net Asset Value of

a Unitholder's Units in any year exceeds the Prior High NAV per Unit of such Units by an amount that is less than the Hurdle Rate, such Class Net Asset Value per Unit shall be the Prior High NAV per Unit for the subsequent year. In other words, the Performance Fee will be based on a "high water mark" net asset value for the Units issued on each investment.

The Hurdle Rate is an annual rate of return equal to 6% of the Prior High NAV per Unit. The Hurdle Rate will be prorated monthly, from January 1 of the relevant fiscal year or the date on which such Unit was issued (as applicable) and reset on January 1 of the following year.

The Performance Fee will be calculated and accrued monthly and will be payable on the last Valuation Date of each calendar year, except where a Unitholder redeems Units, in which case the Performance Fee will be payable by the Fund in respect of the redeemed Units and the redemption proceeds payable to the Unitholder will be reduced by such amount.

The Manager has no obligation to repay to the Fund or any investor any Performance Fees previously earned and paid, even if there is a decrease in the Net Asset Value per Unit of the applicable class of the Fund in a subsequent year.

Administration Fees and Expenses

The Fund is responsible for the costs of offering the Units, including without limitation the fees and expenses of counsel and the Fund's auditors. The Fund was responsible for the organizational expenses incurred during the initial organization of the Fund (the "**Initial Expenses**"). For the purposes of determining the Net Asset Value and the Net Asset Value per Unit, the Fund amortized the Initial Expenses over a five-year period.

The Fund is responsible for the payment of all fees and expenses relating to its operation, including audit, accounting, administration, record keeping, legal fees and expenses, custody and safekeeping charges, providing financial and other reports to Unitholders and convening and conducting meetings of Unitholders, all taxes, assessments or other governmental charges levied against the Fund, interest and all brokerage and other fees relating to the purchase and sale of the assets of the Fund.

Common expenses will be allocated to each class of Units based on their respective Net Asset Values. Expenses specific to a class of Units will generally be allocated to and deducted from the Net Asset Value of that class only.

The Fund may borrow from the Manager to fund administration fees and expenses, including organizational expenses.

Waiver of Fees

The Manager may from time to time waive any portion of the fees and reimbursement of expenses otherwise payable to it, but no such waiver affects its right to receive fees and reimbursement of expenses subsequently accruing to it.

DEALER COMPENSATION

Sales Charges

No sales charges are payable on subscriptions for Units.

Servicing Commissions

The Manager may pay to Registered Dealers servicing commissions as compensation for ongoing advice and service provided to investors in respect of the Class A Units. The servicing commissions are based on a monthly total of client assets invested in the Fund at an annual rate that is not to exceed one half of the then current Management Fee of the Class A Units, payable on a quarterly basis in arrears. A Registered Dealer is entitled to such fees in respect of Class A Units for so long as its clients hold those Units. Notwithstanding the foregoing, the payment of servicing commissions is at the discretion of the Manager and servicing commissions may be modified or discontinued by the Manager at any time. The Servicing Commissions are paid by the Manager out of the Management Fee payable by the Fund to the Manager in respect of the Class A Units. The Manager does not pay servicing commissions on Class F Units or Class G Units.

Other Compensation

Subject to compliance with applicable laws, the Fund may enter into co-operative advertising programs with Registered Dealers distributing Units providing for the reimbursement by the Fund of expenses incurred by Registered Dealers in promoting sales of Units. In addition, subject to compliance with applicable laws, the Fund may assist Registered Dealers with certain of their costs associated with providing educational investor conferences and seminars about the Units, funds, financial planning or investing in securities generally.

INVESTING IN THE FUND

Subscribing for Units

Units are offered for sale in all of the Selling Jurisdictions. Units are offered at the Net Asset Value per Unit of the applicable class of Units on the last day of each month on which the Toronto Stock Exchange is open or such other date or dates on which the Manager determines is appropriate. Fractional Units will be issued up to four decimal points (rounded down). There is no maximum number of Units offered by the Fund or maximum proceeds from the sale of Units.

To subscribe for Units, investors are required to complete, execute and deliver to the Manager or to a Registered Dealer the subscription form which accompanies this Offering Memorandum together with a cheque or bank draft payable to the Fund in an amount equal to the purchase price of the Units in Canadian dollars. Registered Dealers should send purchase orders to the Manager's record keeper at SGGG Fund Services Inc., 121 King Street West, Suite 300, Toronto, Ontario M5H 3T9, phone number: 416-967-0038. Completed subscription forms must be received by the Manager prior to 4:00 p.m. (Toronto time) on the Valuation Date on which the investor wishes to purchase Units in order for the Net Asset Value per Unit determined at that Valuation Date to be the applicable purchase price. Orders received after that time will be effective on the next Valuation Date.

Closings may occur at the discretion of the Manager on each Valuation Date, subject to applicable law. Units subscribed for will be issued for a purchase price equal to the Net Asset Value per Unit of the applicable class of Units on such Valuation Date.

Purchasers of Units will be obliged to establish their qualification to invest in accordance with the requirements of the securities laws of their province of residence. Investors will be required to complete all forms necessary to ensure compliance with applicable Canadian securities laws and anti-money laundering legislation. All subscriptions will be irrevocable.

The Manager reserves the right to accept or reject orders, provided that any decision to reject an order must be made within two Business Days of receipt and any monies received with a rejected order will be refunded immediately after such determination has been made by the Manager. The Manager may close or re-open the subscription books at any time without notice.

A book-based system of registration is maintained for the Fund; Unit certificates will not be issued. The register for the Units of the Fund is kept at the office of the Fund's record keeper.

The Manager reserves the right to redeem Units purchased if payment by cheque is subsequently not honoured. If the proceeds of any such sale are greater than the payment owing, the Fund will retain the difference. If the proceeds are less than the payment owing, the Manager will pay the Fund the difference, and the Manager will collect this amount from the Registered Dealer through whom Units were purchased, and the Registered Dealer may have the right to collect such payment from the investor.

The Declaration of Trust provides that at no time may more than one-half of the outstanding Units be beneficially held by non-residents of Canada (including a partnership which is not a "Canadian partnership", as defined in the Tax Act) within the meaning of the Tax Act if, as a consequence thereof, the Fund would not qualify as a "mutual fund trust" for purposes of the Tax Act. The Manager may require declarations as to the jurisdictions in which beneficial owners of Units are resident.

Minimum Initial Investment

Subject to available exemptions under securities laws in the purchaser's province of residence, Class A Units and Class F Units are offered in minimum initial investment amounts of \$50,000 and Class G Units are offered in minimum initial investment amounts of \$3,000,000. In certain circumstances, securities laws may require initial investments of higher amounts for Class A Units and Class F Units. The Manager has the discretion to accept initial investments of less than the minimum amounts stated above, subject to compliance with applicable laws. The Manager reserves the right to change the minimum amounts for investments at any time, subject to regulatory requirements. If the net asset value of the Class G Units held by an investor falls below the required minimum as a result of a redemption, the Manager may, in its sole discretion, redesignate the investor's remaining Class G Units as Class A Units or Class F Units, as applicable.

Additional Investments

Unitholders who are accredited investors (and Unitholders who are not accredited investors but who previously invested in and continue to hold Units having an acquisition cost or current Net Asset Value greater than or equal to \$150,000) will be permitted to make subsequent "top up" investments in minimum amounts of \$5,000, subject to applicable securities laws. The Manager reserves the right to change the minimum amount for additional investments in the Fund at any time and from time to time. Subject to compliance with applicable securities laws, the Manager has the discretion to accept subsequent investments of lesser amounts.

Following each purchase of Units, Unitholders will receive a written confirmation indicating details of the purchase transaction including the dollar amount of the purchase order, the Net Asset Value per Unit and the number of Units held by the Unitholder.

At the time of making each additional investment in the Fund, each Unitholder will be deemed to have repeated to the Fund the representations contained in the subscription agreement delivered by the investor to the Fund at the time of the initial investment.

Initial Sales Charge

Where Units are purchased through a Registered Dealer, a sales charge may be deducted from the amount of the subscription and paid to the investor's Registered Dealer for purchases of the Units. Sales charges are negotiable between investors and their Registered Dealers. The remaining amount is divided by the Net Asset Value per Unit of the applicable class of Units to determine the number of Units of the Fund purchased. The maximum sales charge is 2.0% of the total amount invested. Units purchased on a reinvestment of distributions are not subject to a sales charge. No sales charges are payable on subscriptions directly through the Manager.

Securities Law Exemptions

The Units are being distributed to investors on a private placement basis only in reliance upon exemptions from the prospectus requirements under applicable securities legislation in each of the Selling Jurisdictions. Prospective investors must be "accredited investors", as defined under applicable securities laws, or otherwise be eligible to purchase the Units on a basis that is exempt from the prospectus requirements under applicable securities laws. Purchasers of Units will be obliged to establish their qualification to invest in Units in accordance with the requirements of the securities laws of their province of residence.

Acknowledgement and Authorization Regarding Personal Information

Each Unitholder who subscribes for Units must complete a subscription agreement that includes an acknowledgement and authorization pertaining to the indirect collection of certain information (the "**Information**") about the Unitholder to the applicable Canadian securities regulatory authorities. The Information is provided to the Canadian securities regulatory authorities by the Manager and includes the full name, residential address and telephone number of the Unitholder; the number and class of Units purchased by the Unitholder; the total purchase price for the Units, expressed in Canadian dollars; the statutory dealer registration and prospectus exemptions relied upon by the Fund; and the date of distribution of the Units. The Information is being collected indirectly by the applicable Canadian securities regulatory authority under the authority granted to it in securities legislation for the purposes of the administration and enforcement of the applicable Canadian securities legislation. The title, business address and business telephone number of the public official in the Unitholder's province of residence, who can answer questions about the indirect collection of the Information is set out in the subscription agreement.

REDEEMING UNITS

How to Redeem Units

A Unitholder may surrender Units for redemption at any time. A redemption order received by the Manager at least 10 Business Days prior to a month-end Valuation Date will be effective on that

Valuation Date at the Net Asset Value per Unit of the applicable class of Units as of that Valuation Date. Redemption orders must be in writing with the Unitholder's signature guaranteed by a Registered Dealer, Canadian chartered bank, trust company, a member of a stock exchange in Canada or as otherwise required to the satisfaction of the Manager. Redemption orders may be made by a Unitholder directly to the Manager or through the Unitholder's Registered Dealer. If Units are registered in the name of an intermediary, such as a Registered Dealer, clearing agency or its nominee, redemption orders must be

made through such intermediary.

Redemption orders must be received by the Manager prior to 4:00 p.m. (Toronto time) at least 10 Business Days prior to the Valuation Date on which the Unitholder wishes to redeem the Units. The effective day of the redemption order is called the "**Redemption Date**". Orders received less than 10 Business Days prior to a Valuation Date will be effective on the next Valuation Date that is 10 Business Days or more following receipt of the redemption order. Once submitted, a redemption order is irrevocable by the Unitholder. Units will be redeemed at the Net Asset Value per Unit of the applicable class of Units calculated on the Redemption Date on which the Units are redeemed. The amount payable to a Unitholder for each Unit redeemed will be an amount equal to the Net Asset Value per Unit of the applicable class of Units on the Redemption Date, less any withholding or other taxes required to be deducted. The Manager may distribute the net income and net realized capital gains attributable to Units being redeemed, if any, to Unitholders on the redemption of such Units.

Payment for Units which are redeemed on a Redemption Date will be made by the Fund either by cheque or, if the investor provides a void personal cheque with the redemption order, by direct deposit to the investor's bank account. Subject to the provisions below, payment of redemption proceeds will be made on or about the 10th Business Day following the Redemption Date on which the Units were redeemed. Payments made by cheque will be sent to the Unitholder at his or her last address as shown in the register of Unitholders or to such other payee or address or account as the Unitholder may direct in writing. Payment of the redemption proceeds is generally made in cash, but may be made in kind if in the Manager's discretion circumstances do not permit a payment in cash.

If the Manager has received redemption orders for 5% or more of the outstanding Units on a Redemption Date, the Manager may defer the payment of the redemption proceeds for up to 30 days following the Redemption Date.

