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*This Offering Memorandum is personal to each prospective purchaser and does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire the securities offered hereby. Distribution of this Offering Memorandum to any person other than the prospective purchaser and any person retained to advise such prospective purchaser with respect to its purchase is unauthorized, and any disclosure of any of its contents without the issuer’s prior written consent is prohibited. Each prospective purchaser, by accepting delivery of this Offering Memorandum, agrees to the foregoing and also agrees to make no photocopies or electronic copies of this Offering Memorandum or any documents referred to or incorporated in this Offering Memorandum.*

April 19, 2023

## PG GLOBAL PRIVATE EQUITY CANADA ACCESS FUND

### CONFIDENTIAL OFFERING MEMORANDUM

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#### SUBSCRIPTION PRICE: NET ASSET VALUE PER UNIT

#### MINIMUM INITIAL INVESTMENT

**Class W Units: \$10,000**

**Class USW Units: US\$10,000**

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PG Global Private Equity Canada Access Fund (the “**Fund**”) is an open-end investment fund established as a trust under the laws of the Province of British Columbia on March 1, 2023. The objective, strategies, and restrictions of the Fund are described in this Offering Memorandum. The investment objective of the Fund is to provide Unitholders with superior returns and to achieve capital growth over the medium and long-term by investing in private equity through exposure to the returns of Partners Group Global Value SICAV, a company organized as a *société anonyme* under the laws of the Grand Duchy of Luxembourg and qualifies as a *société d’investissement à capital variable* (SICAV) (the “**Master Fund**”). The Fund has exclusive access to the Master Fund in Canada.

Partners Group (Luxembourg) S.A. is the alternative investment fund manager (AIFM) of the Master Fund (the “**Master Fund Manager**”). The Master Fund Manager is authorized and regulated by the Commission de Surveillance du Secteur Financier (the “**CSSF**”) in Luxembourg and is responsible for the portfolio and risk management of the Master Fund. The Master Fund Manager is a wholly owned subsidiary of Partners Group Holding AG. Partners Group Holding AG (“**Partners Group**”) is a global private market asset management firm specializing in private equity, private debt, private infrastructure and private real estate assets. The firm manages a broad range of funds, structured products and customized portfolios for an international clientele of institutional investors, private banks and distribution partners. Partners Group is headquartered in Zug, Switzerland and has offices in Europe, the United States of America and Asia. Partners Group is listed on the SIX Swiss Exchange and is majority owned by its partners and its employees.

The Fund is represented by trust units (the “**Units**”) with equal rights and privileges. The various classes of Units offered pursuant to this Offering Memorandum have the same investment objective, strategies, and restrictions but may differ in respect of one or more features, such as management fees, sales commissions, distribution reinvestment, and minimum investment, as set out herein. Spartan Fund Management Inc. is the trustee (in such capacity, the “**Trustee**”) and the investment fund manager (in such capacity, the “**Manager**”) of the Fund, and serves as the portfolio adviser of the Fund. Units of the Fund are offered by the Manager directly and through

Registered Dealers. Westcourt Capital Corporation (the “**Agent**”) is an agent retained in connection with the distribution of Units of the Fund in the Offering Jurisdictions (as defined herein).

The Fund is offering on a continuous basis an unlimited number of Units, issuable in Series (defined below), pursuant to exemptions from the prospectus requirements of applicable securities laws (the “**Offering**”). The classes of Units being offered are Class W Units and Class USW Units of the Fund (the “**Units**”). Subscribers must be resident in any province or territory of Canada (the “**Offering Jurisdictions**”) and qualify as “accredited investors” (as such term is defined in National Instrument 45-106 *Prospectus Exemptions* and, in Ontario, in Section 73.3 of the *Securities Act* (Ontario)). The minimum initial investment amount for Class W Units is \$10,000. The minimum initial investment amount for Class USW Units is US\$10,000. The Manager may in its discretion accept subscriptions for lesser amounts subject to compliance with applicable securities legislation. See “Details of the Offering”.

Class W Units and Class USW Units of the Fund are available to all investors, including investors enrolled in fee-based programs. The Units are being distributed to investors resident in all the Offering Jurisdictions, pursuant to available prospectus exemptions under applicable securities laws, subject to the Manager’s discretion to accept or reject subscriptions in whole or in part. This offering may be suspended at any time and from time to time. See “Description of Units”.

Completed Subscription Agreements must be received by 4:00 p.m. (ET) on the 15<sup>th</sup> day of each calendar month that the Units are available for subscription (or, if the 15<sup>th</sup> day is not a Business Day (as defined herein), the preceding Business Day) or on such other date as the Manager may permit, subject to the Manager’s discretion to refuse subscriptions in whole or in part (provided that the Manager reserves the right, but shall not be obligated, to accept subscriptions that are received after such deadline). Such required notice period may be increased if the Master Fund increases the amount of notice required for subscriptions in the Master Fund. All subscriptions for Units will be made through the purchase of interim subscription receipts (“**Subscription Receipts**”) at a fixed net asset value of \$100.00 or US\$100.00 per Subscription Receipt, as applicable. See “Purchase of Units”.

