

CONFIDENTIAL OFFERING MEMORANDUM

This Offering Memorandum constitutes an offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities and to those persons to whom they may be lawfully offered for sale. No securities commission or similar regulatory authority in Canada has reviewed this Offering Memorandum or has in any way passed upon the merits of the securities offered hereunder and any representation to the contrary is an offence. No prospectus has been filed with any such authority in connection with the securities offered hereunder. This Offering Memorandum is confidential and is provided to specific prospective investors for the purpose of assisting them and their professional advisors in evaluating the securities offered hereby and is not to be construed as a prospectus or a public offering of these securities.

Continuous Offering

June 21, 2017

GENERATION GLOBAL VALUE PRIVATE TRUST

Series A Units
Series F Units
Series M Units
Series N Units
Series P Units

Generation Global Value Private Trust (the “**Fund**”) is focused on value-oriented investment strategies with the primary objective of capital appreciation. The Fund was established by Trapeze Asset Management Inc. (“**TAMI**”), as an open-ended unincorporated mutual fund pursuant to an amended and restated master declaration of trust (the “**Declaration of Trust**”) dated as of May 31, 2017, under the laws of the Province of Ontario. TAMI is the trustee and manager of the Fund. **TAMI is paid a fee for its services as set out in this confidential offering memorandum.** As a result of these relationships, the Fund is a related and connected issuer of TAMI and its affiliated investment dealer, Trapeze Capital Corp. (“**TCC**”).

TAMI is controlled by a holding company which also controls TCC, an investment dealer. TAMI has arranged for TCC and its carrying broker, Fidelity Clearing Canada ULC (“**Fidelity**”), to provide brokerage services to the Fund, including the execution of securities trades, for which TCC earns commissions and other fees for brokerage and banking services. TCC will provide such services on terms and conditions no less favourable to the Fund than would otherwise be obtainable if such services were provided by independent brokers or dealers, including consideration of commission rates, custody fees and other fees and charges on the whole. An account has been opened at Fidelity in the name of the Fund, in which account the assets of the Fund will be held, including all cash and securities. In addition, TAMI may pay trailing fees to TCC out of the administrative and/or performance fees TAMI earns from the Fund. Because TAMI and TCC are affiliated, a conflict of interest policy has been adopted by both.

Units are only being distributed to investors resident in Ontario, New Brunswick, Nova Scotia, Manitoba, Saskatchewan, Alberta and British Columbia, pursuant to available prospectus exemptions under the securities laws of those jurisdictions. TAMI may establish a minimum subscription amount from time to time. In addition, applicable securities legislation may require a minimum investment. The price per Unit for each series is to be based upon the applicable net asset value of the specified series of Units on the date of purchase.

Purchasers of Units may sell their Units only with the consent of TAMI. As there is no market through which the Units may be sold and none is expected to develop it may be difficult or even impossible for the purchaser to sell them. The Units are also subject to resale restrictions under the Fund’s Declaration of Trust and applicable securities legislation.

Redemptions may be suspended in certain limited circumstances. There are certain additional risk factors associated with investing in the Units. Investors should consult their own professional advisors to assess the income tax, legal and other aspects of the investment. Please see “Risk Factors” attached.

The securities offered hereby are offered exclusively by the Fund by way of a private placement. No person is authorized to give away any information or to make any representation not contained in this Offering Memorandum and any information or representation, other than that contained in this Offering Memorandum, must not be relied upon. This Offering Memorandum is a confidential document furnished solely for the use of prospective purchasers who, by acceptance hereof, agree that they shall not transmit, reproduce or make available this document or any information contained in it.

Persons who receive this Offering Memorandum must inform themselves of, and observe, all applicable restrictions with respect to the acquisition or disposition of Units under applicable securities legislation. **Subscribers are urged to read the Declaration of Trust (available on request) for a full description of their rights.**

THE OFFERING

- The Fund:** Generation Global Value Private Trust (the “**Fund**”) is an investment trust formed under the laws of the Province of Ontario pursuant to an amended and restated master declaration of trust (the “**Declaration of Trust**”) dated as of May 31, 2017. The principal place of business of the Fund and of TAMI is 18th Floor, 22 St. Clair Avenue East, Toronto, Ontario, M4T 2S3. A copy of the Declaration of Trust will be made available to holders of units (“**Unitholders**”) of the Fund upon request.
- The Trustee and Manager:** Trapeze Asset Management Inc. (“**TAMI**”), a corporation incorporated under the laws of the Province of Ontario, is the manager and the trustee of the Fund. TAMI is responsible for the management and control of the affairs of the Fund on a day-to-day basis. TAMI will also act as portfolio manager of the Fund.
- The Offering:** The offering (the “**Offering**”) consists of an unlimited number of redeemable Series A Units, Series F Units, Series M Units, Series N Units and Series P Units (together, the “**Units**”).
- Series A Units:** Series A Units are offered to persons who acquire their Units through their own dealer. An unlimited number of Series A Units are being offered hereby. Series A Units shall bear applicable management fees, described below. A dealer that distributes Series A Units may receive an annual trailing commission of up to 1.0% of the net asset value of such Series A Units. The trailing commission may be paid to the dealer for as long as the Unitholder holds the Units with that dealer. Payments are calculated and paid monthly at the rate of up to 1/12 of 1.0% (0.083%). These trailing commissions are paid by TAMI from management fees received and are not paid by the Fund directly. TAMI may, at its discretion, negotiate, change the terms and conditions of, or discontinue the payment of trailing commissions to dealers as long as the changes comply with Canadian securities laws. TAMI reserves the right to change the frequency of these payments at its discretion.
- Series F Units:** Series F Units are offered to persons who acquire their Units through a dealer with whom they have a fee-based account. An unlimited number of Series F Units are being offered hereby. Series F Units shall bear applicable management fees, described below. No trailing commissions are paid in respect of the Series F Units.
- Series M Units:** Series M Units are offered to persons who have entered into a discretionary management agreement with TAMI or TCC (a “**Managed Account**”). An unlimited number of Series M Units are being offered hereby. Series M Units shall bear applicable management fees, described below.
- Series N Units:** Series N Units are offered, with the consent of TAMI, to all persons who have a Managed Account with TAMI or TCC, the assets under management for which have been managed by TAMI or TCC since prior to January 1, 2007. An unlimited number of Series N Units are being offered hereby. Series N Units shall bear applicable management fees, described below.
- Series P Units:** Series P Units are offered only to Managed Accounts of TAMI or TCC which pay no management or performance fee to the respective manager (generally restricted to directors, officers and employees of TAMI and TCC). An unlimited number of Series P Units are being offered hereby. No fees will be payable by the Fund to TAMI in respect of Series P Units.
- Sub-Series:** A new sub-series of Units within each of the Series A Units, Series F Units and Series M Units will generally be issued in each month there are subscriptions. For example, Series A Units may be issued as Series A-1 Units on the initial closing, as Series A-2 Units on the next closing, etc. At the end of each year, some or all sub-series of the same series of Units may be redesignated as Units of a single series, in the discretion of TAMI. For all purposes described herein, each such sub-series will be treated as a separate series. TAMI may commence or cease this practice at any time.
- Sales Commissions and Dealer Compensation:** There is no commission payable to TAMI or TCC by the purchaser upon the purchase of the Units. A dealer that distributes Series A Units may receive an annual trailing commission from TAMI as described above under “The Offering - Series A Units”. Alternatively, dealers who sell Series A Units may charge purchasers a front-end sales commission, however any such sales commission will be negotiated between the dealer and the purchaser, will be payable directly by the purchaser to their dealer and will not form part of the subscription proceeds. A

dealer that sells Series F Units will be paid fees by the purchaser through a fee-based account with the dealer.

Management Fees:

A management fee (“**Base Management Fee**”) equal to

- (i) 2.25% per annum of the net asset value of the Series A Units (out of which the trailing fee disclosed above under “Series A Units” will be paid); and
- (ii) 1.25% per annum of the net asset value of the Series F Units, Series M Units and Series N Units

will be accrued in the calculation of the net asset value of such Units on each Valuation Date (as defined below) and payable by the Fund to TAMI on the last Valuation Date of each calendar quarter (plus applicable taxes such as HST). No Base Management Fee will be payable in respect of Series P Units.

In addition, TAMI is entitled to receive from the Fund an annual performance fee (the “**Performance Fee**”), calculated as provided below and payable on the last business day in each calendar year (each, a “**Performance Valuation Date**”), in respect of each Series A Unit, Series F Unit and Series M Unit outstanding. If any such Units are redeemed, a Performance Fee will be payable on the relevant Redemption Date in respect of each such Unit, as if such date were a Performance Valuation Date, in the same manner as described below. Performance Fees are subject to applicable taxes such as HST.

The Performance Fee payable in respect of each such Unit will be calculated as an amount equal to 20% of the amount by which the Adjusted Net Asset Value of such Unit on a Performance Valuation Date exceeds the High Water Mark of such Unit plus the Hurdle Rate Return. (For greater certainty, the Performance Fee payable in respect of a Unit on Performance Valuation Date shall be zero if the Adjusted Net Asset Value of such Unit is less than the High Water Mark of such Unit plus the Hurdle Rate Return on such date.)

“**Adjusted Net Asset Value**” of a Unit on any date is equal to the Net Asset Value per Unit of such Unit on such date (calculated after deduction of the Base Management Fee and general expenses but before deduction of the Performance Fee and any redemption deductions payable in respect of such Unit) plus the amount of any distributions paid to the holder of such Unit since the date as at which the High Water Mark of such Unit was established.

“**High Water Mark**” for a Unit as at any date means, initially, its subscription price, and thereafter shall be adjusted from time to time to equal its Net Asset Value immediately following the payment of a Performance Fee in respect of such Unit. The High Water Mark of a Unit will be appropriately adjusted in the event of a consolidation or subdivision of Units.