Short Term Trading Fee

A redemption charge may be charged on Units tendered for redemption within the first two years of the date of issuance as follows:

Class	Period of time from the date of issuance of the Units	Short Term Trading Fee
Class A	First 3 months	2.5%
	4-6 months	2.0%
	7-12 months	1.0%
	Thereafter	0%
Class F and Class G	1-15 months	2.5%
	16-18 months	2.0%
	19-24 months	1.0%
	Thereafter	0%

Any applicable redemption charge will be calculated using the higher of: (i) the acquisition cost; and (ii) the then current Net Asset Value; of the Units tendered for redemption. The redemption charge is paid to the Fund.

Suspension of Redemptions

The Manager may suspend the redemption of Units, or payments in respect thereof, for any period during which normal trading is suspended on any stock exchange, options exchange or futures exchange within or outside Canada on which securities which represent more than 50% of the underlying market exposure of the total assets of the Fund, without allowance for liabilities, are listed and traded, or during any other period in which the Manager determines that conditions exist which render impractical the sale of assets or impair the ability to determine the value of any of the Fund's assets.

The redemption price will be adjusted by changes in the applicable Net Asset Value of the applicable class of Units during this suspension period and calculated on the Valuation Date on which the redemption occurs.

Any suspension may apply to all requests for redemption received prior to the suspension but as to which payment has not been made, as well as to all requests received while the suspension is in effect. All Unitholders making redemption requests will (unless the suspension lasts for less than 48 hours) be advised by the Manager of the suspension and that redemption requests previously received will be effected on the first Valuation Date following the termination of the suspension. All such Unitholders will (unless the suspension lasts for less than 48 hours) be advised that they have the right to withdraw any requests for redemption previously submitted.

The suspension will terminate on the first day on which the condition giving rise to the suspension has ceased to exist, provided that no other condition under which a suspension is authorized to be imposed then exists. To the extent not inconsistent with official rules and regulations promulgated by any government body having jurisdiction over the Fund, any declaration of a suspension of redemptions made by the Manager is conclusive. The Unitholder will receive payment of redemption proceeds based on the Net Asset Value per Unit of the applicable class of Units on the Valuation Date that next follows the termination of the suspension.

Mandatory Redemptions

The Manager may in its discretion redeem all or a portion of a Unitholder's Units by giving 30 days' prior written notice to the Unitholder, specifying the number of Units to be redeemed. For example, the Manager may cause the Units of any Unitholder to be redeemed if, at any time as a result of redemptions, the aggregate Net Asset Value of Units held by that Unitholder is less than the minimum balance, if any, set by the Manager or in order to comply with certain requirements of the Tax Act.

VALUATION

Determination of Net Asset Value

The Net Asset Value of the Fund, the Net Asset Value of each class and the Net Asset Value per Unit is determined as at the close of business on every Valuation Date by the Manager in accordance with the Declaration of Trust. The Net Asset Value of the Fund, the Net Asset Value of each class and the Net Asset Value per Unit is also calculated as of December 31 in each year if not otherwise a Valuation Date for the purposes of the distribution of net income and net realized capital gains of the Fund to Unitholders and the calculation of the Performance Fee. The Net Asset Value of the Fund is calculated by subtracting the aggregate amount of the liabilities of the Fund from the total assets of the Fund as determined from time to time by the Trustee. The Net Asset Value of a class is calculated by subtracting the aggregate amount of the liabilities of the Fund attributable to the particular class from the total assets of the Fund attributable to that class as determined from time to time by the Trustee. See "Valuation - Valuation

Principles".

Although the fair value of a Fund asset or liability will be as valued in good faith by the Manager, the actual value may prove significantly different and such event may materially affect the Net Asset Value per Unit calculation. Prospective investors should be aware that situations involving uncertainties as to the valuation of the underlying portfolio positions of the Fund could have an adverse effect on the Fund's Net Asset Value. Absent bad faith or manifest error, the Net Asset Value determinations by or under the direction of the Manager shall be conclusive and binding on all Unitholders. The directors and officers of the Manager shall not incur any individual liability or responsibility for any determination made or other action taken or omitted by them in good faith.

If the Manager determines, in its sole discretion, that the value provided for any of the assets or liabilities is not appropriate and does not fairly represent its market value or if the value of an asset or liability is unavailable, the Manager, in consultation with such industry professionals and other third parties as the Manager may reasonably determine, shall value such asset or liability as it reasonably determines.

The Fund is not required to have valuations independently determined; however, the Manager is authorized and permitted, in appropriate circumstances, to utilize independent pricing services or appraisers to value its investments.

Valuation Principles

The fair market value of the assets and the amount of the liabilities of the Fund shall be calculated in such manner as the Manager in its sole discretion shall determine from time to time, subject to the following:

- (a) the value of any cash on hand, on deposit or on call, prepaid expenses, cash dividends declared and interest accrued and not yet received, shall be deemed to be the face amount thereof;
- (b) the value of any bonds, debentures, and other debt obligations shall be valued at the value of the last trade. Short-term investments including notes and money market instruments shall be valued at cost plus accrued interest;
- (c) the value of any security, index futures or index options thereon which is listed on any recognized exchange shall be determined by the closing sale price at the Valuation Date or, if there is no closing sale price, the average between the closing bid and the closing asked price on the Valuation Date, all as reported by any report in common use or authorized as official by a recognized stock exchange; provided that if such stock exchange is not open for trading on that date, then on the last previous date on which such stock exchange was open for trading;
- (d) the value of any security or other asset for which a market quotation is not readily available shall be its fair market value as determined by the Manager;
- (e) the value of any security, the resale of which is restricted or limited, shall be the lesser of the value thereof based on reported quotations in common use and that percentage of the market value of securities of the same class, the trading of which is not restricted or limited by reason of any representation, undertaking or agreement or by law, equal to the percentage that a Fund's acquisition cost was of the market value of such securities at the time of acquisition; provided that a gradual taking into account of the actual value of the securities may be made where the date on which the restriction will be lifted is known;

- (f) purchased or written clearing corporation options, options on futures, over-the-counter options, debt-like securities and listed warrants shall be valued at the current market value thereof;
- (g) where a covered clearing corporation option, option on futures or over-the-counter option is written, the premium received by the Fund shall be reflected as a deferred credit which shall be valued at an amount equal to the current market value of the clearing corporation option, option on futures or over-the-counter option that would have the effect of closing the position. Any difference resulting from revaluation shall be treated as an unrealized gain or loss on investment. The deferred credit shall be deducted in arriving at the Net Asset Value of the Fund. The securities, if any, which are the subject of a written clearing corporation option, or over-the-counter option shall be valued at their then current market value;
- (h) the value of a futures contract, or a forward contract, shall be the gain or loss with respect thereto that would be realized if, on the Valuation Date, the position in the futures contract, or the forward contract, as the case may be, were to be closed out unless daily limits are in effect in which case fair value shall be based on the current market value of the underlying interest;
- (i) margin paid or deposited in respect of futures contracts and forward contracts shall be reflected as an account receivable and margin consisting of assets other than cash shall be noted as held as margin;
- (j) all fund property valued in a foreign currency and all liabilities and obligations of the Fund payable by the Fund in foreign currency shall be converted into Canadian funds by applying the rate of exchange from sources available to the Manager;
- (k) all expenses or liabilities (including fees payable to the Manager) of the Fund shall be calculated on an accrual basis;
- (l) the value of any security or property to which, in the opinion of the Manager, the above valuation principles cannot be applied (whether because no price or yield equivalent quotations are available as above provided, or for any other reason) shall be the fair value thereof determined in such manner as the Manager from time to time provides;
- (m) any security sold by the Fund but not yet settled shall be valued as of and following the date of such sale at the net sale price receivable by the Fund; and any security purchased by the Fund but not yet settled shall be deemed to be an asset of the Fund of and following the date of the purchase and the net purchase price will be deemed to be a liability of the Fund until paid.

The process of valuing investments for which no public market exists is based on inherent uncertainties and the resulting values may differ from values that would have been used had a ready market existed for the investments and may differ from the prices at which the investments may be sold.

The liabilities of the Fund shall be deemed to comprise all liabilities of whatsoever kind and nature, including, for the avoidance of doubt, any accrued Management Fees and Performance Fees. In valuing the liabilities, the following are included: bills, amounts owing under any loan facility, accounts payable, fees and administrative expenses payable, contractual obligations for the payment of money or property, allowances for tax or contingencies and all other liabilities of any kind and nature. Without prejudice to the foregoing, the value of the liabilities of the Fund are determined as follows:

- (a) the value of all liabilities and contractual obligations is the value determined by the Valuation Agent to most accurately reflect fair value including the amount funded by a counterparty thereunder, and the loss, if any, that would be realized if on the Valuation Date forward agreements or swaps were closed out or terminated; and
- (b) liabilities and contractual obligations payable in a foreign currency are valued at the rate of exchange current on the Valuation Date as determined by the Valuation Agent in its reasonable discretion.

The Net Asset Value of the Fund and the Net Asset Value per Unit will be computed in accordance with valuation principles described above. The computation of the Net Asset Values described above may differ from the recommendations of the CPA Canada Handbook from time to time. Any such differences will be disclosed in the notes to the Fund's financial statements.

DISTRIBUTIONS

Distributions

The Fund currently pays annual distributions. The Fund distributes net income and net realized capital gains, if any, to Unitholders of each class no less frequently than annually (by December 31 in each year) on a *pro rata* basis and, in the discretion of the Manager, on the redemption of Units. All distributions (other than distributions made upon the redemption of Units, if any) of net income and net realized capital gains will be made on a *pro rata* basis to each registered Unitholder of a particular class determined as of the close of business on the date of the distribution.

The costs of distributions, if any, will be paid by the Fund.

The Fund intends that the aggregate distributions of net income and net realized capital gains made each year will be sufficient to ensure that the Fund will not be subject to tax thereon under the Tax Act.

Reinvestment of Distributions

Subject to the receipt of any necessary approvals from the securities regulatory authorities, all distributions (other than distributions made upon the redemption of Units) of net income and net realized capital gains to Unitholders (less any amounts required by law to be deducted therefrom) will automatically be reinvested by the Trustee for the account of each Unitholder in additional Units at the Net Asset Value per Unit of the applicable class calculated as of the next Valuation Date, unless a Unitholder elects in writing to receive such distributions in cash. Generally, all distributions made, or deemed to be made, by the Fund on December 31 of a particular year will be automatically reinvested, without charge, in additional Units and immediately thereafter the Units of the Fund will be automatically consolidated so that the number of Units outstanding after the reinvestment is the same as it was immediately before such distributions.

No sales charge or commission shall be payable by a Unitholder in connection with any such reinvestment.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is a general summary of the principal Canadian federal income tax consequences to a prospective investor of holding and disposing of a Unit of the Fund acquired pursuant to this Offering Memorandum. This summary is applicable to a Unitholder who is an individual (other than a trust) and

who, for purposes of the Tax Act, is resident in Canada and deals at arm's length with, and is not affiliated with, the Fund, holds Units as capital property and has not entered and will not enter into a "derivative forward agreement" (as defined in the Tax Act) with respect to Units. Generally, Units will be considered to be capital property to a Unitholder provided the Unitholder does not hold the Units in the course of carrying on a business of buying and selling securities, and has not acquired the Units in one or more transactions considered to be an adventure in the nature of trade. Certain Unitholders who might not otherwise be considered to hold Units as capital property may, in certain circumstances, be entitled to have their Units and all other "Canadian securities" owned or subsequently acquired by them treated as capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act.

This summary is based on the current provisions of the Tax Act, the regulations thereunder (the "**Regulations**"), all specific proposals to amend the Tax Act or the Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Tax Proposals**") and the current, published administrative policies and assessing practices of the Canada Revenue Agency ("**CRA**"). This summary assumes that the Tax Proposals will be enacted as proposed but no assurance can be given that this will be the case.

