



**MM FUND**

**Offering Series A, Series D and Series F Units**

**In Alberta and British Columbia:**

**ANNUAL INFORMATION FORM  
dated June 27, 2017**

**- and -**

**In Ontario:**

**AMENDED AND RESTATED ANNUAL INFORMATION FORM  
dated June 27, 2017  
amending and restating the Annual Information Form dated May 12, 2017**

No securities regulatory authority has expressed an opinion about these units. It is an offence to claim otherwise. The Fund and the Units of the Fund under this Annual Information Form are not registered with the United States Securities and Exchange Commission and they are sold in the United States only in reliance upon exemptions from registrations.

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## NAME, HISTORY AND FORMATION OF THE FUND

MM Fund (the “**Fund**”) is a unit trust established under the laws of Ontario. The Fund is governed by a master declaration of trust dated April 23, 2014. The master declaration of trust of the Fund is referred to as the “**Declaration of Trust**”. The Declaration of Trust was amended on June 22, 2015 to effect a name change for the Fund from “ElevenFund” to “MM Fund”.

Spartan Fund Management Inc. (the “**Manager**”, “**Spartan**”, “**we**” or “**us**”) is the trustee, investment fund manager and portfolio manager of the Fund.

The registered office of the Fund and of the Manager is located at 100 Wellington Street West, Suite 2101 TD Centre, Toronto, Ontario M5K 1J3.

Effective June 22, 2015, the investment objective of the Fund changed (with corresponding changes to the Fund’s investment strategies).

## INVESTMENT RESTRICTIONS OF THE FUND

### Investment Restrictions

The Fund is subject to certain standard investment restrictions and practices contained in securities legislation, including National Instrument 81-102 *Mutual Funds* (“**NI 81-102**”). This legislation is designed, in part, to ensure that the investments of the Fund are diversified and relatively liquid and to ensure the proper administration of the Fund. The Fund is managed in accordance with these standard investment restrictions and practices. A copy of these investment restrictions and practices may be obtained from the Manager upon request.

The fundamental investment objective of the Fund is set out in the Simplified Prospectus of the Fund. Any change in the fundamental investment objective of the Fund requires the approval of a majority of Unitholders at a meeting called for that purpose. We may change the Fund’s investment strategies from time to time at our sole discretion.

### Eligibility under the Income Tax Act

The Fund was registered as a registered investment under the *Income Tax Act* (Canada) (the “**Tax Act**”) effective as of July 15, 2015, and remains so registered. As a result, Units of the Fund are qualified investments for trusts governed by registered retirement savings plans (including group registered retirement savings plans, locked in retirement savings plans and locked in retirement accounts), registered retirement income funds (including life income funds, locked in retirement income funds and prescribed retirement income funds), deferred profit sharing plans, registered disability savings plans, registered education savings plans and tax-free savings accounts (referred to collectively as “**Registered Plans**”). Annuitants of registered retirement savings plans and registered retirement income funds, holders of tax-free savings accounts and registered disability savings plans, and subscribers of registered education savings plans should, consult with their own tax advisors as to whether Units of the Fund would be a “prohibited investment” under the Tax Act in their particular circumstances.

## DESCRIPTION OF UNITS

### General

The Fund is permitted to issue an unlimited number of series (“**Series**”) of units (“**Units**”) and may issue an unlimited number of Units in each Series. The Fund has created Series A, Series D and Series F Units.

Series A Units: Available to all investors.

Series D Units: Available to investors who have an account with a discount brokerage firm (“**discount broker**”). We pay reduced distribution costs for units held in these accounts and therefore we can reduce the management fee we charge.

Series F Units: Available to investors who participate in fee-based programs through their dealer and whose dealer has signed a Series F Agreement with the Manager, investors for whom the Manager does not incur distribution costs or individual investors approved by the Manager.

Although the money which you and other investors pay to purchase Units of any Series is tracked on a Series-by-Series basis in the Fund’s administrative records, the assets of all Series of a Fund are combined into a single pool to create one portfolio for investment purposes. Please refer to the Fund’s Simplified Prospectus for further information pertaining to Series A, Series D and Series F Units of the Fund, as applicable.

Units of a Series of the Fund represent your ownership in the Fund. You receive distributions of the Fund’s net income and net capital gains attributable to your Series of Units (except for Management/Incentive Fee Distributions (as defined below)) based on their relative net asset value (“**NAV**”) and net asset value per Unit (“**NAV per Unit**”) for each Series in the Fund. Upon the wind-up or termination of the Fund, unitholders of the Fund (“**Unitholders**”) will be entitled to participate *pro rata* in the Fund’s net assets allocated to the applicable Series less applicable sales charges, if any. If you hold Units in the Fund, you will be entitled to vote at the Unitholder meetings of the Fund as a whole as well as any Unitholder meetings for the particular Series of Units that you own. Each Unit, regardless of the Series, will entitle the holder to 1 vote at all meetings of Unitholders. Units are issued as fully paid and non-assessable and are redeemable at their NAV per Unit. Units of the Fund can, in some cases, be changed between Series of the Fund (see “**Changing Between Series**”). The Fund may issue fractional Units, which shall entitle the holder to similar proportionate participation in the Fund but will not entitle the holder to receive notice of, or vote at, meetings of Unitholders of the Fund.

Unitholders of the Fund can redeem all or any of their Units at the NAV per Unit of the relevant Series as described under “Redemption of Units”.

The rights and conditions attaching to the Units of each Series of the Fund may be modified only in accordance with the provisions attaching to such Units and the provisions of the Declaration of Trust. A description of the Series of Units offered by the Fund and the eligibility requirements attached to such Series of Units is contained in the Simplified Prospectus of the Fund.

### Meetings of Unitholders

The Fund does not hold regular meetings. Unitholders are entitled to vote on all matters that require Unitholder approval under NI 81-102 or under the Declaration of Trust. Some of these matters are:

- the introduction of a fee or expense, or a change in the basis of the calculation of a fee or expense, that is or is to be charged to the Fund or directly to its Unitholders by the Fund or the Manager in connection with the holding of Units of the Fund, in a way that could result in an increase in charges to the Fund or to its Unitholders;
- a change of the Manager, unless the new manager is an affiliate of the Manager;
- a change in the fundamental investment objectives of the Fund;
- a decrease in the frequency of the calculation of the NAV per Unit of the Fund; and
- certain material reorganizations of the Fund.

Approval of these matters requires an affirmative vote of at least a majority of the Unitholders present at a meeting called to consider these matters.

## **CALCULATION OF NET ASSET VALUE AND VALUATION OF PORTFOLIO SECURITIES**

### **Calculation of NAV and NAV per Unit**

As at 4:00 p.m. (Eastern time) on each Friday provided the Toronto Stock Exchange (“**TSX**”) is open for business (and if the TSX is not open for business then the prior business day upon which the TSX is open for business) (a “**Valuation Date**”), the NAV per Unit is calculated for each Series of the Fund. The NAV per Unit (or Unit price) of a Series will be based on the fair value of the Series’ proportionate share of the assets of a Fund, less that Series’ proportionate share of common liabilities and less any liabilities attributable to that Series of the Fund, divided by the total outstanding Units of that Series. The NAV per Unit of a Series is the basis for all purchases, changes and redemptions and for reinvestment of distributions. If at any time the Fund engages in short selling, or uses derivatives (including for currency hedging) it will increase the frequency of the calculation of NAV per Unit to every business day.