“**Hurdle Rate Return**” for a Unit on a Performance Valuation Date is the amount equal to 6% per annum (compounded annually) of the High Water Mark of such Unit measured from the date as of which the High Water Mark was set to and including the Performance Valuation Date. The Hurdle Rate Return will be prorated for any period that is less than one year.

TAMI will not be required to return any Performance Fee received by it, even if the Net Asset Value of a Unit goes down after the Performance Valuation Date. No Performance Fee is payable by the Fund in respect of Series N Units or Series P Units.

The Base Management Fee and Performance Fee will be accrued and reflected in the net asset value of the series of Units to which they relate. TAMI will pay to TCC a portion of the Base Management Fee and Performance Fee received by it based on the amount attributable to Series M Units or Series N Units, as applicable, held by Managed Accounts of TCC. In order to avoid duplication of fees to a Managed Account, TAMI and TCC shall not include an investor’s interest in Series M Units or Series N Units of the Fund in calculating the base management fees and performance fees payable to TAMI and TCC pursuant to their respective discretionary management agreements.

Price per Unit:

Units of each sub-series of Series A Units, Series F Units and Series M Units will be issued at a subscription price of \$10 per Unit. Units of each other series will be issued at the net asset value per Unit of such series on the respective Subscription Date (as defined below).

Subscription and Redemption Dates:

Purchases of Series A Units and Series F Units will be permitted on the last business day of each month, and purchases of Series M Units, Series N Units and Series P Units will be permitted on Thursday of each week, and/or on such other dates as TAMI may determine (in each case, a “**Subscription Date**”).

Redemptions of Units will be permitted on Thursday of each week and/or on such other dates as TAMI may determine (a “**Redemption Date**”).

The net asset value of the Fund (assets less liabilities), and of each series of Units, will be calculated at the close of business on each Subscription Date and Redemption Date (together referred to as “**Valuation Dates**”) in order to determine the net asset value per Unit for each series on such dates..

Know-Your-Client and Suitability:

Whether a subscriber for Units is purchasing through his, her or its own dealer or directly from TAMI, the dealer through whom the Units are purchased or the adviser exercising discretionary authority has an obligation under applicable securities laws to determine suitability of the investment for such purchaser unless, in the case of a dealer, the purchaser is a “permitted client” and either waives such requirement or the dealer is otherwise exempt from such requirement. Subscribers purchasing directly from TAMI are required to provide certain information (referred to as know-your-client information) on which TAMI will rely in determining such suitability.

Benchmarks

Investors may find it helpful to compare the returns from their investments against one or more relevant benchmarks (i.e. the return that they may have received had they invested in a comparable investment or a comparison of their investment to an average or median return of a basket of comparable investments). A benchmark for an investment fund such as the Fund might be an index of issuers with similar investment mandates. Investors should be aware of the similarities and differences between the benchmark and the investment, such as the concentration/diversification of securities, industries and or markets, the impact of fees and expenses on such returns, and risks inherent in such investments and investment strategies. Should TAMI use a benchmark comparison when reporting the performance of the Fund, an explanation of the similarities and differences between the Fund and the benchmark will be provided at that time.

Investment Objective and Activities:

The Fund is focused on value-oriented investment strategies with the primary objective of capital appreciation.

TAMI utilizes its disciplined, bottom-up investment approach, emphasizing security selection backed by fundamental research. This approach involves the selection of securities which are fundamentally sound, but are trading at prices below TAMI’s assessment of their intrinsic value. TAMI’s macro views of the economy and markets will influence asset and sector allocations.

The Fund invests in securities of large capitalization global issuers (primarily North American securities), typically with market caps over \$5 billion at the time of purchase, but may also invest in mid-size companies.

The Fund invests primarily in equity and equity-linked securities. The Fund may also invest in higher yielding securities, which could include Canadian income trust units, preferred shares, and high yield bonds and debentures. The Fund may also maintain a portion of its uninvested assets in short-term fixed income securities or money market instruments or cash. This may be done for defensive purposes during unfavourable market conditions or while seeking investment opportunities. The Fund may focus its assets in a small number of sectors, influenced by the portfolio manager’s macro perspectives, and the portfolio may be concentrated in certain securities, sectors and jurisdictions depending on their attractiveness.

The Fund may also sell securities short. Selling a security short (“short-selling”) involves borrowing a security from an existing holder and selling the security in the market with a promise to return it at a later date. Short-selling is commonly associated with having a negative view of a particular stock since the seller benefits if the price of the security falls. This strategy may also be used as a market hedge to provide downside protection for a diversified portfolio, by holding long positions in “undervalued” securities and short-selling select securities that research indicates are “overvalued”. At TAMI’s discretion based on its view of the markets, short sales could represent up to 60% of the Fund’s assets.

The Fund may employ judicious use of leverage from time to time when the Fund is fully invested. Leverage will generally be limited to less than 10% of the Fund's total value. At TAMI's discretion, leverage could increase up to approximately 20% of the Fund's total value.

To the extent permitted by securities laws, the Fund may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in stock prices or exchange rates. The Fund may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets, gain exposure to other currencies, and provide downside protection to the Fund's portfolio, provided that the use of the derivative is consistent with the Fund's investment objective.

The foregoing description of investment strategies may constitute "forward-looking information" for the purpose of applicable securities legislation, as it contains statements of TAMI's intended course of conduct and a description of future operations of the Fund. See "Risk Factors".

Payment of Expenses:	TAMI shall be entitled to reimbursement from the Fund for all costs actually incurred by it in connection with the operation of the Fund and the sale and redemption of Units, including all administrative and other fees, taxes, audit of the Fund, legal fees associated with the ongoing administration and investments of the Fund, registrar and transfer agency fees, custodian's fees, interest charges on funds borrowed by the Fund and commissions or other charges for brokerage, banking and financial and securities information services provided to the Fund.
Distributions:	The Fund may make periodic distributions of net income at such times and in such amounts as is determined by TAMI in its discretion. The Declaration of Trust requires the Fund to make, on or before December 31 of each year, a distribution of such portion of the net income and net realized capital gains in such year as is necessary to ensure that the Fund will not be liable for income tax thereon under Part I of the <i>Income Tax Act</i> (Canada) (the " Tax Act "); all such distributions will be made to each Unitholder of record at the close of business on or about the last business day of December in each year and will automatically be reinvested in Units of the Fund.
Fiscal year End:	December 31.
Term:	The Fund has no fixed term. TAMI may terminate the Fund, or any series of Units, by giving 60 days' notice in writing to Unitholders. The Fund will also terminate 30 days after the resignation by TAMI as trustee and manager of the Fund, unless a successor is appointed or approved by Unitholders.
Redemptions:	A Unitholder may redeem Units on any Redemption Date on not less than three business days' notice. TAMI shall have the right to require any Unitholder to redeem all of the Units owned by such Unitholder by notice in writing to the Unitholder. See "Redemptions".
Redemption Charges:	There may be deducted from redemption proceeds otherwise payable to a Unitholder a redemption fee of up to 2% of the net asset value of Units being redeemed, except that such charges will never apply in respect of a forced redemption of Units instigated by TAMI as trustee. In respect of Series M Units, Series N Units and Series P Units, such charge may be applied if the redemption is necessitated by a client of TAMI or TCC withdrawing assets from a Managed Account, where TAMI has determined that the quantum and/or timing of such withdrawal would be prejudicial to the Fund and its remaining Unitholders, but shall not apply if TAMI or TCC, in exercising its discretion, redeems Series M Units, Series N Units or Series P Units for portfolio balancing or other investment management purposes. Redemption charges shall be retained by the Fund.
In-Specie Transfers:	TAMI has obtained necessary regulatory relief, subject to certain conditions, to permit the Fund to accept, as payment for Units, portfolio securities held in a Managed Account (provided such securities meet the investment guidelines set out above) and to pay redemption proceeds in whole or in part by transferring to a Managed Account portfolio securities held by the Fund; in all cases such portfolio securities will be valued using the same valuation methodology used in calculating net asset value of the Fund.

Transfer or Resale of Units:	Units may only be transferred with the consent of TAMI. The transfer or resale of Units (which does not include a redemption of Units) is also subject to restrictions under applicable securities legislation. It is not anticipated that a market will develop for the Units. Accordingly, redemption of the Units in accordance with the provisions set out herein is likely to be the only means of liquidating an investment in the Fund.
Unitholder Reporting:	Audited financial statements will be provided within ninety (90) days of each fiscal year end. Unaudited financial statements will be provided for the first six months of each year within 60 days of the end of such period. In addition, TAMI and TCC will forward such other reports to their respective clients who are Unitholders as are from time to time required by law.
Taxation of Unitholders:	A Unitholder will generally be required to include, in computing the Unitholder's income for the year, the amount of net income, and the taxable portion of the net realized capital gains, of the Fund that is paid or payable to the Unitholder in the year, whether paid in cash or reinvested in additional Units. Generally, the Fund will not be subject to ordinary tax under Part I of the Tax Act with respect to its net income and net realized capital gains for any taxation year. See "Canadian Federal Income Tax Considerations". Each investor should satisfy himself or herself as to the federal and provincial tax consequences of an investment in Units by obtaining advice from his or her tax advisor.
Eligibility for Investment:	An application has been made to register the Fund as a registered investment. If the application is accepted, Units of the Fund will be qualified investments under the Tax Act for registered retirement savings plans ("RRSPs"), registered retirement income funds ("RRIFs"), deferred profit sharing plans, registered education savings plans ("RESPs"), registered disability savings plans ("RDSPs") and tax-free savings accounts ("TFSA"). Annuitants of RRSPs and RRIFs and holders of TFSAs are urged to consult with their own tax advisers as to whether Units would be a "prohibited investment" under the Tax Act in their particular circumstances. A "prohibited investment" includes a unit of a trust which does not deal at arm's length with the holder of the TFSA, or annuitant of the RRSP or RRIF, as the case may be, or in which the holder or annuitant has a significant interest, which in general terms means the ownership of 10% or more of the value of the trust's outstanding units by the holder or annuitant, either alone or together with persons and partnerships with whom the holder or annuitant does not deal at arm's length. The 2017 Federal Budget proposed to extend these prohibited investment rules to RESPs and RDSPs effective March 23, 2017. See "Risk Factors" and "Canadian Federal Income Tax Considerations".
Risk Factors:	Investors should consider a number of factors in assessing the risks associated with investing in Units including those generally associated with the investment techniques used by TAMI. See "Risk Factors".
Release of Confidential Information:	Under applicable securities, anti-money laundering and foreign tax reporting legislation, TAMI is required to collect and may be required to release confidential information about Unitholders and, if applicable, about the beneficial owners of corporate Unitholders and other entities, to regulatory, taxation or law enforcement authorities.
Indemnity of TAMI:	TAMI will be indemnified by the Fund for all liabilities and expenses reasonably incurred in connection with any action, suit or proceeding that is proposed or commenced or other claim that is made against TAMI in the exercise of its duties as manager and trustee, except those resulting from TAMI's failure to meet its standard of care or to act honestly and in good faith.
Legal Counsel:	Borden Ladner Gervais LLP, Toronto, Ontario.
Auditors:	Shimmerman Penn LLP, Chartered Accountants, Toronto, Ontario.