This summary is not exhaustive of all possible Canadian federal income tax consequences that may affect Unitholders and, except for the Tax Proposals, does not take into account or anticipate any changes in law, whether by legislative, governmental or judicial decision or action, or changes in CRA administrative policies and assessing practices, nor does it take into account any other federal or any provincial, territorial or foreign income tax legislation or considerations, which may differ significantly from those described herein. The income and other tax consequences of acquiring, holding or disposing of Units will vary depending on the Unitholder's particular circumstances. Accordingly, this summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Unitholder, and no representation with respect to the Canadian federal income tax consequences to any particular Unitholder is made. **Consequently, prospective purchasers of Units are advised to consult their own tax advisors with respect to their particular circumstances.**

This summary is based on the assumption that the Fund will at no time be a "SIFT trust" for the purposes of the Tax Act. Provided that units of, or other investments in, the subject Fund are not listed or traded on a stock exchange or other "public market" within the meaning of the Tax Act, the Fund will not be a SIFT trust for the purposes of the Tax Act.

This summary is based on the assumptions that the Fund qualifies, and will continue at all times to qualify, as a "unit trust" and a "mutual fund trust" within the meaning of the Tax Act. To qualify as a mutual fund trust, the Fund must, among other things, comply on a continuous basis with certain minimum requirements respecting the ownership and dispersal of Units and certain investment criteria. In the event the Fund were not to qualify as a mutual fund trust at all times, the income tax consequences described below would in some respects be materially and adversely different.

Taxation of the Fund

The Fund will be subject to tax under Part I of the Tax Act in each taxation year on its income for the year computed in Canadian dollars in accordance with the Tax Act, including net realized taxable capital gains, less the portion thereof that it claims in respect of the amount paid or payable to Unitholders in the year. An amount will be considered to be payable to a Unitholder in a taxation year if it is paid in the year by the Fund or the Unitholder is entitled in that year to enforce payment of the amount. The Fund generally intends to deduct, in computing its income in each taxation year, the full amount available for deduction in each year. Therefore, provided the Fund makes distributions in each year of its net income for tax

purposes and net realized capital gains as described under "Distributions", it will generally not be liable in such year for income tax under Part I of the Tax Act.

The Fund will be required to include in its income all income (including interest) that is received (or in certain cases receivable or accrued) and capital gains, if any, realized by it. Gains and losses from certain derivatives will generally be on income account, including from writing uncovered options. Losses incurred by the Fund cannot be allocated to Unitholders but may, subject to certain limitations, be deducted by the Fund from capital gains or other income realized in other years.

The Fund will be entitled for each taxation year throughout which it is a mutual fund trust to reduce (or receive a refund in respect of) its liability, if any, for tax on its net realized capital gains by an amount determined under the Tax Act based on the redemptions of Units during the year.

In computing its income for tax purposes, the Fund may deduct reasonable administrative and other expenses incurred to earn income (provided such amounts are not reimbursed to it), in accordance with the detailed rules in the Tax Act.

Taxation of Unitholders

A Unitholder will generally be required to include in computing income for a taxation year such portion of the Fund's net income (including management fee distributions, if any) and the taxable portion of the Fund's net realized capital gains, if any, as is paid or becomes payable to the Unitholder in that particular taxation year, including any such amount made payable on the redemption of Units.

Provided that appropriate designations are made by the Fund, such portion of the foreign source income of the Fund, the net realized taxable capital gains of the Fund, and the taxable dividends received or deemed to be received by the Fund on shares of taxable Canadian corporations, as is paid or payable to a Unitholder will effectively retain its character and be treated as such in the hands of the Unitholder for purposes of the Tax Act. To the extent that amounts are designated as taxable dividends from taxable Canadian corporations, the gross-up and dividend tax credit rules will apply, including the enhanced gross-up and tax credit for eligible dividends.

The non-taxable portion of net realized capital gains of the Fund that are paid or become payable to a Unitholder in a year will not be included in computing the Unitholder's income for the year. Any other amount in excess of a Unitholder's share of the net income and the net realized capital gains of the Fund for a taxation year that is paid or becomes payable to the Unitholder in such year will generally not be included in computing the Unitholder's income for the year but will reduce the adjusted cost base of Units of the Fund to the Unitholder. To the extent that the adjusted cost base of a Unit would otherwise be less than zero, the negative amount will be deemed to be a capital gain realized by the Unitholder from the disposition of the Unit and the Unitholder's adjusted cost base of the Unit will be increased by the amount of such deemed capital gain.

A Unitholder who acquires Units of the Fund, including on the reinvestment of distributions, may become taxable on the Unitholder's share of income and gains of the Fund that have accrued or been realized but have not been made payable at the time the Units are acquired.

A capital gain (or capital loss) will be realized by the Unitholder on the disposition or deemed disposition of a Unit, to the extent that the proceeds of disposition exceed (or are less than) the adjusted cost base of the Unit to the Unitholder immediately before the disposition and any reasonable costs of disposition. A redesignation of units of one class of the Fund for units of another class is not a disposition for purposes of the Tax Act.

One-half of any capital gain (a "**taxable capital gain**") realized on the disposition of Units by, or designated by the Fund in respect of, a Unitholder in a taxation year must be included in computing the income of the Unitholder for that year and one-half of any capital loss (an "**allowable capital loss**") realized by a Unitholder on the disposition of Units in a taxation year may be deducted from taxable capital gains of the Unitholder for that year. Allowable capital losses for a taxation year in excess of taxable capital gains for that year generally may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year, against taxable capital gains realized in such year, to the extent and under the circumstances provided for in the Tax Act.

Amounts designated as taxable dividends from taxable Canadian corporations and net realized taxable capital gains paid or payable to a Unitholder by the Fund or taxable capital gains realized on the disposition of Units may increase the Unitholder's liability for alternative minimum tax.

ELIGIBILITY FOR INVESTMENT

Provided the Fund qualifies at all relevant times as a "mutual fund trust" within the meaning of the Tax Act, Units will be qualified investments for Registered Plans. The Fund expects to qualify as a mutual fund trust within the meaning of the Tax Act at all relevant times.

Notwithstanding the foregoing, the annuitant of an RRSP or RRIF, the holder of a TFSA or RDSP, or the subscriber of an RESP will be subject to a penalty tax in respect of Units held by such Registered Plan if such Units are a "prohibited investment" for such Registered Plan for the purposes of the Tax Act. The Units will not be a "prohibited investment" for a Registered Plan unless the annuitant of the RRSP or RRIF, the holder of the TFSA or RDSP, or the subscriber of the RESP, as applicable, (i) does not deal at arm's length with the Fund for purposes of the Tax Act, or (ii) has a "significant interest", as defined in the Tax Act, in the Fund. Generally, a holder, annuitant or subscriber, as the case may be, will not have a significant interest in the Fund unless the holder, annuitant or subscriber, as the case may be, owns Units that have a fair market value of 10% or more of the fair market value of all Units, either alone or together with persons and partnerships with which the holder, annuitant or subscriber, as the case may be, does not deal at arm's length. In addition, the Units of the Fund will not be a prohibited investment if such Units are "excluded property" as defined in the Tax Act for the Registered Plan. **Investors should consult their own tax advisors on whether or not Units are, or may become, a "prohibited investment" for their Registered Plan in their particular circumstances.**

RISK FACTORS

There are risks associated with an investment in the Fund, as a result of, among other considerations, the proposed nature and activities of the Fund. An investment in Units should only be made after consultation with independent qualified sources of investment and tax advice. An investment in the Fund is speculative and involves a high degree of risk and is not intended as a complete investment program. There is a risk that an investment in the Fund will be lost entirely or in part. Only investors who do not require immediate liquidity of their investment and who can reasonably afford a substantial impairment or loss of their entire investment should consider the purchase of Units. The following is a summary of some, but not all, of the risks associated with an investment in the Fund.

No Guaranteed Return

There is no guarantee that an investment in Units will earn any positive return in the short or long-term. The value of the Units may increase or decrease depending on market, economic, political, regulatory and

other conditions affecting the Fund's portfolio. Investment in Units is more volatile and risky than some other forms of investments. The Manager advises all prospective Unitholders to consider an investment in the Fund within the overall context of their investment policies. Investment policy considerations include, but are not limited to, setting objectives, defining risk/return constraints and considering time horizons.

Achievement of Investment Objectives

There can be no assurance that the Fund's investment strategy will be successful or that its investment objective will be achieved. The Fund could realize substantial losses, rather than gains, from some or all of the investments described herein.

Reliance on Manager

The Fund will be highly dependent upon the expertise and abilities of the Manager. The loss of services of key personnel of the Manager could adversely affect the Fund. Unitholders have no right to take part in the management of the Fund. Substantially all decisions with respect to the management of the Fund's affairs will be made exclusively by the Manager (although it may delegate administrative responsibilities from time to time).

Illiquidity of Units

Units are not transferable except by operation of law or with the prior written consent of the Manager, which consent may be withheld in the Manager's sole and absolute discretion. While Unitholders may redeem their Units as described herein, under certain conditions redemptions may be temporarily restricted or suspended. Unitholders requesting redemptions may therefore potentially experience delays in receiving redemption payments. An investment in Units is therefore suitable only for sophisticated investors who do not need full liquidity with respect to this investment.

Illiquidity of Underlying Investments

Certain securities that the Fund may invest in may be unlisted, distressed or otherwise illiquid and difficult to value. The valuation of these securities is subject to a significant amount of subjectivity and discretion. There is no guarantee that fair value will be realized by the Fund on the sale of these securities. Options and other derivative securities may themselves be illiquid at times, irrespective of the condition of the market of the underlying security, making it difficult to offset existing positions in order to either realize gains thereon, limit losses or change positions in the market.

Substantial Withdrawals and Forced Liquidation

The Fund may at any time incur significant losses which may result in substantial redemptions by Unitholders. Redemptions by Unitholders within a short period of time could require the Manager to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the value of the Fund's capital. The resulting reduction in the Fund's capital could make it more difficult to generate a positive rate of return or to recoup losses due to a reduced equity base. There is a risk that if the Fund's assets become depleted it may be difficult to achieve the Fund's investment objective. To reduce such risks, the Fund may borrow capital to pay redemption proceeds. Additionally, the Fund may limit redemptions under certain circumstances.

Fees and Expenses

The Fund is obligated to pay Management Fees, brokerage commissions and other expenses regardless of whether the Fund realizes a profit. Under certain circumstances, the Fund may be subject to significant indemnification obligations in respect of the Manager, the Trustee or certain affiliated parties.

Class Risk

The Fund has introduced multiple classes of Units, and each class is charged, as a separate class, any expenses that are specifically attributable to that class. However, if the Fund cannot pay the expenses of one class using its proportionate share of the Fund's assets, the Fund may be required to pay those expenses out of the other classes' proportionate share of the Fund's assets which could lower the investment returns of the other classes.

Tax Risks

While the Fund will be advised on tax matters by legal counsel and accountants, there can be no assurance that the positions of the Fund as to the tax consequences of its investment strategies will be accepted by the tax authorities. Legal, tax or administrative changes which occur during the life of the Fund could have an adverse effect on the Fund, Unitholders or both. For a discussion of certain tax considerations applicable to an investment in Units, see "Certain Canadian Federal Income Tax Considerations".

It is intended that the Fund qualify, or be deemed to qualify, as a "mutual fund trust" for purposes of the Tax Act at all times. If the Fund were not to qualify as a mutual fund trust at a particular time, the income tax considerations described above under the headings "Canadian Federal Income Tax Considerations" and "Eligibility for Investment" may be materially and adversely different in certain respects.

Unitholders may receive income for tax purposes and not receive any cash distributions from the Fund. The Tax Act contains rules pertaining to "loss restriction events" of certain trusts. These rules may have an impact on the Fund to the extent that any person, together with other persons with whom that person is affiliated within the meaning of the Tax Act, or any group of persons acting in concert, acquires Units of the Fund having a fair market value that is greater than 50% of the fair market value of all the Units of the Fund. If such circumstances occur, (i) the Fund will be deemed to have a year-end for tax purposes, (ii) any net income and net realized capital gains of the Fund at such year-end will be distributed to Unitholders, and (iii) accrued capital losses and certain other realized losses of the Fund would be unavailable for use by the Fund in future years. The Fund will be generally exempt from the application of these rules if the Fund is an "investment fund" which, among other things, requires the Fund to meet certain investment diversification requirements. No assurance can be given that the Fund will not be subject to these rules in the future.