### **Valuation of Portfolio Securities**

In determining the fair value of the assets of the Fund the following rules apply:

- the value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest, declared or accrued and not yet received, shall be deemed to be the full amount thereof, unless the Manager has determined that any such deposit, bill, demand note or account receivable is not worth the full amount thereof, in which event the value thereof shall be deemed to be such value as the Manager determines to be the reasonable value thereof;
- the value of any share, subscription right or other equity security which is listed or dealt in upon a stock exchange shall be determined by taking the latest available sale price (or lacking any sales or any record thereof, a price not higher than the latest available asked price and not lower than the latest available bid price therefor as the Manager may from time to time determine) on the day as of which the NAV or NAV per Unit is being determined, as reported by any means in common use. The value of any bond or other debt security, other than a short term security, shall be determined by using prices supplied by the Fund’s pricing agents which reflect broker/dealer supplied valuations and electronic data processing techniques. If it is not possible to value a particular debt security pursuant to these valuation methods, then the value of such security shall be the most recent bid quotation supplied by a bona fide marketmaker. Short-term securities with

remaining maturities of sixty days or less are valued by the amortized cost method, which the Manager believes approximates market value. The value of interlisted securities shall be computed in a manner which in the opinion of the Manager most accurately reflects their fair value. If, in the opinion of the Manager, the above valuations do not properly reflect the prices which would be received by the Fund upon the disposal of shares or securities necessary to effect any redemption or redemptions, the Manager may place such value upon such shares or securities as appears to it to most closely reflect the fair value of such shares or securities;

- the value of any bond, time note, share, subscription right or other security or other property which is not listed or dealt in on a stock exchange shall be determined on the basis of such price quotations which in the opinion of the Manager best reflect its fair value;
- the value of any restricted securities, as defined in NI 81-102, shall be valued at such value which in the opinion of the Manager best reflect its fair value;
- long positions in clearing corporation options, options on futures, over-the-counter options, debt-like securities and listed warrants shall be valued at the current market value thereof;
- any premium received by the Fund for a written covered clearing corporation option, option on futures or over-the-counter option shall be reflected as a deferred credit which shall be valued at an amount equal to the current market value of the clearing corporation option, option on futures or over-the-counter option that would have the effect of closing the position. The deferred credit shall be deducted in arriving at the NAV of the Fund or a Series of the Fund. The securities, if any, which are the subject of a written clearing corporation option or over-the-counter option shall be valued in accordance with the provisions of this paragraph;
- futures contracts and forward contracts shall be valued according to the gain or loss with respect thereto that would be realized if, on the Valuation Date, the position in the futures contract or forward contract, as the case may be, were to be closed out unless daily limits are in effect, in which case fair value shall be based on the current market value of the underlying interest;
- margin paid or deposited in respect of futures contracts and forward contracts shall be reflected as an account receivable and margin consisting of assets other than cash shall be noted as held as margin;
- all assets of the Fund valued in terms of foreign currency, funds on deposit and contractual obligations payable to the Fund in foreign currency and liabilities and contractual obligations payable by the Fund in foreign currency shall be taken at the current rate of exchange as nearly as practicable at the time as of which the NAV is computed. Foreign currency for the purpose of this section is currency other than Canadian currency; and
- the value of any bond, time note, share, subscription right or other security or other property for which none of the above valuation procedures is applicable shall be the fair value thereof as determined from time to time in such manner as the Manager may determine.

The Manager has the discretion noted above to deviate from the Fund's valuation principles set out above. We have not exercised such discretion in the past three years.

The liabilities of the Fund shall be deemed to include:

- all bills and accounts payable;

- all expenses payable by the Fund and/or accrued;
- all contractual obligations for the payment of money or property, including the amount of any declared but unpaid distributions;
- all allowances authorized or approved by the Manager for taxes or contingencies; and
- all other liabilities of the Fund or a Series of the Fund of whatsoever kind and nature, except liabilities represented by outstanding Units.

The Manager will make available the NAV per Unit for each Series of the Fund on the Manager's website at [www.spartanfunds.ca](http://www.spartanfunds.ca). Such information will also be available on request, free of charge, by calling the Manager collect at (416) 601-3172, by sending an email to [admin@spartanfunds.ca](mailto:admin@spartanfunds.ca) or by mailing the Manager at 100 Wellington Street West, Suite 2101 TD Centre, Toronto, Ontario M5K 1J3.

## **PURCHASE OF UNITS**

### **General**

The Fund offers Series A, Series D and Series F Units. Units of each Series of the Fund are offered for sale on a continuous basis. Purchase orders must be placed with registered dealers in Alberta, British Columbia and Ontario, except for orders placed under any applicable registration exemption. You may purchase, change or redeem Units of the Fund directly through your registered dealer approved by the Manager. The procedures to be followed by investors who desire to purchase Units of the Fund are described in the Fund's Simplified Prospectus.

The Fund does not intend to issue certificates for units. Ownership will be evidenced by entry in the register maintained by the Fund's registrar. For information on the Fund's registrar, see the chart under "*Organization and Management of the Fund*" in the Simplified Prospectus.

### **Purchase Price**

Units of the Fund may be purchased at their NAV per Unit of a Series from time to time, computed as described under "Calculation of Net Asset Value and Valuation of Portfolio Securities". The purchase price per Unit is the NAV per Unit of a Series next determined following receipt by the Fund of a complete subscription. Any subscription received on a Valuation Date after the cut-off time or on any day that is not a Valuation Date is deemed to have been received on the following Valuation Date. The purchase price per Unit is then the NAV per Unit of a Series established on the Valuation Date following the day of actual receipt of the subscription. The cut-off time for receipt of subscriptions is 4:00 p.m. (Eastern Time) on the business day prior to a Valuation Day.

### **Purchasing Series A Units**

Series A Units of the Fund are available to all investors under the following purchase option:

#### ***Initial Sales Charge Option***

Under the Initial Sales Charge Option, investors may pay a fee of up to 5% to the dealer at the time of purchase for Series A Units of the Fund.

**Purchasing Series D Units**

Series D Units of the Fund are only available through eligible discount brokers. There are no sales charges or redemption fees payable on the purchase or sale of Series D Units. Certain discount brokers do not charge brokerage commissions when you purchase or sell Series D Units; however, you should confirm this with your discount broker.

If we become aware that you are no longer eligible to hold Series D Units, we may change your Series D Units into Series A Units after giving you 30 days' prior written notice, unless you notify us during the notice period and we agree that you are once again eligible to hold Series D Units.

**Purchasing Series F Units**

Series F Units are only available through dealers or financial planners who offer certain fee-based programs that have been approved by us. An investor in one of these programs pays a fee to his or her dealer based on the assets in that investor's account and/or for on-going financial planning and advice. Your dealer or financial adviser must enter into an agreement with us before selling Series F Units.

There are no sales charges, redemption fees, trailing commissions or other commissions payable on the purchase or sale of Series F Units.