TRAPEZE ASSET MANAGEMENT INC.

TAMI was incorporated under the laws of Ontario as Adaly Asset Management Corporation on March 24, 1998 and changed its name to Strategic Advisors Corp. effective December 22, 1999 and to Trapeze Asset Management Inc. effective May 1, 2006. The principal place of business of TAMI is 18th Floor, 22 St. Clair Avenue East, Toronto, Ontario, M4T 2S3.

Randall Abramson and Ronald Steinhoff are the principal decision makers with respect to the investment and trading decisions affecting the Fund's portfolio.

Randall Abramson (B.Comm., CFA) is President, Chief Executive Officer, Secretary, Treasurer, Director and a portfolio manager of TAMI. He is also President, Chief Executive Officer, Director and a portfolio manager at TCC. Prior to joining TAMI, he was a portfolio manager and analyst at Connor Clark for 3 years and prior thereto was an analyst and portfolio manager for 5 years at institutional money manager, Hodgson Robertson Laing Limited. He began his career in investment banking with The Hathaway Corporation.

Ronald (RJ) Steinhoff (BBA, CFA) is a portfolio manager with TAMI and conducts research and analysis for both TAMI and TCC. He joined TAMI in 2009 after spending 4 years with ABC Funds, a Toronto-based value-oriented investment manager.

CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is a summary as of the date hereof of the principal Canadian federal income tax considerations with respect to acquiring, owning and disposing of Units of the Fund. This summary only applies to an investor who is an individual (other than a trust) that deals at arm's length and is not affiliated with the Fund, who is resident in Canada and who holds Units of a Fund as capital property for the purposes of the Tax Act.

This summary is based on the current provisions of the Tax Act and regulations thereunder, all specific proposals to amend the Tax Act and regulations that have been publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof and our understanding of the current published administrative practices and assessing policies of Canada Revenue Agency ("CRA"). It has been assumed that such practices and policies will continue to be applied in a consistent manner. This summary does not take into account or anticipate any other changes in law whether by legislative, regulatory, administrative, governmental or judicial action.

The Fund intends at all material times to be a "unit trust" within the meaning of such term under the Tax Act. The Fund may or may not qualify as a mutual fund trust for purposes of the Tax Act. This summary assumes that less than 50% of the fair market value of Units of the Fund are held by "financial institutions" as defined for the purposes of the "mark-to-market" rules in the Tax Act.

This summary is of a general nature only, it is not exhaustive of all possible income tax considerations and does not take into account or consider the tax laws of any province or territory or of any jurisdiction outside of Canada.

This summary is not intended to be nor should it be construed to be legal or tax advice to a Unitholder or any prospective Unitholder. Prospective investors are advised to seek independent advice regarding the tax consequences to investments in Units based upon their own particular circumstances.

Taxation of the Fund

In each taxation year, the Fund is subject to tax under Part I of the Tax Act on the amount of its income for tax purposes for that taxation year, including net taxable capital gains, less the portion thereof that it claims in respect of amounts paid or payable to its 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 a Fund or the Unitholder is entitled in that year to enforce payment of the amount. Generally, the Fund will distribute to its Unitholders in each calendar year enough of its net income and net realized capital gains so that the Fund should not be liable for ordinary tax under Part I of the Tax Act. Where the Fund is a mutual fund trust throughout a taxation year, the Fund is allowed to retain, without incurring a liability for tax, a portion of its net realized capital gains based on redemptions of its Units during the year. If the Fund is not a mutual fund trust under the Tax Act throughout a taxation year, the Fund may, in certain circumstances be subject to

alternative minimum tax under the Tax Act for that year. This could occur, for example, in years in which the Fund has losses on income account, as well as capital gains.

In computing its income, the Fund will include interest that accrues to it to the end of the year, or becomes receivable or is received by it before the end of the year (except to the extent such interest was included in completing its income for a prior year), and dividends received in the year. Generally, gains and losses from using derivatives will be realized on income account rather than on capital account.

The portfolio of the Fund will include securities that are not denominated in Canadian dollars. Cost, proceeds of disposition of securities, distributions, interest and all other amounts will be determined for the purposes of the Tax Act in Canadian dollars at the exchange rate determined in accordance with the detailed rules in the Tax Act in that regard. The Fund may realize gains or losses by virtue of the fluctuation in the value of foreign currencies relative to Canadian dollars. The Fund will derive income (including gains) from investments in countries other than Canada and, as a result, may be liable to pay income or profits tax to such countries. To the extent that such foreign tax paid does not exceed 15% of such income and has not been deducted in computing the Fund's income, the Fund may designate a portion of its foreign source income in respect of a Unitholder so that such income and a portion of the foreign tax paid by the Fund may be regarded as foreign source income of, and foreign tax paid by, the Unitholder for the purposes of the foreign tax credit provisions of the Tax Act. To the extent that such foreign tax paid by the Fund exceeds 15% of the amount included in the Fund's income from such investments, such excess may generally be deducted by the Fund in computing its income for the purposes of the Tax Act.

All of the Fund's deductible expenses, including expenses common to all series of the Fund, as well as Management Fees, Performance Fees and other expenses specific to a particular series of the Fund, will be taken into account in determining the income or loss of the Fund as a whole.

Losses incurred by the Fund cannot be allocated to Unitholders but may be carried forward and deducted by the Fund in future years.

The "suspended loss" rules in the Tax Act may prevent the Fund from recognizing capital losses on the disposition of securities in certain circumstances which may increase the amount of net realized capital gains of the Fund to be paid to Unitholders. As well, in certain circumstances losses of the Fund may be restricted under the Tax Act, and therefore would not be available to shelter capital gains or income.

Part XII.2 of the Tax Act provides that certain trusts (not including a trust that qualifies as a mutual fund trust under the Tax Act throughout the relevant taxation year) that have a Unitholder who is a "designated beneficiary" under the Tax Act at any time in a taxation year are subject to a special 40% tax under Part XII.2 of the Tax Act on the trust's "designated income" under the Tax Act for that taxation year. "Designated beneficiaries" generally include non-resident persons, non-resident owned investment corporations, certain trusts, certain partnerships and certain tax-exempt persons in certain circumstances where the tax-exempt person acquires units from another beneficiary. "Designated income" generally includes income from businesses carried on in Canada (including from derivatives) and from Canadian real estate, timber resource properties and Canadian resource properties, and taxable capital gains from dispositions of "taxable Canadian property." While the Fund may become liable for tax under these rules, the Fund expects that the amount of such tax will not be significant because the Fund does not anticipate having material designated income. In any event, Unitholders resident in Canada who are subject to tax under the Tax Act will be eligible for a tax credit in respect of their proportionate amount of any Part XII.2 tax.

An application has been made to register the Fund as a "registered investment" and it is expected that such registration will be granted, with effect from the date of the application. As a registered investment and not a mutual fund trust under the Tax Act, the Fund will be required to pay a penalty tax under the Tax Act if, at the end of any month, the Fund holds any investment that is not a qualified investment for registered retirement savings plans, registered retirement income funds or deferred profit sharing plans. The tax, for a month, is equal to one percent (1%) of the fair market value of the non-qualified investment at the time it was acquired by the Fund.

Taxation of Unitholders

Non-taxable unitholders

Non-taxable Unitholders, including those within a registered plan, will generally not be subject to tax on distributions paid to them by the Fund nor on any gain realized on a redemption or other disposition of Units.

Taxable Unitholders

A Unitholder who satisfies the purchase price for Units by the transfer of portfolio securities held in a Managed Account to the Fund will be considered to have disposed of such securities for the purposes of the Tax Act. Such disposition may give rise to a gain or loss and/or recognition of any interest accrued on a transferred portfolio security to the date of transfer for the purposes of the Tax Act. The proceeds of disposition of such portfolio securities will generally be equal to the net asset value of the Units acquired, less any amounts included in the Unitholder's income in respect of interest accrued on the portfolio securities to the date of transfer. The amount of any gain or loss from the disposition will normally be the difference between the proceeds of disposition, net of any costs of disposition, and the adjusted cost base of the portfolio securities to the Unitholder. A Unitholder transferring portfolio securities to the Fund in satisfaction of the purchase price of Units should consult his own tax advisor.

A Unitholder must include in computing his or her income for tax purposes the amount of the net income and the taxable portion of net realized capital gains paid or payable to the Unitholder by the Fund in the year, whether the Unitholder receives these distributions in cash or they are reinvested in additional Units.