Pursuant to the Canada-United States Enhanced Tax Information Exchange Agreement (the "IGA") and related Canadian legislation found in Part XVIII of the Tax Act, the Fund has certain due diligence and reporting obligations in respect of its "U.S. reportable accounts". Accordingly, certain Unitholders (individuals and certain entities) may be requested to provide information to the Fund, the Manager and/or their registered dealer relating to their citizenship, residency and, if applicable, a U.S. federal tax identification number or such information relating to controlling persons in the case of certain entities. If a Unitholder (or a controlling person of a Unitholder in the case of certain entities) is a U.S. person (including a U.S. citizen) or if a Unitholder does not provide the requested information, Part XVIII of the Tax Act generally requires information about the Unitholder's investments to be reported to the CRA, unless the investments are held within a Registered Plan. The CRA is expected to provide that information to the U.S. Internal Revenue Service. If the Fund is unable to comply with any of its obligations under the IGA and related Canadian

legislation, the imposition of a 30% U.S. withholding tax on certain specified payments made to the Fund, as well as penalties under the Tax Act, may affect the Net Asset Value of the Fund and may result in reduced investment returns to Unitholders. The administrative costs of compliance with the IGA and related Canadian legislation may also cause an increase in the operating expenses of the Fund further reducing returns to Unitholders.

There are also due diligence and reporting obligations included in Part XIX of the Tax Act that implement the OECD Common Reporting Standard (the “CRS”) which provides for the implementation of the automatic exchange of tax information applicable to residents of certain countries other than Canada or the United States. Accordingly, certain Unitholders (individuals and certain entities) may be requested to provide information to the Fund or their registered dealer regarding their residency for tax purposes including their tax identification numbers (or such information relating to controlling persons in the case of certain entities). If a Unitholder (or a controlling person of a Unitholder in the case of certain entities) is tax resident in a foreign country (other than the U.S) or if a Unitholder does not provide the requested information, Part XIX of the Tax Act generally requires information about the Unitholder’s investment to be reported to the CRA, unless the investments are held within a Registered Plan. The CRA is expected to provide that information to countries that have adopted the CRS.

Current Income

Since distributions, if any, will generally be automatically reinvested on behalf of Unitholders in additional Units, an investment in the Fund is not suitable for investors seeking current income for financial or tax planning purposes.

Performance Fee

The Manager's right to receive a performance-based fee may create an incentive for the Manager to cause the Fund to make investments that are riskier or more speculative than would be the case if the Manager were paid only an asset-based fee. Since the Performance Fee is calculated on a basis that includes unrealized appreciation of the Fund's assets, such fee may be greater than if it were based solely on realized gains.

Exchange Rate Fluctuations

The net assets of the Fund will be calculated in Canadian dollars. Fluctuations in the currency exchange rates are unpredictable and can have a significant impact on the return on investment to Unitholders.

There are special risks associated with international investing, including currency exchange rate fluctuations, conversions risks and other economic, political and social risks, as well as the lesser degree of public information required to be provided by many non-North American companies. As a result of fluctuation in exchange rates, the Fund may receive lower than anticipated returns.

Potential Conflicts of Interest

The Manager is required to exercise its best judgment in the management, operation and portfolio management of the Fund and to use its best efforts to carry out the purposes of the Fund. However, neither the Manager nor its officers, directors, or employees are required to devote all or any specified portion of their time to their responsibilities relating to the Fund, but are required to devote only so much of their time to the Fund's affairs as in their judgment is reasonably required. Certain inherent conflicts of interest arise from the fact that the Manager and its affiliates may carry on investment activities for other

clients (including investment funds managed by the Manager or its affiliates) or on a proprietary basis in which the Fund will have no interest. Future investment activities by the Manager, including the establishment of other investment funds, may give rise to additional conflicts of interest. Similar conflicts of interest may arise in the case of the Fund.

The Manager may also engage in the promotion, management or investment management of any other account, fund or trust or engage in other activities.

The Manager may determine from time to time that some investment opportunities are appropriate for certain investment management clients and not others, including the Fund, due to different objectives, time horizons, liquidity and other considerations. It may be necessary to allocate limited investment opportunities among the Fund and other funds or accounts on a basis deemed appropriate by the Manager which may result in such other accounts achieving profits that the Fund does not or avoiding losses that the Fund suffers.

The Manager has discretion regarding the selection of the broker-dealers and other intermediaries with and through which the Fund executes and clears portfolio transactions, the commissions and fees payable and the prices at which investments are bought and sold. Some allocations may be based in part on the provision of or payment for other products or services (including but not limited to investment research) to the Fund, the Manager or affiliated persons ("**soft-dollars**"). Such services may not be used for the direct or exclusive benefit of the Fund and may reduce the overhead and administrative expenses otherwise payable by the Manager. The Manager also expects to allocate portfolio transactions to broker-dealers who refer investors to the Fund and other investment funds and accounts managed by the Manager or affiliated persons. The Manager or any of such persons may also determine in the future to establish or become affiliated with a broker-dealer and to execute transactions for the Fund through such affiliated broker-dealer.

Use of a Prime Broker to Hold Assets

Some or all of the Fund's assets may be held in one or more margin accounts maintained for the Fund by the prime broker or at other brokers. The margin accounts may provide less segregation of customer assets than would be the case with a more conventional custody arrangement. The prime broker may also lend, pledge or hypothecate the Fund's assets in such accounts, which may result in a potential loss of such assets. As a result, the Fund's assets could be frozen and inaccessible for withdrawal or subsequent trading for an extended period of time if the prime broker experiences financial difficulty. In such case, the Fund may experience losses due to insufficient assets at the prime broker to satisfy the claims of its creditors, and adverse market movements while its positions cannot be traded.

Because of the large number of entities and jurisdictions involved and the range of possible factual scenarios involving the insolvency of the prime broker or any sub-custodians, agents or affiliates, it is impossible to generalize about the effect of their insolvency on the Fund and its assets. Investors should assume that the insolvency of the prime broker or such other service providers would result in the loss of all or a substantial portion of the Fund's assets held by or through such prime broker and/or the delay in the payment of withdrawal proceeds. In addition, the prime broker is unlikely to be able to provide leverage to the Fund, which could adversely affect the Fund's returns.

Investors should also note that generally, the prime broker has the right in its sole discretion to, among other remedies, cancel or otherwise liquidate any of the accounts or transactions executed by the prime broker on the Fund's behalf, set off any obligation owing to the prime broker against any obligations of the Fund owing to the prime broker, whether or not such obligations are unascertained, matured or

contingent or held directly or through a trustee or intermediary, sell any securities, financial instruments or other property held or credited to the Fund's accounts with the prime broker, if an event of default under the prime brokerage agreement has occurred and is continuing with respect to the Fund. An event of default may include a failure by the Fund to make, when due, payment or delivery, as required, in respect to the settlement of any prime brokerage or executing broker transaction; failure by the Fund to comply with or perform any agreement or obligation under the prime brokerage agreement; or if the Fund suffers a material adverse change in its financial condition as determined by the prime broker. Generally, the Fund will also indemnify the prime broker against all reasonable costs and expenses, damages, liabilities and losses that the prime broker may incur, directly or indirectly as a result of, or in connection with or arising out of the prime brokerage agreement, any transaction or executing broker transaction pursuant to the prime brokerage agreement unless such costs, expenses, damages, liabilities and losses result from willful default or gross negligence of the prime broker as determined by a court of competent jurisdiction in a final non-appealable judgment.

Although the custodian of the Fund's securities is in Canada and some of the assets of the Fund may be held in Canada, some of the Fund's assets may be held in accounts with sub-custodians in other jurisdictions, and accordingly, there may not be additional defences available to any judgment obtained by the Fund in Canada which may affect enforcement in any such jurisdictions.

Termination

In the event of termination of the Fund, the Fund would distribute to the Unitholders of each class on a *pro rata* basis their interest in the assets of the Fund available for distribution. Certain assets held by the Fund at termination may be illiquid and may have little or no marketable value. On termination, it may not be possible to convert all of the Fund's assets to cash. In such a circumstance these assets may be distributed to Unitholders in kind.

Changes in Applicable Law

Legal, tax and regulatory changes may occur that can adversely affect the Fund and Unitholders.

Market Risks

The Net Asset Value per Unit will vary in accordance with the value of the securities acquired by the Fund, and may be affected by such factors as investor demand, commodity prices, interest rates or currency exchange rates. Fluctuations in the market value of such securities may occur for a number of reasons beyond the control of the Manager.

Use of Leverage

The Fund may use leverage, including borrowing to buy securities on margin or make other investments or fund redemptions. If the Fund's investments decline in value, the loss will be magnified if the Fund has borrowed money to make its investments. If the Fund does not generate sufficient cash flow from operations, it may not be able to repay borrowings or it may be forced to sell investments at disadvantageous times in order to repay borrowings.

Although leverage will increase the Fund's return if the Fund earns a greater return on the investments purchased with borrowed funds than it pays for the use of those funds, the use of leverage will decrease investment returns if the Fund fails to earn as much on investments purchased with borrowed funds as it pays for the use of those funds. The use of leverage will magnify the volatility of the value of the Fund's

investment portfolio. In the event that the assets of the Fund decline in value, the Fund could be subject to a margin call where the Fund must either deposit additional collateral or liquidate the pledged securities, at times under disadvantageous conditions.

Potential Lack of Diversification

The Fund does not have any specific limits on holdings in securities of issuers in any one country, region or industry. The Fund has not adopted any fixed guidelines for diversification. As a result, the Fund's portfolio may be subject to more rapid changes in value than would be the case if the Fund had adopted diversification guidelines.

Hedge Funds

The Fund is considered a hedge fund. Investing in hedge funds may be speculative and volatile. Prices and market movements may be volatile and a variety of other factors that are difficult to predict may significantly affect the results of hedge funds. Hedge funds may use leverage in their investment activities through purchasing securities with borrowed funds, selling securities short, using repurchase agreements and swaps and other means. Certain hedge funds may employ high leverage. Trading in the instruments in which hedge funds invest may be illiquid and adversely affected by exchange regulations such as speculative position limits. Trading in certain types of instruments may be subject to additional risks of counterparty default, absence of regulation and illiquidity. Risks associated with options on instruments and with the instruments themselves may differ from the risks associated with underlying assets.

Volatile Markets

The securities that the Fund's portfolio is exposed to face risks related to market volatility. There is no guarantee that securities exchanges and markets can at all times provide continuously liquid markets in which the Fund can close out its positions in those securities that are publicly traded, in particular because the Fund may invest in securities that are thinly traded or traded infrequently. The Fund could experience delays and may be unable to sell securities purchased through a broker or clearing member that has become insolvent. In that event, positions could also be closed out fully or partially without the Fund's consent.

Market prices of investments held by the Fund will increase and/or decrease, sometimes rapidly or unpredictably. The Fund's investments are subject to changes in general economic conditions, general market fluctuations and the risks inherent in investment in securities markets. Investment markets can be volatile and prices of investments can change substantially due to various factors including, but not limited to, economic growth, recession and/or depression, changes in interest rates, inflationary pressure, changes in actual or perceived creditworthiness of issuers and general market liquidity.

Markets and economies also face more specific risks such as those caused by unexpected and unpredictable events including, without limitation, pandemics, war and occupation, oil market shocks, terrorism and geopolitical risks. Such developments cannot be predicted with certainty and may lead to market volatility and long-term negative effects on such markets and economies.

Commencing at the end of 2019, the spread of Covid-19 led to a slowdown in the global economy and has caused volatility in global financial markets and the outcome of such slowdown and volatility is impossible to predict with certainty. Coronavirus disease or any pandemic outbreak may adversely affect the performance of the Fund. Commencing in early 2020, certain other global events have also led to market volatility and uncertainty, including, without limitation, dramatic fluctuations in the price of oil, political

unrest and armed conflict.