If you cease to be eligible to hold Series F Units, we may change your Series F Units into Series A Units after giving you 30 days' prior written notice, unless you notify us during the notice period and we agree that you are once again eligible to hold Series F Units. On a change from Series F to Series A Units, Unitholders will be required to pay the fees and charges applicable to the Initial Sales Charge Option for Series A Units.

**Minimum Investment**

The minimum initial investment in Units of either Series A, Series D or Series F of the Fund is \$500 and the minimum additional investment is \$100. The initial minimum investment amount may be adjusted or waived in our absolute discretion and without notice to Unitholders.

**Processing Orders**

All orders for Units are forwarded to the registered office of the Fund for acceptance or rejection and the Fund reserves the right to reject any order in whole or in part. Dealers must transmit an order for Units to the registered office of the Fund without charge to the Unitholder. They must make such transmittal wherever practical by same day courier, priority post or telecommunications facility. This transmittal may be done through the electronic facility known as "Fundserv". Receipt of an order, payment or other documentation by such a facility on behalf of the Fund will be considered to be receipt by the Fund. You and your dealer are responsible for ensuring that your purchase order is accurate and that we receive all the necessary documents or instructions. The decision to accept or reject any order for Units will be made within one business day of receipt of the order by the Fund. In the event that any purchase order is rejected, all monies received with the order are returned to the subscriber. Full and proper payment for all orders for Units must be received at the Fund's registered office on or before the settlement date. The settlement date is generally the 3rd business day after the day on which the subscription price for the Units so ordered is determined.

Orders placed must be settled within the time periods described above. Where payment of the subscription price is not received on a timely basis or where the payment is returned or dishonoured, we,

on behalf of the Fund, redeem the Units ordered by the cut-off time on the first business day following such period. The redemption proceeds reduce the amount owing to the Fund in respect of the failed purchase transaction. If the proceeds are greater than the amount you owe us, the Fund keeps the difference. If the proceeds are less than the amount you owe us, your dealer will pay the difference to the Fund and you may have to reimburse your dealer.

### **CHANGING BETWEEN SERIES**

You may change Series A or Series D Units of the Fund into Series F Units of the Fund through your dealer if you meet the Series F eligibility criteria set out above.

You may change Series A or Series F Units into Series D Units of the Fund through your discount broker if you meet the Series D eligibility criteria set out above.

We may change your Series F Units into Series A Units of the Fund upon 30 days' prior notice if you cease to be eligible to hold Series F Units in your account. We will not make the change if your dealer notifies us during the notice period, and we agree, that you are once again eligible to hold Series F Units.

We may change your Series D Units into Series A Units of the Fund upon 30 days' prior notice if you cease to hold Series D Units in a discount brokerage account. We will not make the change if your discount broker notifies us during the notice period, and we agree, that you are once again eligible to hold Series D Units.

#### **Change Fees**

In general, dealers may charge Unitholders a fee of up to 2% of the amount changed to cover the time, advice and processing costs involved in a change. The Unitholder and dealer negotiate this fee.

### **REDEMPTION OF UNITS**

#### **Price on Redemption**

Units of a Series of the Fund may be redeemed at the NAV per Unit of that Series next determined after receipt of a redemption request at the registered office of the Fund.

Redemption requests received on any day that is not a Valuation Date or received after the cut-off time on a Valuation Date are deemed to have been received on the following Valuation Date. In that case, the price on redemption will be the NAV per Unit of the Series established on the Valuation Date following the day of actual receipt. The cut-off time for receipt of redemption requests is 4:00 p.m. (Eastern Time) on each business day prior to a Valuation Day.

#### **Processing Redemptions**

Redemption requests may be forwarded to dealers for delivery to the Fund. Dealers must transmit the particulars of such redemption requests to the Fund without charge to a Unitholder and must make such transmittal wherever practical by same day courier, priority post or telecommunications facility. This transmittal may be done through the electronic facility known as "Fundserv". Receipt of a redemption request or other documentation by such a facility on behalf of the Fund will be considered to be receipt by the Fund. You and your dealer are responsible for ensuring that your redemption request is accurate and that we receive all necessary documents or instructions.

No payment of redemption proceeds is made until a duly completed redemption request has been received from the registered holder of the Units. Redemption requests:

- for redemption proceeds of \$25,000.00 or more;
- that direct redemption proceeds to be paid to someone other than the dealer or to an address other than the registered address of the investor;
- for redemption proceeds not payable to all joint owners on an investor's account; or
- from a corporation, partnership, agent, fiduciary or surviving joint owner

may, in each case, be required to have signatures guaranteed by a Canadian chartered bank or trust company or by the Unitholder's dealer. You should consult your dealer with respect to the documentation required.

Where the Fund has received a duly-completed redemption request, the Fund pays the redemption proceeds within 3 business days of the Valuation Date upon which the relevant redemption price was determined. If you fail to provide the Fund with a duly completed redemption request within 10 business days of the date on which the NAV is determined for the purposes of the redemption, we, on behalf of the Fund, purchase the Units redeemed on the 10<sup>th</sup> business day. The redemption proceeds which would have been paid on the failed transaction are used to pay the purchase price. If the redemption proceeds are more than the purchase price, the difference belongs to the Fund. If the redemption proceeds are less than the purchase price, the dealer placing the redemption request pays the difference to the Fund and you may have to reimburse your dealer.

Payment for the Units that are redeemed shall be made as described above, provided that your cheque in payment for the purchase of any of the Units being redeemed has cleared. Any withholding taxes are deducted from the payment.

Unless you otherwise request, the cheque representing the redemption proceeds is mailed to your address as shown on the register of the Fund. As a convenience to Unitholders whose Units are registered in their own names, we will, if you so request, deliver by wire transfer the redemption proceeds to your designated Canadian dollar account at a Canadian bank, trust company or credit union on the day on which the redemption proceeds are made available by the Fund to us. There are no charges for this service, other than any costs or other fees in connection with a wire transfer that may be charged by your financial institution.

Unitholders whose Units are registered in the name of their dealer, broker or other intermediary must instruct that entity to provide us with a redemption request. Redemption proceeds are paid only to registered holders of Units, so Unitholders holding through financial intermediaries should expect redemption proceeds to be paid into their account with their financial intermediary.

### **Automatic Redemption**

Unitholders in Series A, Series D and Series F Units of the Fund must keep at least \$500 in each of their accounts. If your account falls below this amount, we may notify you and give you 30 days to make another investment. If your account stays below \$500 after those 30 days, we may redeem all of the Units in your account and send the proceeds to you.

You should also refer to “Fund Governance – Short-term Trading Fees” below in connection with any redemption of Units.

### **Suspension of Redemption Rights**

We reserve the right to suspend the right of redemption and to postpone the date of payment upon redemption for any period, but only in compliance with applicable securities legislation. The right of redemption with respect to Units of a Series of the Fund may be suspended during any period when normal trading is suspended on any exchange on which are traded portfolio securities or specified derivatives representing more than 50% of the Fund’s total asset value without allowance for liabilities, provided that those portfolio securities or specified derivatives are not traded on another exchange that represents a reasonably practical alternative for the Fund. In addition, the right of redemption may be suspended with the consent of the securities regulatory authority. In the case of a suspension of the right of redemption before the redemption proceeds have been determined, a Unitholder may either withdraw a redemption request or receive payment based on the applicable NAV per Unit of the applicable Series next determined after the termination of such suspension. During any period of suspension of redemption rights, orders to purchase Units will not be accepted.