The Fund intends to make appropriate designations so that distributions of net taxable capital gains, taxable dividends on shares of taxable Canadian corporations (including "eligible dividends") and foreign source income of the Fund paid or payable to Unitholders by the Fund will effectively retain their character in the Unitholder's hands and be subject to the special tax treatment applicable to income of that character.

To the extent that the distributions to a Unitholder by the Fund in any year exceed the Unitholder's share of the net income and net realized capital gains of the Fund allocated to the Unitholder for the year, those distributions (except to the extent that they are proceeds of disposition) will generally be a return of capital and will not be taxable to the Unitholder, but will reduce the adjusted cost base of Unitholder's Units in the Fund. 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.

Unitholders will be taxable on distributions of income and capital gains, even if the income and capital gains accrued or were realized by the Fund before the Unitholder acquired the Units and were reflected in the purchase price of the Units.

If a Unitholder disposes of Units (including by a redemption), the Unitholder will realize a capital gain (or a capital loss) to the extent that the proceeds of disposition, less any costs of disposition, are greater (or less) than the adjusted cost base of the Units. Generally, one-half of a capital gain is included in the Unitholder's income and the allowable portion of a capital loss may be used to offset taxable capital gains in accordance with the provisions of the Tax Act. For the purpose of determining the adjusted cost base of Units, when a Unit is acquired, the cost of the newly-acquired Unit will be averaged with the adjusted cost base of all the Units of the same series that the Unitholder owned as capital property immediately before that time. The cost to the Unitholder of Units received on the reinvestment of a distribution of the Fund will be equal to the amount reinvested.

In general, the adjusted cost base of a Unitholder's Units of a series in the Fund equals:

- the Unitholder's initial investment in Units of that series of the Fund (including any sales charges paid)
- plus the cost of any additional investments in Units of that series of the Fund (including any sales charges paid)
- plus reinvested distributions paid on that series of Units (included in the Unitholder's income)

- minus the capital returned in any distributions paid on that series of Units
- minus the adjusted cost base of any previous redemptions of Units of that series.

If a Unitholder disposes of Units the Unitholder, the Unitholder's spouse or another person affiliated with the Unitholder (including a corporation controlled by the Unitholder) has acquired Units of the same series within 30 days before or after the Unitholder disposed of such Units (such newly acquired Units being considered "substituted property"), the Unitholder's capital loss may be deemed to be a "superficial loss". If so, the Unitholder will not be able to recognize the loss and it would be added to the adjusted cost base to the owner of the Units which are "substituted property".

In general terms, net income of the Fund paid or payable to a Unitholder that is designated as dividends from taxable Canadian corporations or as net realized capital gains and capital gains realized on the disposition of Units may increase the Unitholder's liability for alternative minimum tax under the Tax Act.

Eligibility for Investment

An application has been made to register the Fund as a registered investment. If the application is accepted, Units of the Fund will be qualified investments under the Tax Act for registered retirement savings plans ("RRSPs"), registered retirement income funds ("RRIFs"), deferred profit sharing plans, registered education savings plans ("RESPs"), registered disability savings plans ("RDSPs") and tax-free savings accounts ("TFSAs"). Annuitants of RRSPs and RRIFs and holders of TFSAs are urged to consult with their own tax advisers as to whether Units would be a "prohibited investment" under the Tax Act in their particular circumstances. A "prohibited investment" includes a unit of a trust which does not deal at arm's length with the holder of the TFSA, or annuitant of the RRSP or RRIF, as the case may be, or in which the holder or annuitant has a significant interest, which in general terms means the ownership of 10% or more of the value of the trust's outstanding units by the holder or annuitant, either alone or together with persons and partnerships with whom the holder or annuitant does not deal at arm's length. The 2017 Federal Budget proposed to extend these prohibited investment rules to RESPs and RDSPs effective March 23, 2017.

Tax Information Reporting

Pursuant to the Intergovernmental Agreement for the Enhanced Exchange of Tax Information under the Canada-United States Tax Convention entered into between Canada and the U.S. on February 5, 2014 (the "IGA"), and related Canadian legislation, the Fund and/or registered dealers are required to report certain information with respect to Unitholders who are U.S. residents and U.S. citizens (including U.S. citizens who are residents or citizens of Canada), and certain other "U.S. Persons" as defined under the IGA (excluding registered plans such as RRSPs), to CRA. It is expected that the CRA will then exchange the information with the U.S. Internal Revenue Service. In addition, to meet the objectives of the Organization for Economic Co-operation and Development Common Reporting Standard (the "CRS"), the Fund and/or registered dealers are required under Canadian legislation to identify and report to the CRA details and certain financial information relating to Unitholders in the Fund who are residents in a country outside of Canada and the U.S. The CRA is expected to provide that information to the tax authorities of the relevant jurisdiction that has adopted the CRS.

RISK FACTORS

Investment in the Units involves certain risk factors. The following risks should be carefully evaluated by prospective investors.

Risks Associated with an Investment in the Fund

Marketability and Transferability of Units

There is no market for the Units and their resale, transfer and repurchase are subject to restrictions imposed by the Declaration of Trust, and applicable securities legislation. Consequently, holders of Units may not be able to liquidate their investment in a timely manner and the Units may not be readily accepted as collateral for a loan.

Investment Risk

A subscription for Units should be considered only by persons financially able to maintain their investment and who can bear the risk of loss associated with an investment in the Fund. Investors should review closely the investment objective and investment strategies to be utilized by the Fund as outlined herein to familiarize themselves with the risks associated with an investment in the Fund. Although TAMI will use its best efforts to achieve capital appreciation, no assurance can be given in this regard.

No Operating History for the Fund

Although persons involved in the management of the Fund have had experience in their respective fields of specialization and have managed accounts with the same investment objective and strategies as the Fund, the Fund itself has no operating or performing history. Investors should be aware that the past performance by those involved in the investment management of the Fund should not be considered as an indication of future results of the Fund.

Nature of Units

The Units are neither fixed income nor equity securities. An investment in Units does not constitute an investment by Unitholders in the securities included in the portfolio of the Fund. Unitholders will not own the securities held by the Fund by virtue of owning Units of the Fund. Units are dissimilar to debt instruments in that there is no principal amount owing to Unitholders. Unitholders will not have the statutory rights normally associated with ownership of shares of a corporation including, for example, the right to bring “oppression” or “derivative” actions.

Regulatory Protection

Units are being sold under available exemptions from the prospectus requirements under National Instrument 45-106 *Prospectus Exemptions* of the Canadian Securities Administrators (“**NI 45-106**”). The Units are being distributed only to (a) investors who are “accredited investors” as defined in NI 45-106, (b) investors, other than individuals, who invest a minimum of \$150,000 in the Fund (the “**Minimum Amount Exemption**”), and (c) investors to whom Units may otherwise lawfully be sold. Purchasers of Series A Units or Series F Units will be required to make certain representations in the Subscription Agreement and TAMI will rely on such representations to establish the availability of the exemptions from prospectus requirements described above. The so-called “Offering Memorandum Exemption” is not being relied on and the Minimum Amount Exemption is not being relied on in Alberta, and investors do not have the benefit of certain additional protections that applicable securities laws give to investors when an issuer relies on the Offering Memorandum Exemption.

Tax Matters

There can be no assurance that the CRA will agree with the tax treatment adopted by the Fund in filing its tax return and the CRA could reassess the Fund on the basis that results in tax being payable by the Fund or an increase in the taxable component of distributions considered to have been paid to Unitholders. A reassessment by the CRA may result in the Fund being liable for unremitted withholding tax on prior distributions to non-resident Unitholders. Such liability may reduce the net asset value of the Fund.

If the Fund experiences a “loss restriction event” (i) the Fund will be deemed to have a year-end for tax purposes, and (ii) the Fund will become subject to the loss restriction rules generally applicable to corporations that experience an acquisition of control, including a deemed realization of any unrealized capital losses and restrictions on their ability to carry forward losses. Generally, the Fund could be subject to a loss restriction event when a person becomes a “majority-interest beneficiary” of the Fund, or a group of persons becomes a “majority-interest group of beneficiaries” of the Fund, as those terms are defined in the affiliated persons rules contained in the Tax Act, with appropriate modifications. Generally, a majority-interest beneficiary of the Fund will be a beneficiary who, together with the beneficial interests of persons and partnerships with whom the beneficiary is affiliated, has a fair market value that is greater than 50% of the fair market value of all interest in the income or capital, respectively, in the Fund. Generally, a person is deemed not to become a majority-interest beneficiary, and a group of persons is deemed not to become a majority-interest group of beneficiaries, of the Fund if the Fund meets certain investment requirements and qualifies as an “investment fund” under the rules.

Tax Liability

The Fund is not required to distribute its income in cash. If the Fund has taxable income for Canadian federal income tax purposes for a fiscal year, such income will be distributed to Unitholders in accordance with the provisions of the Declaration of Trust and reinvested in additional Units. Unitholders will be required to include all such distributions in computing their income for tax purposes, even if that cash may not have been distributed to such Unitholders. Since Units may be acquired or redeemed on a monthly basis and distributions of taxable income of the Fund to Unitholders are anticipated only to be made on an annual basis, such distributions to a particular Unitholder may not correspond to the economic gains and losses which such Unitholder may experience.

Valuation of the Fund's Investments

Valuation of the portfolio securities and other investments may involve uncertainties and judgmental determinations and, if such valuations should prove to be incorrect, the net asset value of the Fund and its Units could be adversely affected. Independent pricing information may not at times be available regarding certain of the Fund's securities and other investments. Valuation determinations will be made in good faith in accordance with the Declaration of Trust.