The effects of pandemics, terrorist acts (or threats thereof), military action, political unrest, oil market shocks, and other destabilizing and unexpected events or occurrences may negatively directly or indirectly impact trade, interest rates, supply chains, fiscal and monetary policy, currencies and government policy and solvency of companies which in turn would affect economies and securities markets and neither the adverse events, nor their impact, can be predicted. These events could have significant effects on issuers, markets and economies. Depending upon the severity of shocks relating to the above noted occurrences, economies could enter into recessions or depressions. Even if general economic conditions do not change, the value of an investment in the Fund could decline if the particular industries, sectors or companies in which the Fund invests do not perform well or are adversely affected by events. Further, legal, political, regulatory and tax changes may also cause fluctuations in markets and securities prices.

Covid-19

The Covid-19 pandemic presents various risks to the Fund. There remains uncertainty regarding the potential duration and impact of the Covid-19 pandemic upon the Fund. Without limitation, set out below are some of the potential impacts that the Covid-19 pandemic may have upon the Fund. Depending on the duration and severity of the Covid-19 pandemic, it may also have the effect of heightening many of the other risk factors described in the Offering Memorandum.

The Covid-19 pandemic contributes uncertainty to the Fund's ability to meet its investment objectives to the extent that the pandemic impacts issuers, economies and capital markets.

To date, the Covid-19 pandemic has caused unemployment to rise sharply, disrupted global supply chains, required governments to impose travel bans, quarantines, social distancing and other restrictive measures which have reduced economic activity, contributed to market volatility, reduced profitability of certain companies and market sectors, led to economic shutdowns, caused governments to incur significant amounts of debt, contributed systemic risk to capital markets and has contributed to social unrest.

Going forward, additional negative consequences could arise. For example, corporate insolvencies could increase, household wealth could decrease, governments may be required to enact further legislation that has the effect of shutting down economies, governments may be required to issue additional debt and they may eventually be required to raise taxes to fund or service such debt. The debt issued by governments could lead to currency devaluations, inflationary pressures and impact interest rates, each of which could negatively impact the performance of the Fund. The efficacy of Covid-19 vaccines and the timeline for the mass distribution of a such vaccines remains uncertain.

Each of the above factors could impact the Fund going forward by reducing the valuation of the issuers in the Fund's portfolio, leading to increased regulation or taxes, expose the Fund to market and economic risk and reduce the ability of the principals of the Fund to perform their roles in the event they become ill. Due to the uncertainty relating to the Covid-19 pandemic, it is impossible to list all of the potential impacts the pandemic could have upon the Fund and investors are cautioned to consider the uncertainty relating to the Covid-19 pandemic prior to deciding to invest in Units of the Fund.

Data Security and Privacy Breaches

The cybersecurity risks faced by the Trustee, the Manager, the Fund, service providers and Unitholders have increased in recent years due to the proliferation of cyber-threats that target computers, information systems, software, data and networks. Cyber-threats include, among other things, unauthorized attempts

to access, disable, modify or degrade information systems and networks, the introduction of computer viruses and other malicious codes such as “ransomware”, and fraudulent “phishing” emails that seek to misappropriate data and information or install malware on users’ computers. The potential effects of cyber-threats include the theft or loss of data, unauthorized access to, and disclosure of, confidential personal and business-related information, service disruption, remediation costs, increased cyber-security costs, lost revenue, litigation and reputational harm which can materially affect the Fund. The Manager continuously monitors security threats to its information systems and implements measures to manage these threats, however the risk to the Manager and the Fund and therefore Unitholders cannot be fully mitigated due to the evolving nature of these threats, the difficulty in anticipating such threats and the difficulty in immediately detecting all such threats.

Status of the Fund

The Fund is not a trust company and, accordingly, is not registered under the trust company legislation of any jurisdiction. Units are not “deposits” within the meaning of the Canada Deposit Insurance Corporation Act (Canada) and are not insured under provisions of that statute or any other legislation.

The Fund is not subject to the restrictions placed on public mutual funds to ensure diversification and liquidity of the Fund's portfolio.

Risks of Certain Investments Made by the Manager

In addition to these general investment risks, the Manager may use investment techniques that may subject the portfolio to certain risks; some, but not all, of these techniques and risks are summarized below.

(1) *Options.* The Manager may engage from time to time in various types of options transactions. An option gives the purchaser the right, but not the obligation, upon exercise of the option, either (i) to buy or sell a specific amount of the underlying security at a specific price (the “**strike**” price or “**exercise**” price), or (ii) in the case of a stock index option, to receive a specified cash settlement. To purchase an option, the purchaser must pay a “**premium**”, which consists of a single, non-refundable payment. Unless the price of the securities interest underlying the option changes and it becomes profitable to exercise or offset the option before it expires, the Manager may lose the entire amount of the premium. The purchaser of an option runs the risk of losing the entire investment. Thus, the Manager may incur significant losses in a relatively short period of time. The ability to trade in or exercise options also may be restricted in the event that trading in the underlying securities interest becomes restricted. Options trading may also be illiquid in the event that the Manager's assets are invested in contracts with extended expirations. The Manager may purchase and write put and call options on specific securities, on stock indexes or on other financial instruments and, to close out its positions in options, may make a closing purchase transaction or closing sale transaction.

(2) *Futures.* The Fund may invest in futures contracts (subject to the Manager obtaining the necessary registration under applicable securities laws). The use of futures is a highly specialized activity which involves investment strategies and risks different from those associated with ordinary portfolio securities transactions, and there can be no guarantee that their use will increase the Fund's returns or not cause the Fund to sustain large losses. Although the use of these instruments may reduce certain risks associated with portfolio positions, these techniques themselves entail certain other risks. If the Manager applies a futures strategy at an inappropriate time or judges market conditions or trends incorrectly, such strategy may lower the investment's return or cause substantial losses. Certain futures strategies may limit the Fund's ability to realize gains as well as limit its exposure to losses. The Fund could also experience losses

if the price movements of the Fund's futures positions were poorly correlated with those of its other investments, or if it could not close out its positions because of an illiquid market. In addition, a portfolio investment will incur transaction costs, including brokerage commissions, in connection with its futures transactions and these transactions could increase the Fund's turn-over rate, thus potentially lowering the Fund's returns.

(3) *Short Selling.* The Fund may engage in the short-selling of securities in certain circumstances. Short-selling securities means selling securities the seller does not own. If securities are sold short, the Fund will fulfill its obligation to deliver such securities with borrowed securities. The Fund would only profit from such a practice if it could fulfill its obligation to the lender of the securities by the short sale. If the price of a security that has been sold short increases, there is no limit to the loss that could be incurred in covering a short sale.

(4) *Foreign Market Risks.* With regard to the Fund's assets placed in markets other than those in Canada and the United States, the risk exists that the degree of regulatory oversight, liquidity and financial control exercised by governments and regulators in such other jurisdictions may not be as effective and protective to investors as those in Canada and the United States.

Lack of Certain Registration and Regulatory Protections

Units of the Fund are not qualified by a prospectus filed with any Canadian securities regulatory authority or the U.S. securities regulatory authorities. Unitholders are given only limited voting rights.

REPORTING TO UNITHOLDERS AND MEETINGS OF UNITHOLDERS

Reporting to Unitholders

Unitholders will receive a quarterly statement showing the Units held by the Unitholders and any transactions for the preceding period. In addition, Unitholders will receive the applicable required tax form(s) in respect of a fiscal year of the Fund no later than March 31 of the following year.

The fiscal year end of the Fund is December 31. Unitholders will be sent audited annual financial statements and unaudited semi-annual financial statements within such periods of time as is required by securities laws.

The Manager will keep or will cause to be kept adequate books and records reflecting the activities of the Fund. A Unitholder or its duly authorized representative will have the right to examine the books and records of the Fund during normal business hours at the offices of the Manager from time to time. Notwithstanding the foregoing, a Unitholder shall not have access to any information which, in the opinion of the Manager, should be kept confidential in the interests of the Fund.

Meetings of Unitholders

The Fund will not hold regular meetings, however the Manager may convene a meeting of Unitholders or of a class of Unitholders, as it considers appropriate or advisable from time to time. The Manager must also call a meeting of Unitholders on the written request of Unitholders holding not less than 25% of the outstanding Units of the Fund or of a class in accordance with the Declaration of Trust.

Not less than 21 days' notice will be given of any meeting of Unitholders. The quorum at any meeting is two or more Unitholders present in person or by proxy representing not less than 5% of the Units then outstanding and entitled to vote thereon. If no quorum is present at such meeting when called, the

meeting will be adjourned by the Manager to a date and time determined by the Manager, and at the adjourned meeting the Unitholders then present in person or represented by proxy will form the necessary quorum.

Any approval of Unitholders under the Declaration of Trust by an ordinary resolution must be given by not less than 50% of the Units voting thereon at a meeting duly convened for the consideration of such matter. Any approval of Unitholders under the Declaration of Trust by an extraordinary resolution must be given by not less than two-thirds of the Units voting thereon at a meeting duly convened for the consideration of such matter.

AMENDMENTS TO THE DECLARATION OF TRUST AND TERMINATION OF THE FUND

The Manager may determine to amend the Declaration of Trust at any time, without notice to Unitholders with the consent of the Trustee, if such an amendment will not have a material adverse affect on Unitholders. The Trustee must also approve any amendment that restricts its protection or materially impacts its responsibilities.

Any amendment which cannot be made in accordance with the above may be made, at any time, by the Manager and the Trustee with the approval of Unitholders as provided for in the Declaration of Trust. Amendments which require Unitholder approval include changes to the fundamental investment objective of the Fund or if the basis of the calculation of a fee or expense is changed in a way that could result in an increase in charges to the Fund.

The Fund may be terminated on the occurrence of certain events stipulated in its Declaration of Trust. The Manager may resign as manager of the Fund, and if no successor is appointed, the Fund will be terminated. On termination of the Fund, the Trustee will distribute the assets of the Fund in cash or in kind in accordance with the Declaration of Trust.

The description of the terms of the Declaration of Trust contained in this Offering Memorandum is a summary only and is not intended to be complete. Each investor should carefully review the Declaration of Trust itself for full details of the applicable provisions.

INTERESTS OF TRUST MANAGEMENT IN MATERIAL TRANSACTIONS

The Manager is beneficially owned and controlled by a director and officer of the Manager. The Manager will receive compensation from the Fund as described under "Fees and Expenses".

MATERIAL CONTRACTS

The only material contracts of the Fund are as follows: (i) the Declaration of Trust, (ii) the services agreement with the Valuation Agent, and (iii) the prime brokerage and custodian agreement. Copies of such contracts may be inspected at the office of the Manager during normal business hours.

PROMOTER

The Manager may be said to be the promoter of the Fund, having taken the initiative in its creation.

REGISTRAR AND VALUATION AGENT

The record keeper and Valuation Agent of the Fund is SGGG Fund Services Inc., 121 King Street West, Suite 300 Toronto, Ontario M5H 3T9.

CUSTODIAN AND PRIME BROKER

The custodian and prime broker of the Fund is TD Securities Inc., 222 Bay Street, 7th Floor, Toronto, Ontario, M5K 1A2.

AUDITORS

The auditors of the Fund are PricewaterhouseCoopers LLP, PwC Tower, 18 York Street, Suite 2600, Toronto, ON, M5J 0B2.

LEGAL COUNSEL

Legal counsel to the Fund and the Manager is AUM Law Professional Corporation, 110 Yonge Street, Suite 400, Toronto, ON M5C 1T4.

CERTIFICATE

TO: Alberta residents purchasing Units in reliance on the exemption in Section 2.10 (\$150,000 minimum amount exemption) of National Instrument 45-106

CERTIFICATE OF
Good Opportunities Fund
(the "**Fund**")

Date: March 1, 2021

This Offering Memorandum does not contain a Misrepresentation.