## **RESPONSIBILITY FOR MUTUAL FUND OPERATIONS**

### **The Manager**

Spartan Fund Management Inc. is the trustee, investment fund manager and portfolio manager of the Fund. The head office of the Manager is located at 100 Wellington Street West, Suite 2101, TD Centre, Toronto, Ontario M5K 1J3. The phone number for the Manager is 416-601-3172, the e-mail address is admin@spartanfunds.ca and the website address is www.spartanfunds.ca. As investment fund manager, we are responsible for the day-to-day business, operations and affairs of the Fund and provide marketing and administrative services to the Fund. We also furnish the office space and facilities, clerical help, bookkeeping and the internal accounting services required by the Fund. All Unitholder reporting and servicing requirements are also furnished by us or on our behalf. The Manager has retained SGGG Fund Services Inc. (“**SGGG**” or the “**Administrative Agent**”) to carry out certain administrative services for the Fund, consisting of fund accounting, valuation, including Unitholder recordkeeping, processing of all subscriptions and redemptions and calculating and processing all income and capital gains distributions. In this capacity, the receipt by the Administrative Agent of any document pertaining to the purchase, change or redemption of Units will be considered to be the receipt by the Fund.

The names and municipalities of residence of the directors and executive officers of the Manager, their respective positions and offices with the Manager, and their principal occupations in the past 5 years, are as follows:

<b>Name and Municipality of Residence</b>	<b>Position with the Manager</b>	<b>Principal Occupation in Past 5 Years</b>
Gary Ostoich Toronto, Ontario	Director, President, Chief Executive Officer and Chief Compliance Officer	President, Chief Executive Officer and Chief Compliance Officer of the Manager
Brent Channell Oakville, Ontario	Director and Managing Director	Managing Director of the Manager
John Ackerl	Director and Chief Investment	Chief Investment Officer of the

Name and Municipality of Residence	Position with the Manager	Principal Occupation in Past 5 Years
Millgrove, Ontario	Officer	Manager since December 2015; from 2012 to December 2015, he was with a number of investment management start ups; from 2000 to 2012, he was a portfolio manager with McLean Budden.

We act as investment fund manager of the Fund pursuant to a master management agreement dated as of April 23, 2014 (the “**Management Agreement**”). The Management Agreement may be terminated by us on 30 days’ prior written notice. Any change in the investment fund manager of the Fund (other than to one of our affiliates) may be made only with the approval of the Unitholders of the Fund and, where applicable, in accordance with securities legislation.

### Management Fees

For its management fee, the Manager directs the business, operations and affairs of the Fund and carries out the duties necessary to operate the business and affairs of the Fund, either directly or, in whole or in part, through a third party, including the investment management of each of the Fund’s investments and the provision of administrative services and facilities to the Fund.

For its services rendered to the Fund, the Manager receives annual management fees (accrued on each Valuation Date and paid monthly) which are unique to each Series of Units and calculated as an annual percentage of the Fund’s NAV on each Valuation Date attributable to the applicable Series of Units:

	Series A	Series F	Series D
MM Fund	2.00%	1.00%	1.25%

Management fees are subject to harmonized sales tax (HST).

### Management/Incentive Fee Distributions

The Manager reserves the right to offer a reduced management and/or incentive fee to selected investors in Series A, Series D and Series F Units who (among other considerations) hold large investments in the Fund. This is achieved by reducing the management and/or incentive fee charged by us to the Fund based on the NAV of the Units held by such investor and the Fund distributing the amount of the reduction (a “**Management/Incentive Fee Distribution**”) in additional Units of the same Series of the Fund to the investor. See “*Income Tax Considerations for Investors*” in the Simplified Prospectus for more information regarding the tax consequences of a Management/Incentive Fee Distribution.

### Incentive Fee

The Fund pays the Manager a quarterly incentive fee, subject to applicable taxes including HST. The incentive fee will be equal to 10% of the difference by which the return in the weekly NAV (or daily NAV in the event of the calculation of NAV changes to daily) of the applicable Series of the Fund from January 1 to March 31, April 1 to June 30, July 1 to September 30 and October 1 to December 31 exceeds

the percentage return of the S&P/TSX Composite Total Return Index (or any successor index to such index) for the same period (the “**Benchmark**”).

The payment of the incentive fee in any quarter will only be made if the performance of the applicable Series of the Fund, on a cumulative basis calculated from the last Valuation Date for which an incentive fee was paid, has exceeded the performance of the Benchmark on a cumulative basis for the same period.

### **Fund-of-Fund Investments**

If the Fund invests in an underlying fund, the fees and expenses payable in connection with the management of the underlying fund are in addition to those payable by the top fund. However, we will ensure that if the Fund invests in an underlying fund, it will not pay duplicate management fees on the portion of its assets that it invests in that underlying fund. In certain cases, a fee equivalent to the investment portfolio management fees arising at the underlying fund level will be charged at the underlying fund level. In addition, if the Fund invests in an underlying fund, it will not pay duplicate sales fees or redemption fees with respect to the purchase or redemption by it of securities of that underlying fund.

### **Trustee**

We have been appointed as trustee of the Fund under the Declaration of Trust, which establishes the fundamental operating structure for the Fund. In our capacity as trustee, we have ultimate responsibility for the business and undertaking of the Fund and must carry out the terms of the Declaration of Trust. Currently, we receive no compensation in our capacity as trustee. We may resign as trustee of a Fund by giving 60 days’ prior written notice to Unitholders. If a successor trustee can be found and agrees to accept the appointment, such successor trustee will assume the duties and obligations of the incumbent trustee within the notice period. If a successor trustee cannot be found or is not appointed by Unitholders in accordance with the provisions of the Declaration of Trust, then the Fund will be terminated at the expiry of the notice period.

### **Portfolio Manager**

Pursuant to the Management Agreement, we are the portfolio manager of the Fund and, in such capacity, are responsible for the management of the investment portfolio, the establishment of investment policies and guidelines and the provision of investment analysis relating to the assets of the Fund. In carrying out these responsibilities, we may retain the services of other portfolio managers as sub-advisers for the Fund. Certain of these sub-advisers may be affiliated with the Manager. The Management Agreement may be terminated by us on 30 days’ prior written notice.

Investment decisions for the Fund are made by the portfolio managers employed by the Manager as set forth in the table below.

### *Spartan*

<b>Name and Title</b>	<b>Years with Spartan</b>	<b>Business Experience in the Past Five Years</b>
John Ackerl	Since December 1, 2015	Chief Investment Officer of Spartan since December 2015; from 2012 to December 2015, he was with a number of investment management start ups; from 2000 to 2012, he was a Portfolio Manager with McLean Budden.

Name and Title	Years with Spartan	Business Experience in the Past Five Years
Edward Sollbach	Since June 2014	Chief Strategist of the Manager since June 2014; Vice President and Senior Analyst, Portfolio Strategy and Quantitative Research at Desjardins Securities from July 2009 to August 2013.