Although the Fund generally will invest in exchange-traded and liquid over-the-counter securities, the Fund may from time to time have some of its assets in investments which by their very nature may be extremely difficult to value accurately. To the extent that the value assigned by the Fund to any such investment differs from the actual value, the net asset value per Unit may be understated or overstated, as the case may be. In light of the foregoing, there is a risk that a Unitholder who redeems all or part of his Units while the Fund holds such investments will be paid an amount less than such Unitholder would otherwise be paid if the actual value of such investments is higher than the value designated by the Fund. Similarly, there is a risk that such Unitholder might, in effect, be overpaid if the actual value of such investments is lower than the value designated by the Fund in respect of a redemption. In addition, there is risk that an investment in the Fund by a new investor (or an additional investment by an existing Unitholder) could dilute the value of such investments for the other Unitholders if the actual value of such investments is higher than the value designated by the Fund. Further, there is a risk that a new Unitholder (or an existing Unitholder that makes an additional investment) could pay more than it might otherwise if the actual value of such investments is lower than the value designated by the Fund. TAMI does not intend to adjust the net asset value of the Fund retroactively.

The valuation of Fund assets for the purpose of determining subscription and redemption prices of Units and the calculation of applicable fees may not be in accordance with Canadian general accepted accounting principles, but will generally be in accordance with industry practice.

Portfolio Turnover

Though most investments will be made with a long-term perspective, in order to achieve the Fund's investment objective, the investment advisor may actively trade the Fund's investment portfolio. This can increase trading costs, which may lower the Fund's return. It also increases the chance that you will receive taxable capital gains if you hold the Fund in a non-registered account.

Not a Public Mutual Fund

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

Not a Trust Company

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.

Possible Effect of Redemptions

Substantial redemptions of Units could require the Fund to liquidate positions more rapidly than otherwise desirable to raise the necessary cash to fund redemptions and achieve a market position appropriately reflecting a smaller asset base. Such factors could adversely affect the value of the Units redeemed and of the Units remaining outstanding.

Possible Effect of Performance Fees

TAMI may receive Performance Fees based on the performance of the Fund's investment portfolio. Such Performance Fee may create an incentive to make investments that are riskier or more speculative than would be the case if such arrangements were not in effect. In addition, because a performance based fee will be calculated on a basis which includes unrealized appreciation of portfolio assets, it may be greater than if such fee were based solely on realized gains.

Charges to the Fund

The Fund is obligated to pay administration fees, brokerage commissions and legal, accounting, filing and other expenses regardless of whether the Fund realizes profits.

Potential Indemnification Obligations

Under certain circumstances, the Fund might be subject to significant indemnification obligations in favour of TAMI or any service providers to the Fund or certain parties related to them. The Fund will not carry any insurance to cover such potential obligations and, to TAMI's knowledge, none of the Fund's service providers will be insured for losses for which the Fund has agreed to indemnify them. Any indemnification paid by the Fund would reduce the net asset value of the Fund.

Lack of Independent Experts Representing Unitholders

Each of the Fund and TAMI has consulted with a single legal counsel regarding the formation and terms of the Fund and the offering of Units. The Unitholders have not, however, been independently represented. Therefore, to the extent that the Fund, the Unitholders or this offering could benefit by further independent review, such benefit will not be available. Each prospective investor should consult his or her own legal, tax and financial advisors regarding the desirability of purchasing Units and the suitability of investing in the Fund.

No Involvement of Unaffiliated Selling Agent

No outside selling agent unaffiliated with TAMI has made any review or investigation of the terms of this offering, the structure of the Fund or the background of TAMI.

Forward-Looking Information

The description of the Fund's investment strategies may constitute "forward-looking information" for the purpose of applicable securities legislation, as it contains statements of TAMI's intended course of conduct and a description of future operations of the Fund. These statements are based on assumptions made by TAMI of the success of its investment strategies in certain market conditions, relying on the experience of TAMI's officers and employees and their knowledge of historical economic and market trends. Investors are cautioned that the assumptions made by TAMI and the success of its investment strategies are subject to a number of mitigating factors. Economic and market conditions may change, which may materially impact the success of the TAMI's intended strategies as well as its actual course of conduct in managing the portfolio assets of the Fund.

Unlimited Liability

The Declaration of Trust provides that no Unitholder shall be subject to any liability, to any person in connection with the investment obligations, affairs or assets of the Fund and all such persons shall look solely to the Fund's assets for satisfaction of claims of any nature arising out of or in connection therewith. There is a theoretical risk, which is considered by TAMI to be remote in the circumstances, that a Unitholder could be held personally liable (in the

unlikely event that the net asset value of the Fund declines below zero), notwithstanding the foregoing statement in the Declaration of Trust, for obligations of the Fund to the extent that claims are not satisfied out of the assets of the Fund. In the event that a Unitholder should be required to satisfy any obligation of the Fund, such Unitholder will be entitled to reimbursement from any available assets of the Fund, however it is unlikely that there would be any Fund assets in such circumstances.

Trading Errors

In the course of carrying out trading and investing responsibilities on behalf of the Fund, TAMI's personnel may make "trading errors" — i.e., errors in executing specific trading instructions. Examples of trading errors include: (i) buying or selling an investment asset at a price or quantity that is inconsistent with the specific trading instructions generated by a particular strategy; or (ii) buying rather than selling a particular investment asset (and vice versa). Trading errors are an intrinsic factor in any complex investment process, and may occur notwithstanding the exercise of due care and special procedures designed to prevent trading errors. Trading errors are, therefore, distinguishable from errors in judgment, due diligence or other factors leading to a specific trading instruction being generated, as well as from unauthorized trading or other improper conduct by TAMI's personnel. Consequently, TAMI will (unless TAMI otherwise determines) treat all trading errors (including those which result in losses and those which result in gains) as for the account of the Fund, unless they are the result of conduct by TAMI which is inconsistent with TAMI's standard of care.

Possible Negative Impact of Regulation of Pooled Funds

The regulatory environment for pooled funds is evolving and changes to it may adversely affect the Fund. To the extent that regulators adopt practices of regulatory oversight in the area of pooled funds that create additional compliance, transaction, disclosure or other costs for pooled funds, returns of the Fund may be negatively affected. Furthermore, the effect of any future regulatory or tax change on the portfolio of the Fund is impossible to predict.

Risks Associated with the Fund's Underlying Investments

General Economic and Market Conditions

The success of the Fund's activities may be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, and national and international political circumstances. These factors may affect the level and volatility of securities prices and the liquidity of the Fund's investments. Unexpected volatility or illiquidity could impair the Fund's profitability or result in losses.

Concentration

The Fund may concentrate its investments in a relatively limited number of investments or market sectors and thus the Fund's returns could be adversely affected by the performance of particular investments or market sectors. Concentration in a particular market sector or asset class may subject the Fund to pronounced cycles and widely varying conditions in the market, depending on the market sector and asset class. Concentration in an individual issuer or small number of issuers may involve greater risk and volatility than more broadly based investment portfolios because the performance of a particular market sector, asset class or issuer may have a significant, adverse effect on the entire portfolio.

Short-selling

Short-selling involves borrowing a security from an existing holder and selling the security in the market with a promise to return it a later date. Should the security increase in value during the shorting period, losses will incur to the Fund. There is in theory no upper limit to how high the price of a security may go. Another risk involved in short-selling is the loss of a borrow, a situation where the lender of the security requests its return. In cases like this, the Fund must either find securities to replace those borrowed or step into the market and repurchase the securities. Depending on the liquidity of the security shorted, if there are insufficient securities available at current market prices, the Fund may have to bid up the price of the security in order to cover the short, potentially resulting in losses to the Fund.

Interest Rate Risk

To the extent the Fund invests in bonds, preferred shares, and money market securities, it will primarily be affected by changes in the general level of interest rates. Bonds generally pay interest based on the level of rates when the bond was issued. When interest rates fall, the price of the bonds generally rises. That is because existing bonds pay higher rates than new ones, and are therefore in greater demand and worth more. On the other hand, when interest rates rise, bond prices generally fall, reducing the market value of the funds that hold them.

Legal Risk

This is a financial risk that is faced by companies from uncertainty in laws and regulations, or from legal actions. Legal risk is the most prevalent for commercial entities which provide products or services to consumers that may become targets for lawsuits.

Fixed Income Securities

The Fund may invest in bonds or other fixed income securities of U.S., Canadian and other foreign governments, as well as other issuers, including, without limitation, bonds, notes and debentures issued by corporations; debt securities issued or guaranteed by the federal, state or provincial government in the United States or Canada or a governmental agency; and commercial paper. Fixed income securities pay fixed, variable or floating rates of interest. The value of fixed income securities in which the Fund invests will change in response to fluctuations in interest rates. In addition, the value of certain fixed-income securities can fluctuate in response to perceptions of credit worthiness, political stability or soundness of economic policies. Fixed income securities are subject to the risk of the issuer's inability to meet principal and interest payments on its obligations (i.e., credit risk) and are subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (i.e., market risk). If fixed income investments are not held to maturity, the Fund may suffer a loss at the time of sale of such securities.

Equity Securities

To the extent that the Fund holds equity portfolio investments, it will be influenced by stock market conditions in those jurisdictions where the securities held by the Fund are listed for trading and by changes in the circumstances of the issuers whose securities are held by the Fund. Additionally, to the extent that the Fund holds any foreign investments, it will be influenced by world economic factors and by the value of the Canadian dollar as measured against foreign currencies which will be used in valuing the foreign investment positions held by the Fund. These factors include but are not limited to the administration of government monetary and economic policy, including tax and securities laws, and foreign exchange factors, including foreign exchange control risks. Transaction and administrative costs are higher in connection with foreign publicly traded securities.

Options

The risk of loss when purchasing an option is limited to the amount of the purchase price of the option, however investment in an option may be subject to greater fluctuation than an investment in the underlying security. Selling call and put options is a highly specialized activity and entails greater than ordinary investment risk. In the case of the sale of an uncovered option there can be potential for an unlimited loss. To some extent this risk may be hedged by the purchase or sale of the underlying security.