GFI INVESTMENT COUNSEL LTD., as manager
and promoter of GOOD OPPORTUNITIES FUND

By:



Daniel Goodman
President

SCHEDULE "A"
PURCHASERS' RIGHTS OF ACTION

Securities legislation in certain of the Canadian provinces provides purchasers of securities pursuant to an offering memorandum (such as this Offering Memorandum) with a remedy for damages or rescission, or both, in addition to any other rights they may have at law, where the offering memorandum and any amendment to it contains a misrepresentation. Where used herein, "**Misrepresentation**" has the meaning assigned under the securities act of each applicable Selling Jurisdiction, but generally means an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make any statement not misleading in light of the circumstances in which it was made. A "**material fact**" has the meaning assigned under the securities act of each applicable Selling Jurisdiction, but generally means a fact that significantly affects or would reasonably be expected to have a significant effect on the market price or value of the Units.

These remedies, or notice with respect to these remedies, must be exercised or delivered, as the case may be, by the purchaser within the time limits prescribed by applicable securities legislation.

The following is a summary of the rights of action for rescission or damages available to purchasers where an offering memorandum and any amendment to it contains a Misrepresentation. Each purchaser should refer to provisions of the applicable securities legislation for the particulars of these rights or consult with a legal advisor. The applicable contractual and statutory rights are summarized below.

Alberta

For a purchaser of Units who is resident in Alberta and to whom this Offering Memorandum was delivered and who is relying on the minimum amount prospectus exemption in National Instrument 45-106, section 204 of the *Securities Act* (Alberta) provides that if an offering memorandum (as defined in the *Securities Act* (Alberta)) contains a Misrepresentation, a purchaser who purchases a security offered by the offering memorandum is deemed to have relied on the representation, if it was a Misrepresentation at the time of the purchase, and has a right of action (a) for damages against (i) the issuer, (ii) every director of the issuer at the date of the offering memorandum, and (iii) every person or company who signed the offering memorandum, and (b) for rescission against the issuer, provided that:

- (c) if the purchaser elects to exercise its right of rescission, it shall cease to have a right of action for damages against the person or company referred to above;
- (d) no person or company referred to above will be liable if it proves that the purchaser had knowledge of the Misrepresentation;
- (e) no person or company (other than the issuer) referred to above will be liable if it proves that the offering memorandum was sent to the purchaser without the person's or company's knowledge or consent and that, on becoming aware of its being sent, the person or company promptly gave reasonable notice to the issuer that it was sent without the knowledge and consent of the person or company;
- (f) no person or company (other than the issuer) referred to above will be liable if it proves that the person or company, on becoming aware of the Misrepresentation in the offering memorandum, withdrew the person's or company's consent to the offering memorandum and gave reasonable notice to the issuer of the withdrawal and the reason for it;

- (g) no person or company (other than the issuer) referred to above will be liable if, with respect to any part of the offering memorandum purporting to be made on the authority of an expert or purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, the person or company proves that the person or company did not have any reasonable grounds to believe and did not believe that:
 - (i) there had been a Misrepresentation; or
 - (ii) the relevant part of the offering memorandum
 - A) did not fairly represent the report, opinion or statement of the expert, or
 - B) was not a fair copy of, or an extract from, the report, opinion or statement of the expert;
- (h) the person or company (other than the issuer) will not be liable if with respect to any part of the offering memorandum not purporting to be made on the authority of an expert and not purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person or company
 - (i) did not conduct an investigation sufficient to provide reasonable grounds for a belief that there had been no Misrepresentation, or
 - (ii) believed there had been a Misrepresentation;
- (i) in no case shall the amount recoverable exceed the price at which the securities were offered under the offering memorandum;
- (j) the defendant will not be liable for all or any part of the damages that the defendant proves do not represent the depreciation in value of the security as a result of the Misrepresentation;

Section 211 of the *Securities Act* (Alberta) provides that no action may be commenced to enforce these rights more than:

- (k) in the case of an action for rescission, 180 days from the day of the transaction that gave rise to the cause of action, or
- (l) in the case of any action, other than an action for rescission, the earlier of
 - (i) 180 days from the day that the plaintiff first had knowledge of the facts giving rise to the cause of action, or
 - (ii) 3 years from the day of the transaction that gave rise to the cause of action.

Manitoba

Section 141.1 of the *Securities Act* (Manitoba), as amended (the “**Manitoba Act**”) provides that where an offering memorandum (such as this Offering Memorandum) or any amendment to it contains a Misrepresentation, a purchaser who purchases a security offered by the offering memorandum is deemed to have relied on the representation if it was a Misrepresentation at the time of purchase and has a right of rescission against the issuer or has a right of action for damages against (i) the issuer, (ii) every director of the issuer at the date of the offering memorandum, and (iii) every person or company who signed the offering memorandum.

Such rights of rescission and damages are subject to certain limitations including the following:

- (a) if the purchaser chooses to exercise a right of rescission against the issuer, the purchaser shall have no right of action for damages against the parties (i), (ii) and (iii) listed above;
- (b) in an action for damages, a defendant will not be liable for all or any part of the damages that he or she proves do not represent the depreciation in value of the security as a result of the Misrepresentation;
- (c) in no case shall the amount recoverable exceed the price at which the securities were offered under the offering memorandum; and
- (d) no person or company is liable in an action for rescission or damages if that person or company proves that the purchaser had knowledge of the Misrepresentation.

In addition, no person or company, other than the issuer, will be liable if the person or company proves that:

- (a) the offering memorandum was sent to the purchaser without the person's or company's knowledge or consent, and that, after becoming aware that it was sent, the person or company promptly gave reasonable notice to the issuer that it was sent without the person's or company's knowledge and consent;
- (a) with respect to any part of the offering memorandum purporting to be made on the authority of an expert or to be a copy of, or an extract from, an expert's report, opinion or statement, the person or company proves that the person or company did not have any reasonable grounds to believe and did not believe that (i) there had been a Misrepresentation, or (ii) the relevant part of the offering memorandum (A) did not fairly represent the expert's report, opinion or statement, or (B) was not a fair copy of, or an extract from, the expert's report, opinion or statement; or
- (c) with respect to any part of the offering memorandum not purporting to be made on an expert's authority and not purporting to be a copy of, or an extract from, an expert's report, opinion or statement, unless the person or company (i) did not conduct an investigation sufficient to provide reasonable grounds for a belief that there had been no Misrepresentation, or (ii) believed there had been a Misrepresentation.

Not all defences upon which the issuer or others may rely are described herein. Please refer to the full text of the Manitoba Act for a complete listing.

Section 141.2 of the Manitoba Act provides that a purchaser of a security to whom an offering memorandum was required to be sent in compliance with Manitoba securities legislation, but was not sent within the prescribed time has a right of action for rescission or damages against the dealer, offeror or issuer who did not comply with the requirement.

Section 141.3 of the Manitoba Act also provides that a purchaser of a security to whom an offering memorandum is required to be sent may rescind the contract to purchase the security by sending a written notice of rescission to the issuer not later than midnight on the second day, excluding Saturdays and holidays, after the purchaser signs the agreement to purchase the securities.

Section 141.4 of the Manitoba Act provides that no action may be commenced to enforce any of the foregoing rights:

- (a) in the case of an action for rescission, more than 180 days after the day of the transaction that gave rise to the cause of action; or
- (b) in the case of any other action, other than an action for rescission, the earlier of:
 - (i) 180 days after the day that the plaintiff first had knowledge of the facts giving rise to the cause of action, or
 - (ii) two years after the day of the transaction that gave rise to the cause of action.

The rights of action for damages or rescission under the Manitoba Act are in addition to and do not derogate from any other right which a purchaser may have at law.

New Brunswick

Section 150 of the *Securities Act* (New Brunswick) provides that where an offering memorandum (such as this Offering Memorandum) contains a Misrepresentation, a purchaser who purchases securities shall be deemed to have relied on the Misrepresentation if it was a Misrepresentation at the time of purchase and:

- (a) the purchaser has a right of action for damages against the issuer and any selling security holder(s) on whose behalf the distribution is made, or
- (b) where the purchaser purchased the securities from a person referred to in paragraph (a), the purchaser may elect to exercise a right of rescission against the person, in which case the purchaser shall have no right of action for damages against the person.

This statutory right of action is available to New Brunswick purchasers whether or not such purchaser relied on the Misrepresentation. However, there are various defences available to the issuer and the selling security holder(s). In particular, no person will be liable for a Misrepresentation if such person proves that the purchaser purchased the securities with knowledge of the Misrepresentation when the purchaser purchased the securities. Moreover, in an action for damages, the amount recoverable will not exceed the price at which the securities were offered under the offering memorandum and any defendant will not be liable for all or any part of the damages that the defendant proves do not represent the depreciation in value of the security as a result of the Misrepresentation.

If the purchaser intends to rely on the rights described in (a) or (b) above, such purchaser must do so within strict time limitations. The purchaser must commence an action to cancel the agreement within

180 days after the date of the transaction that gave rise to the cause of action. The purchaser must commence its action for damages within the earlier of:

- (a) one year after the purchaser first had knowledge of the facts giving rise to the cause of action;
or
- (b) six years after the date of the transaction that gave rise to the cause of action.

Newfoundland and Labrador

Section 130.1 of the *Securities Act* (Newfoundland and Labrador) provides that if an offering memorandum (such as this Offering Memorandum) contains a Misrepresentation, a purchaser who purchases Units offered by the offering memorandum is deemed to have relied on the representation if it was a Misrepresentation at the time of purchase, and the purchaser has:

- (a) a right of action for damages against:
 - (i) the issuer;
 - (ii) every director of the issuer at the date of the offering memorandum;
 - (iii) every person or company who signed the offering memorandum; and
- (b) a right of rescission against the issuer.

If the purchaser chooses to exercise a right of rescission against the issuer, the purchaser has no right of action for damages against a person or company referred to above.

If a Misrepresentation is contained in a record incorporated by reference in, or is deemed to be incorporated into, the offering memorandum, the Misrepresentation is deemed to be contained in the offering memorandum.

When a Misrepresentation is contained in the offering memorandum, no person or company other than the issuer, is liable:

- (a) if the person or company proves
 - (i) that the offering memorandum was sent to the purchaser without the person's or company's knowledge or consent, and
 - (ii) that, after becoming aware that it was sent, the person or company promptly gave reasonable notice to the issuer that it was sent without the person's or company's knowledge and consent;
- (b) if the person or company proves that, after becoming aware of the Misrepresentation, the person or company withdrew the person's or company's consent to the offering memorandum and gave reasonable notice to the issuer of the withdrawal and the reason for it;
- (c) if, with respect to any part of the offering memorandum purporting to be made on the authority of an expert or to be a copy of, or an extract from, an expert's report, opinion or statement, the person or company proves that the person or company did not have any

reasonable grounds to believe and did not believe that (i) there had been a Misrepresentation, or (ii) the relevant part of the offering memorandum (A) did not fairly represent the expert's report, opinion or statement, or (B) was not a fair copy of, or an extract from, the expert's report, opinion or statement; or

- (d) with respect to any part of the offering memorandum not purporting to be made on an expert's authority and not purporting to be a copy of, or an extract from, an expert's report, opinion or statement, unless the person or company (i) did not conduct an investigation sufficient to provide reasonable grounds for a belief that there had been no Misrepresentation, or (ii) believed there had been a Misrepresentation.

The amount recoverable shall not exceed the price at which the Units were offered under the offering memorandum.

In an action for damages, the defendant is not liable for all or any part of the damages that the defendant proves do not represent the depreciation in value of the security as a result of the Misrepresentation.

All or any one or more of the persons or companies that are found to be liable or accept liability in an action for damages are jointly and severally liable. A defendant who is found liable to pay a sum in damages may recover a contribution, in whole or in part, from a person who is jointly and severally liable to make the same payment in the same cause of action unless, in all circumstances of the case, the court is satisfied that it would not be just and equitable.

No action shall be commenced to enforce these contractual rights more than:

- (a) in the case of an action for rescission, 180 days after the purchaser signs the agreement to purchase the Units; or
- (b) in the case of an action for damages, before the earlier of:
 - (i) 180 days after the purchaser first has knowledge of the facts giving rise to the cause of action; or
 - (ii) three years after the date the purchaser signs the agreement to purchase the Units.