### Brokerage Arrangements

All decisions as to the purchase and sale of portfolio securities for the Fund, and all decisions as to the execution of these portfolio transactions, including the selection of market and dealer and the negotiation of commissions, where applicable, are made by Spartan, as portfolio manager, or by a sub-adviser, as applicable. In effecting portfolio transactions, Spartan or a sub-adviser (each a “**Portfolio Manager**”) seeks to obtain best execution of orders as required by applicable securities regulations.

When selecting dealers to conduct securities transactions on behalf of the Fund, whether or not affiliated with the Portfolio Manager, the Portfolio Manager takes into account a number of factors, in the context of its overriding responsibility to seek best execution, including:

- the execution ability of the dealer with reference to the particular trade;
- trading expertise and prompt access to large blocks of securities;
- willingness of the dealer to commit its own capital to facilitate trading;
- analyst expertise;
- quality of sales coverage, including access to company meetings, conferences, industry or economic speakers and seminars; and
- international expertise.

Additionally, in selecting a dealer for a particular securities transaction, the Portfolio Manager may consider the quality and quantity of research (“**Research**”) provided by various competing dealers, provided such dealers are otherwise able to effectively execute the applicable trade. The use of such Research is deemed to be an integral part of the investment portfolio management process and, as such, is beneficial to the Fund.

The Portfolio Manager is aware of the potential conflicts of interest faced by portfolio managers, given the incentives created for portfolio managers to place their own interests ahead of their clients’ interests when obtaining goods or services other than order execution in connection with client transactions. The Portfolio Manager manages these potential conflicts of interest by using client brokerage commissions only for execution services and for investment decision-making services that will benefit its clients, including the Fund. The Portfolio Manager never uses client brokerage commissions to pay for general overhead expenses or other services that do not benefit clients. The types of goods and services, other than order execution, that might be provided include: (i) goods or services directly related to order execution; (ii) advice relating to the value of a security or the advisability of effecting a transaction in a security; (iii) analyses and research reports, presented in oral or written form, concerning a security, portfolio strategy, issuer, industry, or an economic or political factor or trend; and (iv) a database or software, to the extent that it supports the foregoing goods and services.

In the normal course, the Portfolio Manager receives and utilizes Research provided by dealers without any formal arrangement to compensate such dealers for the Research. The Portfolio Manager may utilize Research obtained from any dealer without any corresponding obligation to direct trading commissions to such dealer. Such dealers may or may not continue to provide Research in the absence of any allocation of trading commissions.

In the normal course of client trading activity, the Portfolio Manager may cause the accounts involved in a trade to pay more than the lowest available commission rate for eligible brokerage services in order to obtain better trade execution and in recognition of Research provided by dealers. Because brokerage commissions are a client asset, the Portfolio Manager has the obligation to determine, in good faith, that commissions paid are reasonable in relation to the Research and brokerage products and services received. When making this good faith determination, the Portfolio Manager will consider the unbundled price (when that price is available) that a dealer charges for Research. However, in the Manager's experience, such unbundled pricing is rare. To the contrary, in the normal course, the excess commission paid to dealers above the lowest available commission rate for a particular trade is a function not only of Research provided, but of a set of factors including execution quality and the other factors normally considered by the Portfolio Manager in its broker selection process. Therefore, in the normal course, the Portfolio Manager makes its good faith determination not in reference to particular transactions, but rather, in reference to its overall responsibilities with respect to accounts over which it exercises investment discretion.

Over time, as permitted by regulatory requirements, clients collectively receive the benefit of the Research supplied through the use of their collective brokerage commissions.

The Manager shall review broker commission allocations on a regular basis. Where commission allocations are unusually concentrated with one or more brokers, the Manager conducts deeper inquiries to determine whether such concentrations are justified in the context of the overall obligation to seek best execution. Such additional monitoring provides the Manager with an additional layer of comfort that the overall commissions paid are reasonable in relation to the Research and brokerage products and services received.

The name of any dealer or third party that provided a good or service referred to in the foregoing list will be provided to Unitholders upon request by contacting us at 416-601-3172 or [admin@spartanfunds.ca](mailto:admin@spartanfunds.ca).

### **Custodian**

The portfolio assets of the Fund are held under the principal custodianship of Laurentian Bank Securities Inc. ("**Laurentian**"), located in Toronto, Ontario, pursuant to a custodial services agreement dated August 19, 2016 (the "**Custodian Agreement**"). As custodian, Laurentian holds the cash and securities of the Fund. Any party to the Custodian Agreement may terminate it at any time upon 90 days' written notice or immediately, if any party becomes insolvent, or makes an assignment for the benefit of creditors, or a petition in bankruptcy is filed by or against that party and is not discharged within 30 days, or proceedings for the appointment of a receiver for that party are commenced and not discontinued within 30 days. The principal custodian has a qualified foreign sub custodian in each jurisdiction in which the Fund invest in securities. The agreements between Laurentian and such sub-custodians are consistent with the provisions of the Custodian Agreement, provide that each Fund may enforce its rights in respect of its assets held in accordance with their provisions and otherwise comply with the relevant provisions of NI 81-102.

## Auditor

Deloitte LLP of Toronto, Ontario is the auditor of the Fund.

## Registrar and Transfer Agent

SGGG acts as the registrar and transfer agent and provides other administrative services for the Fund, from its principal offices in Toronto, Ontario, pursuant to an administrative services agreement (the “**Administrative Services Agreement**”). SGGG delivers administration processing for the Fund for investment accounting, NAV calculations, transfer agency, Unitholder record keeping, tax preparation, client statements and client servicing.

## CONFLICTS OF INTEREST

### Principal Holders of Securities

The Manager is a direct wholly-owned subsidiary of Alpheus Holdings Inc. As at June 15, 2017, 2056976 Ontario Limited (beneficially owned by Barry Biniaris) owned 26,000 common shares and each of Westor Research & Trading Corp. (beneficially owned by Gary Ostoich), and Channell Thales Holding Corp. (beneficially owned by Brent Channell) each owned 39,000 common shares of Alpheus Holdings Inc., representing 100% of the issued and outstanding voting securities of Alpheus Holdings Inc.

As at June 15, 2017, the directors and officers of the Manager, in aggregate, did not beneficially own, directly or indirectly, more than 10% of the issued and outstanding Units of any series of the Fund. In addition, as at June 15, 2017, the directors and officers of the Manager, in aggregate, did not beneficially own, directly or indirectly, any securities of any person or company that provides services to the Fund or to the Manager.

As at June 15, 2017, the members of the Independent Review Committee, in aggregate, did not beneficially own, directly or indirectly, more than 10% of the issued and outstanding Units of any series of the Fund. In addition, as at June 15, 2017, the members of the Independent Review Committee, in aggregate, did not beneficially own, directly or indirectly, any securities of the Manager or of any person or company that provides services to the Fund or to the Manager.