Distressed and High Yield Securities

While the investment objective of the Fund implies potentially higher yields on investments, to the extent that it involves the purchase of distressed or bankrupt securities or junk bonds or other high yield instruments, such investments also entail a higher risk of loss of capital. In addition, high yield debt instruments generally represent a higher credit risk. Distressed securities carry with them a higher credit risk as well as a higher "deal risk", i.e. the process of restructuring the issuer of distressed securities may result in the Fund's investment being converted into a security or securities having lower potential value and/or higher risk.

Currency and Exchange Rate Risks

The Fund's cash assets may be held in currencies other than the Canadian dollar and may be invested in securities of companies denominated in currencies other than the Canadian dollar. Accordingly, a portion of the income received by the Fund may be denominated in non-Canadian currencies. The Fund nevertheless will compute and distribute its income in Canadian dollars. Since the Fund may hold cash and invest in securities denominated or quoted in currencies other than the Canadian dollar, changes in currency exchange rates may affect the value of the Fund's portfolio and the unrealized appreciation or depreciation of investments. Further, the Fund may incur costs in connection with conversions between various currencies.

Counterparty Risk

To the extent that any counterparty with or through which the Fund engages in trading and maintains accounts does not segregate the Fund's assets, the Fund will be subject to a risk of loss in the event of the insolvency of such person. Even where the Fund's assets are segregated, there is no guarantee that, in the event of such an insolvency, the Fund will be able to recover all of its assets.

Leverage

The Fund may use financial leverage by borrowing funds against the assets of the Fund. Leverage increases both the possibilities for profit and the risk of loss for the Fund. From time to time, the credit markets are subject to periods in which there is a severe contraction of both liquidity and available leverage. The combination of these two factors can result in leveraged strategies being required to sell positions typically at highly disadvantageous prices in order to meet margin requirements, contributing to a general decline in a wide range of different securities. Illiquidity can be particularly damaging to leveraged strategies because of the essentially discretionary ability of dealers to raise margin requirements, requiring leveraged strategy to attempt to sell positions to comply with such requirements at a time when there are effectively no buyers in the market at all or at any but highly distressed prices. These market conditions have in the past resulted in major losses to a substantial number of private investment funds. Such conditions, although unpredictable, can be expected to recur.

The foregoing risk factors do not purport to be a complete explanation of all risks involved in purchasing Units. Potential investors should read this entire offering memorandum and consult with their legal and other professional advisors before determining to invest in Units.

STATEMENT OF POLICIES

Conflicts of Interest Policy

General

TAMI and TCC are related to one another and may from time to time engage in activities as an adviser or an exempt market dealer, in the case of TAMI, and as an adviser or a dealer, in the case of TCC, in respect of securities of related issuers, or in the course of a distribution in respect of the securities of connected issuers, and undertake to do so in compliance with applicable securities legislation.

The securities laws of certain jurisdictions in Canada 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. In certain provinces, 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 these securities laws for the particulars of these rules and their rights or consult with a legal adviser.

Required Disclosure

TAMI may from time to time be deemed to be related or connected to one or more issuers for purposes of the disclosure and other rules of the securities laws referred to above. From time to time, TAMI or its officers or employees may

provide advice about a security issued by certain of these issuers, or when exercising discretionary authority, will invest on behalf of the Fund in certain of these issuers, where in their opinion it would be in the best interest of the Fund. In any such case, such services shall be carried on by TAMI in the ordinary course of its business as an adviser in accordance with its usual practices and procedures and in accordance with all applicable disclosure and other regulatory requirements.

TAMI may also exercise discretionary authority on the Fund's behalf with respect to securities of: (a) any issuer in which a Responsible Person or an associate of a Responsible Person is an officer or director, provided that such office or directorship is disclosed to investors, and (b) any issuer in which a Responsible Person or an associate of a Responsible Person has a material direct or indirect interest, provided that any such interest is disclosed to investors. A "Responsible Person" is (a) TAMI, (b) every individual who is a partner, director, or officer of TAMI, and (c) each of the following who has access to, or participates in formulating, an investment decision made on behalf of a client of TAMI or advice to be given to a client of TAMI: (i) an employee or agent of TAMI; (ii) an affiliate of TAMI, including TCC; (iii) a partner, director, officer, employee or agent of an affiliate of TAMI, including TCC.

The following are issuers in which a Responsible Person holds a position as officer or director or has a material direct or indirect interest, and the securities of which TAMI may cause your account to trade:

Trapeze Value Trust	<i>TAMI is the manager, trustee and investment advisor of the issuer</i>
Generation Global Value Private Trust	<i>TAMI is the manager, trustee and investment advisor of the issuer</i>
Vulcan Minerals Inc.	<i>Herbert Abramson, Chairman and a Director of each of TAMI and TCC, beneficially owns directly or indirectly approximately 15% of the issuer's outstanding voting shares</i>

List of Related and Connected Issuers

The following are related issuers of TAMI because TAMI is an influential securityholder of these issuers, that is, because together with TCC, it holds, has the power to direct the voting of, or has direct or indirect beneficial ownership of more than 20% of the voting or equity securities of these issuers through securities held by accounts managed by TAMI and TCC and securities held or directly or indirectly beneficially owned by the professional group comprised of TAMI, TCC, their affiliates, their respective employees, officers or directors, and associated parties of such persons:

Vulcan Minerals Inc., which is listed on the TSX Venture Exchange.

Trapeze Value Trust and **the Fund** are both related and connected issuers of TAMI because TAMI acts as each fund's manager, trustee and investment advisor. These funds may also be related issuers of TAMI because TAMI is an influential securityholder of these issuers, that is, because together with TCC, TAMI may hold, have the power to direct the voting of, or have direct or indirect beneficial ownership of more than 20% of the voting or equity securities of these funds through units held by accounts managed by TAMI and TCC and securities held or directly or indirectly beneficially owned by the professional group comprised of TAMI, TCC, their affiliates, their respective employees, officers or directors, and associated parties of such persons.

Advantex Marketing International Inc. ("Advantex"), which is listed on the Canadian Securities Exchange, is a connected issuer of TAMI; as TAMI and TCC have, in aggregate, control or direction over more than 10% of Advantex's voting or equity securities and more than 50% of Advantex's outstanding debentures held in accounts managed by them, a reasonable prospective purchaser of Advantex securities in a distribution by it may question if TAMI and Advantex are independent of each other for the distribution.

If you wish further information concerning the relationship between TAMI and these issuers please contact us.

Statement of Related Registrants

Securities legislation of certain Canadian jurisdictions requires securities dealers and advisers to inform their clients if the dealer or adviser has a principal shareholder, director or officer that is a principal shareholder, director or officer of another dealer or adviser and of the policies and procedures adopted by the dealer or adviser to minimize the potential for conflicts of interest that may result from this relationship.

TAMI and TCC are both controlled by the same entity, 1346049 Ontario Limited, which is controlled by Randall Abramson. In addition, TAMI and TCC have directors and officers in common, including the following directors and senior officers: Randall Abramson is President, Chief Executive Officer, Secretary, Treasurer and a Director of TAMI and is also President, Chief Executive Officer and a Director of TCC; Herbert Abramson is Chairman and a Director of each of TAMI and TCC; Adam Abramson is Vice President, Chief Compliance Officer and a Director of each of TAMI and TCC; and Bertha Hidalgo is Chief Financial Officer of each of TAMI and TCC. TAMI and TCC also share office premises.

TAMI is a portfolio manager, exempt market dealer and investment fund manager. TCC, an investment dealer/portfolio management firm, is a member of the Investment Industry Regulatory Organization of Canada and the Canadian Investor Protection Fund. TAMI and TCC have entered into a services arrangement in which TCC is responsible for execution of transactions and clearing and settlement of transactions, as well as custodial services through TCC's carrying broker, Fidelity Clearing Canada Inc. ("FCC"), while TAMI remains responsible for know-your-client and suitability requirements in respect of its client accounts. Unless clients of TAMI instruct in writing or otherwise, it is intended that TCC will execute securities trades (directly or through other broker dealers, at its discretion) on behalf of TAMI. TAMI uses TCC exclusively for brokerage services. When TCC provides such services, the order execution will be on terms and conditions generally no less favourable to clients of TAMI than would otherwise be obtainable if the orders were placed through independent brokers. Such trades shall be at commission rates that, on the whole, are equal or comparable to rates that would be charged by independent brokers or dealers. Commissions are charged at the applicable rates in Canadian dollars for Canadian listed securities and in US dollars for all other securities.

As a result of TAMI's affiliation with TCC, the commissions payable to TCC in connection with brokerage transactions may present a conflict of interest to the extent that there is a financial incentive for certain portfolio managers of TAMI who are shareholders of 1346049 Ontario Limited (including Randall Abramson, who is a portfolio manager of TAMI and a controlling shareholder of 1346049 Ontario Limited) and therefore have indirect ownership interests in TCC, to indirectly benefit by causing client accounts to trade more frequently through its affiliated dealer. TAMI has taken steps to manage this potential conflict of interest by ensuring that TAMI's direct compensation, including compensation paid to employees responsible for portfolio management, is independent of any activities carried on by TCC. TAMI also completes periodic portfolio turnover reviews to ensure that its portfolio managers have not been influenced by TCC commissions to over-trade client accounts. Furthermore, TAMI periodically evaluates TCC's execution capabilities and performance, based on the costs and quality of trades, in keeping with TAMI's duty to seek best execution for its clients.

When reviewing TCC's services in effecting securities transactions, TAMI considers a number of factors, including, for example, execution capability, clearance and settlement, financial strength and stability, available liquidity, commission rates, registration requirements, and other matters applicable to the receipt of brokerage services generally.