Northwest Territories

Securities legislation in the Northwest Territories provides that if an offering memorandum (such as this Offering Memorandum) contains a Misrepresentation, a purchaser who purchases a security offered by the offering memorandum during the period of distribution has, without regard to whether the purchaser relied on the Misrepresentation:

- (a) a right of action for damages against
 - (i) the issuer;
 - (ii) the selling security holder on whose behalf the distribution is made;
 - (iii) every director of the issuer at the date of the offering memorandum; and
 - (iv) every person who signed the offering memorandum; and
- (b) a right of rescission against:

- (i) the issuer; or
- (ii) the selling security holder on whose behalf the distribution is made.

If the purchaser chooses to exercise a right of rescission against the issuer, the purchaser has no right of action for damages against a person or company referred to above.

If a Misrepresentation is contained in a record incorporated by reference in, or is deemed to be incorporated into, an offering memorandum, the Misrepresentation is deemed to be contained in the offering memorandum.

If a Misrepresentation is contained in the offering memorandum, no person is liable if the person proves that the purchaser purchased the securities with knowledge of the Misrepresentation.

A person, other than the issuer or selling security holder, is not liable in an action for damages if the person proves that:

- (a) the offering memorandum was sent to the purchaser without the person's knowledge or consent, and that, on becoming aware of its being sent, the person had promptly given reasonable notice to the issuer that it had been sent without the person's knowledge and consent;
- (b) the person, on becoming aware of the Misrepresentation, had withdrawn the person's consent to the offering memorandum and had given reasonable notice to the issuer of the withdrawal and the reason for it; or
- (c) with respect to any part of the offering memorandum purporting to be made on the authority of an expert or to be a copy of, or an extract from, a report, opinion or statement of an expert, the person had no reasonable grounds to believe and did not believe that
 - (i) there had been a Misrepresentation, or
 - (ii) the relevant part of the offering memorandum
 - (A) did not fairly represent the report, opinion or statement of the expert, or
 - (B) was not a fair copy of, or an extract from, the report, opinion or statement of the expert.

A person, other than the issuer or selling security holder, is not liable in an action for damages with respect to any part of the offering memorandum not purporting to be made on the authority of an expert and not purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person

- (a) failed to conduct a reasonable investigation to provide reasonable grounds for a belief that there had been no Misrepresentation; or
- (b) believed there had been a Misrepresentation.

The amount recoverable shall not exceed the price at which the securities were offered under the offering memorandum. In an action for damages, the defendant is not liable for all or any part of the damages that the defendant proves do not represent the depreciation in value of the security as a result of the

Misrepresentation.

All or any one or more of the persons or companies that are found to be liable or accept liability in an action for damages are jointly and severally liable. A defendant who is found liable to pay a sum in damages may recover a contribution, in whole or in part, from a person who is jointly and severally liable to make the same payment in the same cause of action unless, in all circumstances of the case, the court is satisfied that it would not be just and equitable.

The issuer, and every director of the issuer at the date of the offering memorandum who is not a selling security holder, is not liable if the issuer does not receive any proceeds from the distribution of the securities and the Misrepresentation was not based on information provided by the issuer, unless the Misrepresentation

- (a) was based on information previously publicly disclosed by the issuer;
- (b) was a Misrepresentation at the time of its previous public disclosure; and
- (c) was not subsequently publicly corrected or superseded by the issuer before completion of the distribution of the securities being distributed.

No action may be commenced to enforce a right more than,

- (a) in the case of an action for rescission, 180 days after the date of the transaction giving rise to the cause of action; or
- (b) in the case of any action other than an action for rescission,
 - (i) 180 days after the plaintiff first had knowledge of the facts giving rise to the cause of action, or
 - (ii) three years after the date of the transaction giving rise to the cause of action,

whichever period expires first.

The rights of action for rescission or damages conferred are in addition to and do not derogate from any other right that the purchaser may have at law.

Nova Scotia

The right of action for damages or rescission described herein is conferred by section 138 of the *Securities Act* (Nova Scotia). Section 138 of the *Securities Act* (Nova Scotia) provides, in relevant part, that in the event that an offering memorandum (such as this Offering Memorandum), together with any amendment thereto, or any advertising or sales literature (as defined in the *Securities Act* (Nova Scotia) contains a Misrepresentation, the purchaser will be deemed to have relied upon such Misrepresentation if it was a Misrepresentation at the time of purchase and has, subject to certain limitations and defences, a statutory right of action for damages against the issuer and, subject to certain additional defences, every director of the issuer at the date of the offering memorandum and every person who signed the offering memorandum or, alternatively, while still the owner of the securities purchased by the purchaser, may elect instead to exercise a statutory right of rescission against the issuer, in which case the purchaser shall have no right of action for damages against the issuer, directors of the issuer or persons who have signed the offering memorandum, provided that, among other limitations:

- (a) no action shall be commenced to enforce the right of action for rescission or damages by a purchaser resident in Nova Scotia later than 120 days after the date on which the initial payment was made for the securities;
- (b) no person will be liable if it proves that the purchaser purchased the securities with knowledge of the Misrepresentation;
- (c) in the case of an action for damages, no person will be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the securities as a result of the Misrepresentation relied upon; and
- (d) in no case will the amount recoverable in any action exceed the price at which the securities were offered to the purchaser.

In addition, a person or company, other than the issuer, will not be liable if that person or company proves that:

- (a) the offering memorandum or amendment to the offering memorandum was sent or delivered to the purchaser without the person's or company's knowledge or consent and that, on becoming aware of its delivery, the person or company gave reasonable general notice that it was delivered without the person's or company's knowledge or consent;
- (b) after delivery of the offering memorandum or amendment to the offering memorandum and before the purchase of the securities by the purchaser, on becoming aware of any Misrepresentation in the offering memorandum or amendment to the offering memorandum the person or company withdrew the person's or company's consent to the offering memorandum or amendment to the offering memorandum, and gave reasonable general notice of the withdrawal and the reason for it; or
- (c) with respect to any part of the offering memorandum or amendment to the offering memorandum purporting (i) to be made on the authority of an expert, or (ii) to be a copy of, or an extract from, a report, an opinion or a statement of an expert, the person or company had no reasonable grounds to believe and did not believe that (A) there had been a Misrepresentation, or (B) the relevant part of the offering memorandum or amendment to the offering memorandum did not fairly represent the report, opinion or statement of the expert, or was not a fair copy of, or an extract from, the report, opinion or statement of the expert.

Furthermore, no person or company, other than the issuer, will be liable with respect to any part of the offering memorandum or amendment to the offering memorandum not purporting (a) to be made on the authority of an expert or (b) to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person or company (i) failed to conduct a reasonable investigation to provide reasonable grounds for a belief that there had been no Misrepresentation or (ii) believed that there had been a Misrepresentation.

If a Misrepresentation is contained in a record incorporated by reference into, or deemed incorporated by reference into, the offering memorandum or amendment to the offering memorandum, the Misrepresentation is deemed to be contained in the offering memorandum or an amendment to the offering memorandum.

Nunavut

Securities legislation in Nunavut provides that if an offering memorandum (such as this Offering Memorandum) contains a Misrepresentation, a purchaser who purchases a security offered by the offering memorandum during the period of distribution has, without regard to whether the purchaser relied on the Misrepresentation:

- (a) a right of action for damages against:
 - (i) the issuer;
 - (ii) the selling security holder on whose behalf the distribution is made;
 - (iii) every director of the issuer at the date of the offering memorandum; and
 - (iv) every person who signed the offering memorandum; and
- (b) a right of rescission against:
 - (i) the issuer; or
 - (ii) the selling security holder on whose behalf the distribution is made.

If the purchaser chooses to exercise a right of rescission against the issuer, the purchaser has no right of action for damages against a person or company referred to above.

If a Misrepresentation is contained in a record incorporated by reference in, or is deemed to be incorporated into, an offering memorandum, the Misrepresentation is deemed to be contained in the offering memorandum.

If a Misrepresentation is contained in the offering memorandum, no person is liable if the person proves that the purchaser purchased the securities with knowledge of the Misrepresentation.

A person, other than the issuer or selling security holder, is not liable in an action for damages if the person proves that:

- (a) the offering memorandum was sent to the purchaser without the person's knowledge or consent, and that, on becoming aware of its being sent, the person had promptly given reasonable notice to the issuer that it had been sent without the person's knowledge and consent;
- (b) the person, on becoming aware of the Misrepresentation, had withdrawn the person's consent to the offering memorandum and had given reasonable notice to the issuer of the withdrawal and the reason for it; or
- (c) with respect to any part of the offering memorandum purporting to be made on the authority of an expert or to be a copy of, or an extract from, a report, opinion or statement of an expert, the person had no reasonable grounds to believe and did not believe that

- (i) there had been a Misrepresentation, or
- (ii) the relevant part of the offering memorandum (A) did not fairly represent the report, opinion or statement of the expert, or (B) was not a fair copy of, or an extract from, the report, opinion or statement of the expert.

A person, other than the issuer or selling security holder, is not liable in an action for damages with respect to any part of the offering memorandum not purporting to be made on the authority of an expert and not purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person

- (a) failed to conduct a reasonable investigation to provide reasonable grounds for a belief that there had been no Misrepresentation, or
- (b) believed there had been a Misrepresentation.

The amount recoverable shall not exceed the price at which the securities were offered under the offering memorandum. In an action for damages, the defendant is not liable for all or any part of the damages that the defendant proves do not represent the depreciation in value of the security as a result of the Misrepresentation.

All or any one or more of the persons or companies that are found to be liable or accept liability in an action for damages are jointly and severally liable. A defendant who is found liable to pay a sum in damages may recover a contribution, in whole or in part, from a person who is jointly and severally liable to make the same payment in the same cause of action unless, in all circumstances of the case, the court is satisfied that it would not be just and equitable.

The issuer, and every director of the issuer at the date of the offering memorandum who is not a selling security holder, is not liable if the issuer does not receive any proceeds from the distribution of the securities and the Misrepresentation was not based on information provided by the issuer, unless the Misrepresentation

- (a) was based on information previously publicly disclosed by the issuer;
- (b) was a Misrepresentation at the time of its previous public disclosure; and
- (c) was not subsequently publicly corrected or superseded by the issuer before completion of the distribution of the securities being distributed.

No action may be commenced to enforce a right more than,

- (a) in the case of an action for rescission, 180 days after the date of the transaction giving rise to the cause of action; or
- (b) in the case of any action other than an action for rescission,
 - (i) 180 days after the plaintiff first had knowledge of the facts giving rise to the cause of action, or
 - (ii) three years after the date of the transaction giving rise to the cause of action,

whichever period expires first.

The rights of action for rescission or damages conferred are in addition to and do not derogate from any other right that the purchaser may have at law.

Ontario

Section 130.1 of the *Securities Act* (Ontario) provides that every purchaser of securities pursuant to an offering memorandum (such as this Offering Memorandum) shall have a statutory right of action for damages or rescission against the issuer and any selling security holder in the event that the offering memorandum contains a Misrepresentation. A purchaser who purchases securities offered by the offering memorandum during the period of distribution has, without regard to whether the purchaser relied upon the Misrepresentation, a right of action for damages or, alternatively, while still the owner of the securities, for rescission against the issuer and any selling security holder provided that:

- (a) if the purchaser exercises its right of rescission, it shall cease to have a right of action for damages as against the issuer and the selling security holders, if any;
- (b) the issuer and the selling security holders, if any, will not be liable if they prove that the purchaser purchased the securities with knowledge of the Misrepresentation;
- (c) the issuer and the selling security holders, if any, will not be liable for all or any portion of damages that it proves do not represent the depreciation in value of the securities as a result of the Misrepresentation relied upon; and
- (d) in no case shall the amount recoverable exceed the price at which the securities were offered.

Section 138 of the *Securities Act* (Ontario) provides that no action shall be commenced to enforce these rights more than:

- (a) in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or
- (b) in the case of an action for damages, the earlier of:
 - (i) 180 days after the date that the purchaser first had knowledge of the facts giving rise to the cause of action; or
 - (ii) three years after the date of the transaction that gave rise to the cause of action.