The following table sets out the persons or companies who as of June 15, 2017, are owners of record or who beneficially own, directly or indirectly, more than 10% of the issued and outstanding Series of units of the Fund:

Name	Series of units	Type of Ownership	Number of Units	Percentage of issued and outstanding units
Investor A	A	Of record and beneficial	140.1509	15.04%
Investor B	A	Of record and beneficial	116.0302	12.45%
Investor C	A	Of record and beneficial	204.3252	21.92%
Investor D	A	Of record and beneficial	206.5041	22.16%

Name	Series of units	Type of Ownership	Number of Units	Percentage of issued and outstanding units
Investor E	D	Of record and beneficial	7957.7808	53.63%
Investor F	D	Of record and beneficial	1752.536	11.81%
Investor G	D	Of record and beneficial	1833.3338	12.36%
Investor E	F	Of record and beneficial	112905.6904	91.52%

To protect the privacy of investors, we have omitted the names of the beneficial owners where those owners are individuals. This information is available on request by contacting Spartan Fund Management Inc. at 416-601-3172.

## FUND GOVERNANCE

### General

The Manager, as the trustee and the investment fund manager of the Fund, has the ultimate and overriding authority to manage and direct the business, operations and affairs of the Fund, subject to applicable law and the Declaration of Trust. The Manager has established appropriate policies, procedures and guidelines to ensure the proper management of the Fund. The systems implemented monitor and manage the business and sales practices, risks and internal conflicts of interest relating to the Fund while ensuring compliance with regulatory and corporate requirements.

### Independent Review Committee (“IRC”)

In accordance with National Instrument 81-107 *Independent Review Committee for Investment Funds* (“**NI 81-107**”), an IRC has been established for the Fund. The IRC is composed of 3 individuals, each of whom is independent of the Fund, the Manager and its affiliates. The current members of the IRC are William Woods, Sue Bochner and Rod Seyffert. The Chair of the IRC is William Woods.

The IRC has adopted a written charter that includes its mandate, responsibilities and functions and the policies and procedures that it follows when performing its functions.

In accordance with NI 81-107, the mandate of the IRC is to consider and provide recommendations to us on conflicts of interest to which we are subject when managing our funds. We are required under NI 81-107 to identify conflicts of interest inherent in our management of the Fund and to request input from the IRC on how we manage those conflicts of interest, as well as on our written policies and procedures outlining our management of those conflicts of interest. We must refer our proposed course of action in respect of any such conflict of interest matter to the IRC for its review. Certain matters require the IRC’s prior approval. In most cases, however, the IRC will provide a recommendation to us as to whether or not, in the opinion of the IRC, our proposed action will provide a fair and reasonable result for the Fund. For recurring conflict of interest matters, the IRC can provide us with standing instructions.

The IRC will report annually to the Unitholders on its activities, as required by NI 81-107. The reports of the IRC will be available free of charge from us on request by contacting us at [admin@spartanfunds.ca](mailto:admin@spartanfunds.ca)

and will be posted on our website at [www.spartanfunds.ca](http://www.spartanfunds.ca). The annual report of the IRC will be available on or about March 31 in each year.

Each member of the IRC will receive an annual retainer and a fee for each meeting of the IRC attended by the member, and will be reimbursed for reasonable expenses incurred. The fees paid to the IRC in respect of the last financial year of the Fund were \$14,000.

### **Short selling**

The Fund may engage in short selling. If the Fund does engage in short selling, it will increase the frequency of calculation of NAV to every business day. A short sale by the Fund involves borrowing securities from a lender which are then sold in the open market. At a future date, the securities are repurchased by the Fund and returned to the lender. While the securities are borrowed, the proceeds from the sale are deposited with the lender and the Fund pays interest to the lender. If the value of the securities declines between the time that the Fund borrows the securities and the time it repurchases and returns the securities to the lender, the Fund makes a profit on the difference (less any interest the Fund is required to pay the lender). Short selling involves risk. There is no assurance that securities will decline in value during the period of the short sale and make a profit for the Fund. Securities sold short may instead appreciate in value creating a loss for the Fund. The Fund may experience difficulties repurchasing and returning the borrowed securities if a liquid market for the securities does not exist. The lender may also recall borrowed securities at any time. The lender from whom the Fund has borrowed securities may go bankrupt and the Fund may lose the collateral it has deposited with the lender. If the Fund engages in short selling, the Fund will adhere to controls and limits that are intended to mitigate these risks by short selling only liquid securities and by limiting the amount of exposure for short sales to the total market value of all securities of an issuer of the securities sold short by the Fund to 5% of the net asset value of the Fund and the total market value of all securities sold short by the Fund to 20% of the net asset value of the Fund. The Fund will also deposit collateral only with Canadian lenders that are regulated financial institutions or regulated dealers and only up to certain limits.

Written policies and procedures regarding objectives and risk management procedures will be adopted by the Manager prior to the commencement of any short selling activities. Such policies and procedures will be developed, implemented and monitored by senior management of the Manager and will be formally reviewed at least annually by the Manager and its board of directors. The authorization of short selling transactions will be the responsibility of senior portfolio managers of the Fund and will be reviewed and monitored as part of the Manager's ongoing compliance procedures and risk control measures. Risk measurement procedures or simulations generally will not be used to test the portfolio of the Fund under stress conditions.

### **Excessive Short-Term Trading**

The Fund is generally designed as long-term investments. Some investors may seek to trade frequently their holdings of the Fund to try to take advantage of the difference between the Fund's NAV and the underlying value of the Fund's portfolio holdings. This activity is sometimes referred to as "market timing". Frequent trading in order to time the market can harm the Fund's performance, affecting all the Unitholders in the Fund, by forcing the Fund to keep cash or sell investments to meet redemptions. We use a combination of measures to detect and deter market timing activity, including:

- monitoring trading activity in client accounts and, through this monitoring, declining certain trades when necessary;
- imposing short-term trading fees; and

- when appropriate, applying fair value pricing to foreign portfolio holdings in determining the price of the Fund.

### **Short-Term Trading Fees**

If you redeem within 30 days of purchase, we may charge a short-term trading fee on behalf of the Fund of up to 2% of the value of the Units redeemed. This fee is payable to the Fund. We may waive the short-term trading fee charged by the Fund for a trade if the size of the trade is small enough or if the short-term trade did not otherwise harm other Unitholders in the Fund.

These short-term trading fees will not be charged for a redemption of Units pursuant to a systematic withdrawal program or for redemptions by another investment fund, product or program approved by us or in other appropriate circumstances in our absolute discretion.

### **Proxy Voting Policies and Procedures**

Summaries of Spartan's proxy voting policies and procedures are set out below. Copies of the complete proxy voting policies and procedures for the Fund are available to you on request, free of charge, by calling us at 416-601-3172, by sending an e-mail to [admin@spartanfunds.ca](mailto:admin@spartanfunds.ca) or by mailing to Spartan Fund Management Ltd. at 100 Wellington Street West, Suite 2101 TD Centre, Toronto, Ontario M5K 1J3.

The Manager has written policies and procedures ("**Policies**") in relation to proxy voting.

The Manager is required to vote proxies in accordance with the Policies and to vote in the best interests of the Fund, in a manner that includes maximizing positive economic effect on the Fund's value and to protect the Fund's rights as a shareholder. The Manager may depart from the Policies on certain matters where the Manager believes it is necessary to do so in the best interests of the Fund.