TAMI shall be entitled to use TCC's carrying broker ("Carrying Broker") (currently Fidelity Clearing Canada ULC) to provide custodial services for the safekeeping and delivery of the Fund's securities and cash, and to charge custodial and delivery charges therefor, which are competitive with charges of arms' length institutional custodians normally engaged in such activities. For the account opened on the Fund's behalf with TCC, the Carrying Broker is responsible for trade settlement and custody of cash and securities.

Both TAMI and TCC have adopted personal trading policies and other codes of conduct which are communicated to all employees, in addition to internal compliance procedures, designed to address the potential conflicts of interest of each of TAMI and TCC in managing pooled fund vehicles, mutual funds and their respective managed accounts. Since employees, officers and directors of TAMI may trade in the same securities as TAMI's clients, TAMI has adopted personal trading policies concerning the acquisition and disposition of securities by TAMI for clients in which employees may also have a financial interest and by certain employees holding material direct or indirect interests in securities that TAMI may hold in client accounts.

Where TCC is part of an underwriting or selling group for a new issuance of shares from a related or connected issuer or otherwise, TAMI shall be entitled, subject to the policies herein enunciated, to acquire such securities on the Fund's behalf from TCC if it deems it in the client's best interests to do so and TCC shall be entitled to earn all fees, broker warrants and other usual compensation relative to such transactions.

Where TAMI opens a margin account with TCC on behalf of the Fund and TAMI trades on a margin basis with TCC, TCC shall be entitled to charge competitive interest charges normally paid to brokers on any debit balances from time to time, to pay competitive interest normally paid by brokers on credit balances from time to time, to enjoy for its own behalf lending rebates on shares lent and to enjoy the rights and benefits brokers normally do in providing margin to a client.

If the Fund makes a trade involving a security which is denominated in a currency other than the Canadian dollar, or receives a payment in a currency other than the Canadian dollar, a conversion of currency may be required. The conversion may take place on the trade date or such other date as TAMI in its discretion deems advisable. Based on instructions from TAMI, currency conversion transactions may be executed by TCC and/or the Carrying Broker (together the “Broker”) at conversion rates established by them, and the Broker may earn revenue, in addition to the commission applicable to such a trade, based on the spread between the conversion rate and the rate at which the rate is offset by the Broker either internally, with related parties or in the market.

Allocation of Investments

TAMI has a potential conflict of interest when we allocate investment opportunities, since TAMI may earn different fees from clients, including incentive based fees. TAMI seeks to mitigate this conflict through its policy for Fairness in Allocation of Investment Opportunities, disclosed below.

Soft Dollar Policy

TAMI will not direct any brokerage transactions involving commissions paid by (or charged to) a client account to a dealer in return for the provision of goods and services by the dealer or a third party except for “order execution goods and services” or “research goods and services”, as such terms are defined in applicable securities legislation. If brokerage transactions are directed in return for “order execution goods and services” or “research goods and services”, TAMI will ensure they are used to assist with investment or trading decisions, or with effecting securities transactions, on behalf of its client or clients; and will make a good faith determination that its client or clients receive reasonable benefits considering the use of the goods or services and the commissions paid.

Fairness in the Allocation of Investment Opportunities

TAMI manages or may manage the investment portfolios of certain individuals, corporations, trusts, partnerships, Canadian registered plans (including but not limited to RRSPs, RRIFs, RESPs, and TFSA), and IRAs (together, “Segregated Accounts”), as well as the Fund and other mutual funds and pooled fund vehicles (together, “Funds”).

Securities are generally allocated on a pro-rata basis, taking into account existing client positions, each client’s specific objectives and funds available. To ensure fairness in the allocation of opportunities among TAMI’s clients, and as between its Segregated Accounts and the Funds, TAMI will ensure:

- where orders are entered simultaneously for execution at the same price or where TAMI aggregates orders for the purchase and sale of securities on behalf of its managed accounts (from one or more portfolio manager(s)), fills (including partial fills) are allocated on a pro rata basis; where orders placed by different portfolio managers for their respective managed accounts are not simultaneous, normal time/price priority will apply;
- when transactions are executed at different prices for a group of clients, fills are allocated on an average basis (for example, where two portfolio managers give simultaneous orders, the fills will be average priced and allocated pro rata to client accounts of both portfolio managers - however, if one of the portfolio managers gives only a partial order for his client accounts with a remaining balance of his order to be given at a subsequent time/day depending on market factors or other considerations, the fills only for the initial orders will be average priced and allocated pro rata to the client accounts of both portfolio managers; in contrast, any orders given by the portfolio manager at a subsequent time/day for a remaining balance will only be included in the average and allocated to the client accounts of such portfolio manager);
- in the case of a new securities issue, including initial public offerings (“New Issues”), where the allotment received is insufficient to meet the full requirements of all accounts on whose behalf orders have been placed, allocation is made on a pro rata basis;

- because a pro rata allocation may not always adequately accommodate all facts and circumstances, allocation on another basis may be suitable when common sense dictates that strict adherence to a pro rata allocation would be impractical or lead to inefficient or undesirable results (for example, adjustments may be made to eliminate de minimis positions, to consider accounts with unique characteristics depending on the nature of the investment - e.g., client/account tax status or residency - or to consider specific circumstances of accounts such as existing portfolio composition, including cash position and applicable issuer, industry or sector weighting);
- in certain instances, a rotation may be used with or in place of the standard allocation methodology, provided the rotation system is designed to provide for all clients with fair access to investment opportunities over time - this may be an appropriate allocation tool when the transaction size is too limited to be effectively allocated among all accounts (e.g., partial fills of certain New Issues); and
- over a period of time, every effort will be made to ensure the above prorating and reallocation policies result in fair and equal treatment of all clients.

Where TAMI aggregates orders for the purchase and sale of securities on behalf of its managed accounts, commissions are paid by its clients based on commission rates applied to each individual client trade.

TAMI's orders are generally executed by TCC, which also manages accounts on a discretionary basis. TCC may receive simultaneous buy and sell orders for the same security on behalf of clients of both TAMI and TCC, which may originate from an individual who is dually employed as a portfolio manager at both firms. TCC may execute such simultaneous orders by cross-trade between TAMI clients or between TAMI clients and TCC clients.

Where the number of shares in an order (e.g., buy) is different than the number of shares in the corresponding order (e.g., sell), TCC may partially fill an order by cross-trade with the balance executed in open market transactions, with an average price of all such fills allocated on a pro-rata basis to each participating client, except for the following clients ("excluded clients"):

- U.S. clients of TAMI from whom consent has not been obtained as required by U.S. rules;
- Funds managed by TAMI or TCC, for which certain trading with managed accounts is prohibited; and
- "responsible persons" of TAMI and associates of such "responsible persons".

Where excluded clients are involved in bulk orders, the excluded clients would receive their fills (and the applicable average price) from the open market transactions; all other participating clients would receive their fills (and the applicable average price) from a combination of the remaining open market transactions and the cross-trades.

LEGAL MATTERS

Cooling Off Period

Securities legislation in Ontario provides that every purchaser of Units may, where the subscription price does not exceed the sum of \$50,000, rescind the purchase by notice given to the registered dealer from whom the purchase was made, within forty-eight hours after receipt of the confirmation of acceptance of the subscription, but the amount the purchaser is entitled to recover on exercise of this right to rescind shall not exceed the net asset value of the Units purchased at the time the right is exercised. The notice shall be in writing, and may be given by prepaid mail or other means. A confirmation sent by prepaid mail shall be deemed conclusively to have been received in the ordinary course of mail by the person or company to whom it was addressed. Every registered dealer from whom the purchase was made shall reimburse the purchaser who has exercised the right of rescission for the amount of sales charges and fees relevant to the investment of the purchaser in the Fund in respect of the Units of which the notice of exercise of the right of rescission was given.

Rights of Action for Damages or Rescission

Securities legislation in certain of the Offering Jurisdictions provides that a purchaser has or must be granted rights of rescission or damages, or both, where this Offering Memorandum and any amendment hereto contains a Misrepresentation. However, such rights and remedies, or notice with respect thereto, must be exercised by the purchaser within the time limits prescribed by the applicable securities legislation.

As used herein, “**Misrepresentation**” 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 in this Offering Memorandum or any amendment hereto not misleading in light of the circumstances in which it was made. A “**material fact**” 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.

The following summaries are subject to the express provisions of the securities legislation in each of the jurisdictions, and the regulations, rules and policy statements under such legislation, and reference is made to such legislation, regulations, rules and policies for the complete text of such provisions. Investors should consult with their legal advisers to determine whether and the extent to which they may have a right of action or rescission in their province or territory of residence. The rights discussed below are in addition to and without derogation from any other rights or remedies available at law to a purchaser of Units.

Rights for Purchasers in Ontario

If this Offering Memorandum, together with any amendment or supplement hereto, delivered to a purchaser of Units resident in Ontario contains a Misrepresentation and it was a Misrepresentation at the time of purchase of Units by such purchaser, the purchaser will have, without regard to whether the purchaser relied on such Misrepresentation, a right of action against the Fund for damages or, while still the owner of the Units purchased by that purchaser, for rescission, in which case, if the purchaser elects to exercise the right of rescission, the purchaser will have no right of action for damages against the Fund, provided that:

- (a) the Fund shall not be held liable pursuant to either right of action if the Fund proves the purchaser purchased the Units with knowledge of the Misrepresentation;
- (b) in an action for damages, the Fund is not liable for all or any portion of such damages that it proves do not represent the depreciation in value of the Units acquired by the purchaser as a result of the Misrepresentation relied upon;
- (c) the Fund will not be liable for a Misrepresentation in forward-looking information if the Fund proves that:
 - (i) this Offering Memorandum contains reasonable cautionary language identifying the forward-looking information as such, and identifying material factors that could cause actual results to differ materially from a conclusion, forecast or projection in the forward-looking information, and a statement of material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection set out in the forward-looking information; and
 - (ii) the Fund has a reasonable basis for drawing the conclusion or making the forecasts and projections set out in the forward-looking information;
- (d) in no case shall the amount recoverable pursuant to such right of action exceed the purchase price of the Units acquired; and
- (e) no action may be commenced to enforce such right of action more than,
 - (i) in the case of an action for rescission 180 days after the date of the purchase of the Units; or
 - (ii) in the case of an action for damages, the earlier of
 - (1) 180 days after the purchaser first had knowledge of the facts giving rise to the cause of action, or
 - (2) three years after the date of the purchase of the Units.