This Offering Memorandum is being delivered in reliance on the exemption from the prospectus requirements contained under section 2.3 of NI 45-106 (the "**accredited investor exemption**"). The rights referred to in section 130.1 of the *Securities Act* (Ontario) do not apply in respect of an offering memorandum (such as this Offering Memorandum) delivered to a prospective purchaser in connection with a distribution made in reliance on the accredited investor exemption if the prospective purchaser is:

- (a) a Canadian financial institution or a Schedule III bank (each as defined in NI 45-106);
- (b) the Business Development Bank of Canada incorporated under the Business Development Bank of Canada Act (Canada); or

- (c) a subsidiary of any person referred to in paragraphs (a) and (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary.

Prince Edward Island

Section 112 of the *Securities Act* (Prince Edward Island) (the “**PEI Act**”) provides to a purchaser who purchases, during the distribution period, a security offered by an offering memorandum (such as this Offering Memorandum) containing a Misrepresentation, without regard to whether he or she relied on the Misrepresentation, a right of action for damages against (a) the issuer, (b) the selling security holder on whose behalf the distribution is made, (c) every director of the issuer at the date of the offering memorandum, and (d) every person who signed the offering memorandum.

If an offering memorandum contains a Misrepresentation, a purchaser, as described above, has a right of action for rescission against the issuer or the selling security holder on whose behalf the distribution is made. If the purchaser elects to exercise a right of action for rescission, the purchaser shall have no right of action for damages.

In addition, no person or company, other than the issuer and selling security holder, will be liable if the person proves that:

- (a) the offering memorandum was sent to the purchaser without the person’s knowledge or consent and that, on becoming aware of its being sent, the person had promptly given reasonable notice to the issuer that it had been sent without the knowledge and consent of the person;
- (b) the person, on becoming aware of the Misrepresentation in the offering memorandum, had withdrawn the person’s consent to the offering memorandum and had given reasonable notice to the issuer of the withdrawal and the reason for it; or
- (c) with respect to any part of the offering memorandum purporting to be made on the authority of an expert or purporting to be a copy of, or an extract from, a report, statement or opinion of an expert, the person had no reasonable grounds to believe and did not believe that (i) there had been a Misrepresentation, or (ii) the relevant part of the offering memorandum (A) did not fairly represent the report, statement or opinion of the expert, or (B) was not a fair copy of, or an extract from, the report, statement or opinion of the expert.

Not all defences upon which the issuer or others may rely are described herein. Please refer to the full text of the PEI Act for a complete listing.

In an action for damages, the defendant is not liable for any damages that he or she proves do not represent the depreciation in value of the security resulting from the Misrepresentation. In addition, the amount recoverable must not exceed the price at which the securities purchased by the purchaser were offered.

Section 121 of the PEI Act provides that no action may be commenced to enforce any of the foregoing rights more than:

- (a) in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or
- (b) in the case of any action other than an action for rescission, the earlier of:

- (i) 180 days after the plaintiff first had knowledge of the facts giving rise to the cause of action, or
- (ii) three years after the date of the transaction giving rise to the cause of action.

The rights of action for rescission or damages conferred are in addition to and do not derogate from any other right that the purchaser may have at law.

Saskatchewan

Section 138 of the *Securities Act, 1988* (Saskatchewan), as amended (the "**Saskatchewan Act**") provides that where an offering memorandum (such as this Offering Memorandum) or any amendment to it is sent or delivered to a purchaser and it contains a Misrepresentation, a purchaser who purchases a security covered by the offering memorandum or any amendment to it is deemed to have relied upon that Misrepresentation, if it was a Misrepresentation at the time of purchase, and has a right of action for rescission against the issuer or a selling security holder on whose behalf the distribution is made or has a right of action for damages against:

- (a) the issuer or a selling security holder on whose behalf the distribution is made;
- (b) every promoter and director of the issuer or the selling security holder, as the case may be, at the time the offering memorandum or any amendment to it was sent or delivered;
- (c) every person or company whose consent has been filed respecting the offering, but only with respect to reports, opinions or statements that have been made by them;
- (d) every person who or company that, in addition to the persons or companies mentioned in (a) to (c) above, signed the offering memorandum or the amendment to the offering memorandum; and
- (e) every person who or company that sells securities on behalf of the issuer or selling security holder under the offering memorandum or amendment to the offering memorandum.

Such rights of rescission and damages are subject to certain limitations including the following:

- (a) if the purchaser elects to exercise its right of rescission against the issuer or selling security holder, it shall have no right of action for damages against that party;
- (b) in an action for damages, a defendant will not be liable for all or any portion of the damages that he, she or it proves do not represent the depreciation in value of the securities resulting from the Misrepresentation relied on;
- (c) no person or company, other than the issuer or a selling security holder, will be liable for any part of the offering memorandum or any amendment to it not purporting to be made on the authority of an expert and not purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person or company failed to conduct a reasonable investigation sufficient to provide reasonable grounds for a belief that there had been no Misrepresentation or believed that there had been a Misrepresentation;
- (d) in no case shall the amount recoverable exceed the price at which the securities were offered; and

- (e) no person or company is liable in an action for rescission or damages if that person or company proves that the purchaser purchased the securities with knowledge of the Misrepresentation.

In addition, no person or company, other than the issuer or selling security holder, will be liable if the person or company proves that:

- (a) the offering memorandum or any amendment to it was sent or delivered without the person's or company's knowledge or consent and that, on becoming aware of it being sent or delivered, that person or company gave reasonable general notice that it was so sent or delivered; or
- (b) with respect to any part of the offering memorandum or any amendment to it purporting to be made on the authority of an expert, or purporting to be a copy of, or an extract from, a report, an opinion or a statement of an expert, that person or company had no reasonable grounds to believe and did not believe that there had been a Misrepresentation, the part of the offering memorandum or any amendment to it did not fairly represent the report, opinion or statement of the expert, or was not a fair copy of, or an extract from, the report, opinion or statement of the expert.

Not all defences upon which we or others may rely are described herein. Please refer to the full text of the Saskatchewan Act for a complete listing.

Similar rights of action for damages and rescission are provided in section 138.1 of the Saskatchewan Act in respect of a Misrepresentation in advertising and sales literature disseminated in connection with an offering of securities.

Section 138.2 of the Saskatchewan Act also provides that where an individual makes a verbal statement to a prospective purchaser that contains a Misrepresentation relating to the security purchased and the verbal statement is made either before or contemporaneously with the purchase of the security, the purchaser is deemed to have relied on the Misrepresentation, if it was a Misrepresentation at the time of purchase, and has a right of action for damages against the individual who made the verbal statement.

Section 141(1) of the Saskatchewan Act provides a purchaser with the right to void the purchase agreement and to recover all money and other consideration paid by the purchaser for the securities if the securities are sold in contravention of the Saskatchewan Act, the regulations to the Saskatchewan Act or a decision of the Saskatchewan Financial Services Commission.

Section 141(2) of the Saskatchewan Act also provides a right of action for rescission or damages to a purchaser of securities to whom an offering memorandum or any amendment to it was not sent or delivered prior to or at the same time as the purchaser enters into an agreement to purchase the securities, as required by section 80.1 of the Saskatchewan Act.

The rights of action for damages or rescission under the Saskatchewan Act are in addition to and do not derogate from any other right which a purchaser may have at law.

Section 147 of the Saskatchewan Act provides that no action shall be commenced to enforce any of the foregoing rights more than:

- (a) in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or
- (b) in the case of any other action, other than an action for rescission, the earlier of:
 - (i) one year after the plaintiff first had knowledge of the facts giving rise to the cause of action; or
 - (ii) six years after the date of the transaction that gave rise to the cause of action.

The Saskatchewan Act also provides a purchaser who has received an amended offering memorandum delivered in accordance with subsection 80.1(3) of the Saskatchewan Act has a right to withdraw from the agreement to purchase the securities by delivering a notice to the person who or company that is selling the securities, indicating the purchaser's intention not to be bound by the purchase agreement, provided such notice is delivered by the purchaser within two business days of receiving the amended offering memorandum.

Yukon

Securities legislation in the Yukon provides that if an offering memorandum (such as this Offering Memorandum) contains a Misrepresentation, a purchaser who purchases a security offered by the offering memorandum during the period of distribution has, without regard to whether the purchaser relied on the Misrepresentation:

- (a) a right of action for damages against:
 - (i) the issuer;
 - (ii) the selling security holder on whose behalf the distribution is made;
 - (iii) every director of the issuer at the date of the offering memorandum; and
 - (iv) every person who signed the offering memorandum; and
- (b) a right of rescission against:
 - (i) the issuer; or
 - (ii) the selling security holder on whose behalf the distribution is made.

If the purchaser chooses to exercise a right of rescission against the issuer, the purchaser has no right of action for damages against a person or company referred to above.

If a Misrepresentation is contained in a record incorporated by reference in, or is deemed to be incorporated into, an offering memorandum, the Misrepresentation is deemed to be contained in the offering memorandum.

If a Misrepresentation is contained in the offering memorandum, no person is liable if the person proves that the purchaser purchased the securities with knowledge of the Misrepresentation.

A person, other than the issuer or selling security holder, is not liable in an action for damages if the person proves that:

- (a) the offering memorandum was sent to the purchaser without the person's knowledge or consent, and that, on becoming aware of its being sent, the person had promptly given reasonable notice to the issuer that it had been sent without the person's knowledge and consent;
- (b) the person, on becoming aware of the Misrepresentation, had withdrawn the person's consent to the offering memorandum and had given reasonable notice to the issuer of the withdrawal and the reason for it; or
- (c) with respect to any part of the offering memorandum purporting to be made on the authority of an expert or to be a copy of, or an extract from, a report, opinion or statement of an expert, the person had no reasonable grounds to believe and did not believe that
 - (i) there had been a Misrepresentation, or
 - (ii) the relevant part of the offering memorandum (A) did not fairly represent the report, opinion or statement of the expert, or (B) was not a fair copy of, or an extract from, the report, opinion or statement of the expert.

A person, other than the issuer or selling security holder, is not liable in an action for damages with respect to any part of the offering memorandum not purporting to be made on the authority of an expert and not purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person

- (a) failed to conduct a reasonable investigation to provide reasonable grounds for a belief that there had been no Misrepresentation, or
- (b) believed there had been a Misrepresentation.

The amount recoverable shall not exceed the price at which the securities were offered under the offering memorandum. In an action for damages, the defendant is not liable for all or any part of the damages that the defendant proves do not represent the depreciation in value of the security as a result of the Misrepresentation.

All or any one or more of the persons or companies that are found to be liable or accept liability in an action for damages are jointly and severally liable. A defendant who is found liable to pay a sum in damages may recover a contribution, in whole or in part, from a person who is jointly and severally liable to make the same payment in the same cause of action unless, in all circumstances of the case, the court is satisfied that it would not be just and equitable.

The issuer, and every director of the issuer at the date of the offering memorandum who is not a selling security holder, is not liable if the issuer does not receive any proceeds from the distribution of the securities and the Misrepresentation was not based on information provided by the issuer, unless the Misrepresentation

- (a) was based on information previously publicly disclosed by the issuer;
- (b) was a Misrepresentation at the time of its previous public disclosure; and
- (c) was not subsequently publicly corrected or superseded by the issuer before completion of the distribution of the securities being distributed.

No action may be commenced to enforce a right more than,

- (a) in the case of an action for rescission, 180 days after the date of the transaction giving rise to the cause of action; or
- (b) in the case of any action other than an action for rescission,
 - (i) 180 days after the plaintiff first had knowledge of the facts giving rise to the cause of action, or
 - (ii) three years after the date of the transaction giving rise to the cause of action,

whichever period expires first.

The rights of action for rescission or damages conferred are in addition to and do not derogate from any other right that the purchaser may have at law.

General

The foregoing summary is subject to the express provisions of the relevant provincial securities legislation and the rules, regulations and other instruments thereunder, and reference is made to the complete text of such provisions. Such provisions may contain limitations and statutory defences on which the Fund may rely. The rights of action for damages or rescission discussed above are in addition to, and without derogation from, any other right or remedy which purchasers may have at law.