The Fund is considered to have received a solicitation at the time it or the Manager has received notice at its offices. In the event that the Manager does not receive a solicitation within sufficient time to execute a vote or the proxy is not submitted to the issuer in the time required, the Fund will not be able to vote on the matters solicited.

The Policies generally provide for voting in favour of management's recommendations unless there are specific circumstances for voting against and/or the Manager believes the Fund's best interests would be better served by voting against such recommendations. The Manager will also document the reasons for a decision to cast a proxy vote in a manner that deviates from the Policies.

The Policies include procedures for dealing with non-routine matters, including corporate restructurings, mergers and acquisitions, proposals affecting security holder rights and executive compensation. These matters will usually be addressed on a case-by-case basis with a focus on the best interests of the Fund.

The Policies are available at no cost upon request in writing to the Manager at 100 Wellington Street West, Suite 2101 TD Centre, Toronto, Ontario M5K 1J3.

The voting record, if any, for the previous year ended December 31 will be available free of charge to any Unitholder of the Fund upon request at any time after February 28 of the new year and will be made available on the Manager's website at [www.spartanfunds.ca](http://www.spartanfunds.ca).

## DISTRIBUTIONS

The Fund distributes sufficient income and net realized capital gains (reduced by loss carry forwards, if any) in each calendar year to ensure that the Fund is not liable for ordinary income taxes. The Fund makes distributions of income and net realized capital gains on a business day within the final 3 weeks of each calendar year to investors of record at the close of business on the business day immediately preceding the payment date of such distribution (a “**record date**”). The Fund may also make such other distributions out of income, capital gains and/or capital at such time or times as the Manager, in its sole discretion, determines.

The Fund’s distribution policy is more specifically set out in the Simplified Prospectus.

We automatically reinvest any distribution made by the Fund at the applicable NAV per Unit for the Series. Immediately following such distribution, the Manager intends to consolidate the number of outstanding Units of a series of the Fund such that each unitholder will hold after the consolidation the same number of Units as the unitholder held before the distribution (except in the case of non-resident unitholders to the extent tax was required to be withheld on the distribution).

We provide each Unitholder with an annual statement and, in the case of taxable investors, tax slips showing income distributions, capital gains distributions and, if applicable, returns of capital made to such investor. These annual statements, together with the confirmation that you received on a purchase of or reinvestment of distributions of Units of the Fund, should be retained by you, so that you may accurately compute, for tax purposes, any gain or loss on a redemption of Units or report distributions received. You may also use this information to calculate the ACB (as defined below) of the Units.

## INCOME TAX CONSIDERATIONS

The following summary fairly presents the principal Canadian federal income tax considerations under the Tax Act, as of the date hereof, for the Fund and for individuals (other than trusts) who, for the purposes of the Tax Act, are resident in Canada and hold Units of the Fund as capital property. This summary is based upon the current provisions of the Tax Act and the regulations issued thereunder (the “**Regulations**”), all specific proposals to amend the Tax Act and Regulations publicly announced by the Minister of Finance (Canada) prior to the date hereof and the current published administrative practices and assessing policies of the Canada Revenue Agency. Except for the foregoing, this summary does not take into account or anticipate any change in law, whether by legislative, regulatory, administrative or judicial action. Furthermore, this summary does not take into account provincial or foreign income tax legislation or considerations.

This summary is based on the assumption that the Fund will continue to qualify as a unit trust under the Tax Act at all times and on the fact that the Fund is registered as a registered investment under the Tax Act for registered retirement savings plans, registered retirement income funds and deferred profit sharing plans. This summary is also based on the assumption that not more than 50% of the Units of the Fund will at any time be held by one or more financial institutions, as defined under section 142.2 of the Tax Act.

**This summary is of a general nature only, is not exhaustive of all possible income tax considerations and is not intended to be legal or tax advice. We do not describe the tax rules in detail or cover all the tax consequences that may apply. Accordingly, prospective investors should consult their own tax advisors about their individual circumstances.**

## **Taxation of the Fund**

In each year, the Fund will distribute its net income and net realized capital gains to investors to such an extent that it will not be liable for ordinary income tax under Part I of the Tax Act (after taking into account any applicable losses of the Fund). The Fund is not a mutual fund trust, and, accordingly, is not entitled to capital gains refunds and may be subject to alternative minimum tax. In certain circumstances, losses of the Fund may be suspended or restricted and, as a result, would be unavailable to shelter capital gains or income until a subsequent year.

The Fund is required to compute its net income and net realized capital gains in Canadian dollars for the purposes of the Tax Act and may, as a consequence, realize income or capital gains by virtue of changes in the value of the U.S. dollar, or other relevant currency, relative to the Canadian dollar.

As a registered investment that does not currently qualify as a mutual fund trust under the Tax Act, the Fund will be subject to a special tax under Part X.2 of the Tax Act if, at the end of any month, it holds property that is not a qualified investment for an RRSP, RRIF or DPSP. The Manager does not expect that this Fund will become liable for this special tax.

If the Fund has a Unitholder that is a “designated beneficiary” within the meaning of the Tax Act, the Fund will be subject to a special tax at the rate of 40% under Part XII.2 of the Tax Act on its “designated income” within the meaning of the Tax Act. A “designated beneficiary” includes a non-resident and certain trusts and partnerships. Designated income will include gains and losses from dispositions of taxable Canadian property. Where a Fund is subject to tax under Part XII.2, provisions in the Tax Act are intended to allow the Fund to make a designation that would allow Unitholders who are not designated beneficiaries to receive an appropriate refundable tax credit. Based upon the investment objectives of the Fund, it is not expected to have any designated income.

## **Taxation of Investors**

### *Distributions of Income and Capital Gains*

The amount of any net income and the taxable portion of net realized capital gains of the Fund that is paid or payable to you in the year will generally be required to be included in your income for income tax purposes, whether such amount is reinvested in additional Units or paid in cash. This may include a Management/Incentive Fee Distribution. If distributions are reinvested in additional Units of the Fund, the adjusted cost base (“ACB”) of your Units will be increased by the amount reinvested. To the extent that distributions (including Management/Incentive Fee Distributions) to you by the Fund in any year (other than as proceeds of disposition) exceed the net income and the net realized capital gains of the Fund for the year, such excess distributions will be a return of capital and will not be taxable in your hands but will reduce the ACB of your Series of Units, unless the distributions are reinvested in Units of the Fund. Where net reductions to the ACB of your Units would result in an ACB becoming a negative amount, such amount will be treated as a capital gain realized by you and your ACB of such Units will then be adjusted to nil. Any further net reductions to ACB will similarly be treated as capital gains for you.

The Fund will designate, to the extent permitted by the Tax Act, the portion of the income distributed to investors as may reasonably be considered to consist of, respectively, (i) taxable dividends received by it on shares of taxable Canadian corporations and (ii) net taxable capital gains. Any such designated amount will be deemed for tax purposes to be a taxable dividend received by investors in the year and a taxable capital gain realized by investors in the year, respectively. The applicable dividend gross up and tax credit rules will apply to amounts designated as taxable dividends from taxable Canadian

corporations. An enhanced dividend gross up and tax credit is available for certain eligible dividends from Canadian corporations.