The foregoing rights do not apply if the purchaser purchased Units of the Fund using the “accredited investor” exemption and is:

- (a) an association governed by the *Cooperative Credit Associations Act* (Canada) or a central cooperative credit society for which an order has been made under section 473(1) of that Act;
- (b) a bank, loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative, or league that, in each case, is authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction of Canada;

- (c) a Schedule III bank;
- (d) the Business Development Bank of Canada incorporated under the *Business Development Bank of Canada Act* (Canada); or
- (e) a subsidiary of any person referred to in paragraphs (a) to (d), 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.

Rights for Purchasers in New Brunswick

Where this Offering Memorandum, or any amendment hereto, contains a Misrepresentation, a purchaser resident in New Brunswick to whom this Offering Memorandum has been delivered and who purchases Units shall be deemed to have relied upon such Misrepresentation if it was a Misrepresentation at the time of purchase, and the purchaser has a right of action for damages against the Fund or the purchaser may elect to exercise a right of rescission against the Fund (in which case, if the purchaser elects to exercise the right of rescission, the purchaser will have no right of action for damages), provided that, among other limitations:

- (a) in an action for rescission or damages, the Fund will not be liable if it proves that the purchaser purchased the Units with knowledge of the Misrepresentation;
- (b) in an action for damages, the Fund will not be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the Units as a result of the Misrepresentation;
- (c) in no case will the amount recoverable exceed the price at which the Units were sold to the purchaser;
- (d) a person is not liable in an action for a Misrepresentation in forward-looking information if the person proves that:
 - (i) this Offering Memorandum contains, proximate to that information,
 - (1) reasonable cautionary language identifying the forward-looking information as such, and identifying material factors that could cause actual results to differ materially from a conclusion, forecast or projection in the forward-looking information, and
 - (2) a statement of the material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection set out in the forward-looking information, and
 - (ii) that the person had a reasonable basis for drawing the conclusions or making the forecasts and projections set out in the forward-looking information; and
- (e) no action shall be commenced to enforce these statutory rights of action more than:
 - (i) in an action for rescission, 180 days from the date of purchase of the Units; or
 - (ii) in an action for damages, the earlier of: (i) one year after the purchaser first had knowledge of the facts giving rise to the cause of action, or (ii) six years after the date of purchase of the Units.

Rights for Purchasers in Nova Scotia

Where this Offering Memorandum or any amendment hereto contains a Misrepresentation, a purchaser resident in Nova Scotia to whom this Offering Memorandum has been sent or delivered and who purchases the Units is deemed to have relied upon such Misrepresentation if it was a Misrepresentation at the time of purchase and the purchaser has a right of action for damages against the Fund and, subject to certain additional defences, against every person acting in a capacity with respect to the Fund which is similar to that of a director of a company, or alternatively, may elect to exercise a right of rescission against the Fund (in which case, if the purchaser elects to exercise the right of rescission, the purchaser will have no right of action for damages), provided that, among other limitations:

- (a) in an action for rescission or damages, a person will not be liable if it proves that the purchaser purchased the Units with knowledge of the Misrepresentation;
- (b) no person other than the Fund is liable if the person proves that:
 - (i) this Offering Memorandum or the amendment to this Offering Memorandum was sent or delivered to the purchaser without the person's knowledge or consent and that, on

- becoming aware of its delivery, the person gave reasonable general notice that it was delivered without the person's knowledge or consent;
- (ii) after delivery of this Offering Memorandum or the amendment to this Offering Memorandum and before the purchase of the Units by the purchaser, on becoming aware of any Misrepresentation in this Offering Memorandum, or amendment to this Offering Memorandum, the person withdrew the person's consent to this Offering Memorandum, or the amendment to this Offering Memorandum, and gave reasonable general notice of the withdrawal and the reason for it; or
 - (iii) with respect to any part of this 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 that there had been a Misrepresentation;
- (c) in an action for damages, a person is not liable for all or any portion of the damages that it proves do not represent the depreciation in value of the Units as a result of the Misrepresentation relied upon;
 - (d) in no case shall the amount recoverable under the right of action described herein exceed the price at which the Units were offered;
 - (e) a person is not liable in an action for a Misrepresentation in forward-looking information if the person proves all of the following things:
 - (i) this Offering Memorandum contains, proximate to that information,
 - (1) reasonable cautionary language identifying the forward-looking information as such, and identifying material factors that could cause actual results to differ materially from a conclusion, forecast or projection in the forward-looking information, and
 - (2) a statement of the material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection set out in the forward-looking information; and
 - (ii) the person had a reasonable basis for drawing the conclusions or making the forecasts and projections set out in the forward-looking information; and
 - (f) no action may be commenced to enforce a right of action more than 120 days:
 - (i) after the date on which payment was made for the Units; or
 - (ii) after the date on which the initial payment was made for Units where payments subsequent to the initial payment are made pursuant to a contractual commitment assumed prior to, or concurrently with, the initial payment.

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

Rights for Purchasers in Manitoba

If this Offering Memorandum delivered to a purchaser of Units resident in Manitoba contains a Misrepresentation and it was a Misrepresentation at the time of purchase of Units by such purchaser, the purchaser will be deemed to have relied on such Misrepresentation and will have a right of action against the Fund and every person performing a function or occupying a position with respect to the Fund which is similar to that of a director of a company, for damages or against the Fund for rescission (in which case, if the purchaser elects to exercise the right of rescission, the purchaser will have no right of action for damages), provided that among other limitations:

- (a) the Fund will not be liable if it proves that the purchaser purchased the Units with knowledge of the Misrepresentation;
- (b) in the case of an action for damages, the Fund will not be liable for all or any portion of the damages that it proves does not represent the depreciation in value of the Units as a result of the Misrepresentation;
- (c) other than with respect to the Fund, no person or company is liable if the person or company proves:

- (i) that this 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 Fund that it was sent without the person's or company's knowledge and consent;
- (d) other than with respect to the Fund, no person or company is liable 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 this Offering Memorandum and gave reasonable notice to the Fund of the withdrawal and the reason for it;
- (e) other than with respect to the Fund, no person or company is liable with respect to any part of this 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;
- (f) in no case will the amount recoverable in any action exceed the price at which the Units were sold to the purchaser; and
- (g) the right of action for rescission or damages will be exercisable only if the purchaser commences an action to enforce such right, not later than:
 - (i) in the case of an action for rescission, 180 days after the date of purchase of the Units; or
 - (ii) in the case of an action for damages, the earlier of (A) 180 days following the date the purchaser first had knowledge of the facts giving rise to the cause of action, and (B) two years after the date of purchase of the Units.

A person or company is not liable in an action for a Misrepresentation in forward-looking information if the person or company proves that:

- (a) this Offering Memorandum contains, proximate to that information,
 - (i) reasonable cautionary language identifying the forward-looking information as such, and identifying material factors that could cause actual results to differ materially from a conclusion, forecast or projection in the forward-looking information, and
 - (ii) a statement of the material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection set out in the forward-looking information; and
- (b) the person or company had a reasonable basis for drawing the conclusions or making the forecasts and projections set out in the forward-looking information.

If a Misrepresentation is contained in a record incorporated by reference in, or is deemed to be incorporated into, this Offering Memorandum, the Misrepresentation is deemed to be contained in this Offering Memorandum.

Purchasers in Saskatchewan

If this Offering Memorandum together with any amendment hereto or advertising or sales literature used in connection herewith delivered to a purchaser of Units resident in Saskatchewan contains a Misrepresentation, the purchaser has, without regard to whether the purchaser relied on the Misrepresentation, a right of action for damages against the Fund, every person acting in a capacity with respect to the Fund which is similar to that of a director or promoter of the Fund, and every person who or company that sells the Units on behalf of the Fund under this Offering Memorandum or amendment thereto, or, alternatively, a purchaser may elect to exercise a right of rescission against the Fund, provided that among other limitations:

- (a) no person or company is liable, nor does a right of rescission exist, where the person or company proves that the purchaser purchased the Units with knowledge of the Misrepresentation;
- (b) in an action for damages, no person or company will be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the Units as a result of the Misrepresentation relied on;
- (c) in no case shall the amount recoverable exceed the price at which the Units were sold to the purchaser; and

- (d) no action shall be commenced to enforce these rights more than:
 - (i) in the case of an action for rescission, 180 days after the date of the purchase of the Units;
or
 - (ii) in the case of any action, other than an action for rescission, the earlier of one year after the purchaser first had knowledge of the facts giving rise to the cause of action or six years after the date of the purchase of the Units.

A person or company is not liable in an action for a misrepresentation in forward-looking information if the person or company proves that:

- (a) this Offering Memorandum contains, proximate to that information:
 - (i) reasonable cautionary language identifying the forward-looking information as such, and identifying material factors that could cause actual results to differ materially from a conclusion, forecast or projection in the forward-looking information; and
 - (ii) a statement of the material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection set out in the forward-looking information; and
- (b) the person had a reasonable basis for drawing the conclusions or making the forecasts and projections set out in the forward-looking information.

These rights are subject to more defences as more particularly described in *The Securities Act, 1988* (Saskatchewan).

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