In addition, the Fund may make designations in respect of its foreign source income so that, for purposes of computing any foreign tax credit to you, you will be deemed to have paid as tax to the government of a foreign country that portion of the taxes paid by the Fund to that country that is equal to your share of the Fund's income from sources in that country.

### ***Redemptions and Other Dispositions***

Upon the actual or deemed disposition of a Unit of the Fund, a capital gain (or a capital loss) will generally be realized to the extent that the proceeds of disposition of the Unit exceed (or are exceeded by) the aggregate of the ACB to you of the Unit and any costs of disposition. Generally, one half of a capital gain or a capital loss is taken into account in determining taxable capital gains and allowable capital losses. Allowable capital losses may only be deducted against taxable capital gains, subject to detailed rules in the Tax Act. Allowable capital losses may be carried back three years and carried forward indefinitely.

A consolidation of Units following a distribution from the Fund will not result in a disposition of Units.

### ***Adjusted Cost Base***

For the purpose of determining the ACB to you of Units of a Series of the Fund when a Unit of a Series of the Fund is acquired, whether on the reinvestment of distributions or otherwise, the ACB of the Unit is determined by averaging the cost of the newly acquired Unit with the ACB to you of all other identical Units of the Fund held by you immediately before that time. The reinvestment of distributions may cause your ACB per Unit to change.

### ***Purchasing Units Prior to Distributions***

The NAV per Unit of the applicable Series at any time may reflect accrued income or gains that have not yet been realized and distributed. If you purchase a Unit before a distribution is made, you will be taxed on that distribution even though the Fund may have earned the income or realized the gain giving rise to the distribution before you purchased the Unit. The effect will be greater if you purchase Units close to a distribution date.

### ***Alternative Minimum Tax***

You may be liable for alternative minimum tax in respect of Canadian dividends and realized capital gains (including capital gains distributions received). You should consult your own tax advisors regarding this potential tax.

### ***Registered Plans***

Units of the Fund are "qualified investments" under the Tax Act for Registered Plans. Annuitants of registered retirement savings plans and registered retirement income funds, holders of tax-free savings accounts and registered disability savings plans, and subscribers of registered education savings plans, should consult with their own tax advisors as to whether Units of the Fund would be a "prohibited investment" under the Tax Act in their particular circumstances. Registered Plans are, generally, not subject to tax on income earned on, and proceeds realized on the disposition of, Units of the Fund as long as the income and proceeds remain in the Registered Plan.

Investors who choose to purchase Units of a Fund through a Registered Plan should consult their own tax advisors regarding the tax treatment of contributions to, and acquisitions of property by, such Registered Plan.

### **MATERIAL CONTRACTS**

The material contracts that have been entered into by or on behalf of the Fund are as follows:

- the Declaration of Trust by the Manager, in its capacity as trustee, as described under “Responsibility for Mutual Fund Operations”;
- the Management Agreement between the Manager and the Fund, as described under “Responsibility for Mutual Fund Operations”; and
- the Custodian Agreement between the Manager, as trustee of the Fund, and Laurentian Bank Securities Inc., as custodian, as described under “Responsibility for Mutual Fund Operations”.

Copies of the foregoing may be inspected during ordinary business hours on any business day at the head office of the Fund.

**CERTIFICATE OF THE FUND, MANAGER AND THE PROMOTER**

**MM Fund  
(the "Fund")**

This preliminary annual information form, together with the preliminary simplified prospectus and the documents incorporated by reference into the preliminary simplified prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the preliminary simplified prospectus, as required by the securities legislation of Alberta and British Columbia and do not contain any misrepresentations.

DATED the 20<sup>th</sup> day of June, 2017.

*(signed) "Gary Ostoich"*

\_\_\_\_\_  
Gary Ostoich  
Chief Executive Officer

*(signed) "Brent Channell"*

\_\_\_\_\_  
Brent Channell  
Acting Chief Financial Officer for the purposes  
of this Certificate

On behalf of the Board of Directors of Spartan Fund Management Inc.,  
the trustee, manager and promoter of the Fund

*(signed) "Brent Channell"*

\_\_\_\_\_  
Brent Channell  
Director

*(signed) "Gary Ostoich"*

\_\_\_\_\_  
Gary Ostoich  
Director

*(signed) "John Ackerl"*

\_\_\_\_\_  
John Ackerl  
Director

**CERTIFICATE OF THE FUND, MANAGER AND THE PROMOTER**

**MM Fund  
(the "Fund")**

This annual information form, together with the simplified prospectus and the documents incorporated by reference into the simplified prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the simplified prospectus, as required by the securities legislation of Alberta and British Columbia and do not contain any misrepresentations.

DATED the 27<sup>th</sup> day of June, 2017.

(signed) "Gary Ostoich"

Gary Ostoich  
Chief Executive Officer

(signed) "Brent Channell"

Brent Channell  
Acting Chief Financial Officer for the purposes  
of this Certificate

On behalf of the Board of Directors of Spartan Fund Management Inc.,  
the trustee, manager and promoter of the Fund

(signed) "Brent Channell"

Brent Channell  
Director

(signed) "Gary Ostoich"

Gary Ostoich  
Director

(signed) "John Ackerl"

John Ackerl  
Director

**CERTIFICATE OF THE FUND, MANAGER AND THE PROMOTER**

**MM Fund  
(the "Fund")**

This amended and restated annual information form dated June 27, 2017, amending and restating the annual information form dated May 12, 2017, together with the amended and restated simplified prospectus dated June 27, 2017, amending and restating the simplified prospectus dated May 12, 2017, and the documents incorporated by reference into the amended and restated simplified prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the amended and restated simplified prospectus, as required by the securities legislation of Ontario and do not contain any misrepresentations.

DATED the 27<sup>th</sup> day of June, 2017.

*(signed) "Gary Ostoich"*

\_\_\_\_\_  
Gary Ostoich  
Chief Executive Officer

*(signed) "Brent Channell"*

\_\_\_\_\_  
Brent Channell  
Acting Chief Financial Officer for the purposes  
of this Certificate

On behalf of the Board of Directors of Spartan Fund Management Inc.,  
the trustee, manager and promoter of the Fund

*(signed) "Brent Channell"*

\_\_\_\_\_  
Brent Channell  
Director

*(signed) "Gary Ostoich"*

\_\_\_\_\_  
Gary Ostoich  
Director

*(signed) "John Ackerl"*

\_\_\_\_\_  
John Ackerl  
Director

## ANNUAL INFORMATION FORM

### Offering Series A, Series D and Series F Units

#### MM Fund

***Spartan Fund Management Inc.***

*100 Wellington Street West, Suite 2101 TD Centre*

*Toronto, Ontario M5K 1J3*

*Telephone: 416-601-3172*

*Facsimile: 905-881-1466*

*[www.spartanfunds.ca](http://www.spartanfunds.ca)*

You can find more information about the Fund in the Fund's Simplified Prospectus, and the Fund's management report of fund performance and financial statements, once available. For a free copy of these documents, call us at 416-601-3172 or ask your dealer. You may find these documents and other information about the Fund, such as information circulars and material contracts, at [www.spartanfunds.ca](http://www.spartanfunds.ca) or at [www.sedar.com](http://www.sedar.com).

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