In respect of the first issuance of Units of each class, each class of Units will be offered at a price equal to the initial offering price of \$100.00 or US\$100.00 per Unit, as applicable, and, following the initial closing of the Offering of the class of Units, Units will be offered at a price equal to the Net Asset Value per Unit of the applicable Class (defined below) or Series, as applicable (see “Determination of Net Asset Value” for the definition of Net Asset Value and for more information). Each subsequent Series of a Class will be issued at a subscription price per Unit equal to the Net Asset Value per Unit of the Series 1 Units of the same class. At the end of the first calendar year, and subsequently after each calendar year, some or all Series of the same Class of Units may be rolled up into a single Series, at the sole discretion of the Manager.

**All securities purchased pursuant to this Offering Memorandum are subject to restrictions on resale under applicable securities laws unless a further exemption may be relied upon by the investor or an appropriate discretionary order is obtained pursuant to applicable securities laws. The Units are also subject to redemption and resale restrictions under the Fund’s declaration of trust dated as of March 1, 2023 (the “Declaration of Trust”).**

**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 a holder of Units to sell them. However, Units may be redeemed in accordance with the provisions of the Declaration of Trust as described in this Offering Memorandum. Redemptions may be limited or suspended in certain circumstances and/or redemption proceeds may be paid partly in cash and partly in kind if there is insufficient liquidity in the Fund. There are certain additional risk factors associated with investing in the Units. Subscribers are urged to consult with an independent legal advisor and to carefully review the Offering Memorandum and the Declaration of Trust (available upon request from the Manager) prior to subscribing for the Units. See “Redemption of Units”.**

**Potential purchasers should carefully review the Risk Factors outlined in this Offering Memorandum. See “Risk Factors”.**

**The Fund may be considered a connected and/or related issuer of the Manager for the purposes of applicable Canadian securities laws. See “Conflicts of Interest”.**

A more detailed description of the investment objective, strategies, policies and restrictions of the Master Fund, as well as a summary of certain risks of obtaining exposure to the Master Fund, is included in the Prospectus of Partners Group Global Value SICAV dated as of April 2023, as the same may be amended, restated, and/or supplemented from time to time (the “**Master Fund Prospectus**”). A copy of the Master Fund Prospectus is available upon request from the Manager or the Agent, as applicable. Each prospective investor should carefully review the Master Fund Prospectus and the other material documents relating to the Master Fund described in the Master Fund Prospectus with the prospective investor’s legal, regulatory, financial, accounting, business, investment and tax advisers before subscribing for Units of the Fund.

Any reference to the Master Fund Prospectus and its terms in this Offering Memorandum is qualified in its entirety by the Master Fund Prospectus. In the event of any conflict or inconsistency between such reference or terms described in this Offering Memorandum relating to any of the Master Fund, the Master Fund Prospectus shall prevail.

The Master Fund Prospectus and any other sales and marketing materials of the Master Fund are not, and should not be construed to be, an “advertisement” of the Fund, Manager, Agent or its affiliates, as such term is defined in Rule 206(4)-1 of the Advisers Act. The Master Fund Manager or any of its affiliates assumes no responsibility for the use by the Manager or the Agent of Master Fund Prospectus or any other sales and marketing materials of the Master Fund. The Master Fund Manager or its affiliates has not participated in the creation or preparation of, or edited in any manner, of marketing materials of the Fund and do not approve or endorse any such materials.

Purchasers of Units will not be securityholders of the Master Fund, will have no direct interest in the Master Fund, will have no voting rights in the Master Fund, will not be parties to the governing documents of the Master Fund, and will have no standing or recourse against the Master Fund, its investment fund manager or portfolio manager, any parallel, feeder or related investment vehicle or any manager, adviser or portfolio manager of the foregoing, or any of their respective advisers, officers, directors, employees, partners or members (collectively, the “**Master Fund Parties**”). The information contained herein relating to the Master Fund does not purport to be complete and is subject to and qualified in its entirety by the more detailed information in the Master Fund Prospectus and the operational documents of the Master Fund, which documents may be amended, restated, supplemented, or otherwise modified from time to time. The Master Fund Parties make no representation regarding, and expressly disclaim any liability or responsibility to any investor in the Fund for, any information relating to the Master Fund set forth herein or omitted herefrom. The Offering is not, and should not be considered, an offering of limited partnership interests, units, securities, or any other interest in the Master Fund. Although the Fund is being established to invest in the Master Fund, the Fund will be advised and managed solely by the Trustee and Manager, and none of the foregoing is an affiliate of the Master Fund or any of the Master Fund Parties. By subscribing for an interest in the Fund, each Unitholder will be deemed to agree that each Master Fund Party will be a third party beneficiary of this paragraph.

If there is a misrepresentation in this Offering Memorandum, purchasers resident in the Offering Jurisdictions may, in certain circumstances, be provided with a remedy for rescission or damages. See “Purchasers’ Rights of Action for Damages and Rescission”.

**These securities are speculative. 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.**

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.

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Offering Memorandum contains forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “will”, “proposes”, “expects”, “estimates”, “intends”, “anticipates”, or “believes”, or variations (including negative and grammatical variations) of such words and phrases or state that certain actions, events, or results “may”, “could”, “would”, “might”, or “will” be taken, occur, or be achieved. All statements, other than statements of historical fact, that address activities, events, or developments that the Fund and the Manager believe, expect, or anticipate will or may occur in the future (including, without limitation, statements regarding any objective and strategies of the Fund) are forward-looking statements. These forward-looking statements reflect the current expectations, assumptions, or beliefs of the Fund and the Manager based on information currently available to such persons. Forward-looking statements involve known and unknown risks, uncertainties, and other factors that may cause the Fund’s actual results, performance, or developments to be materially different from any future results, performance, or developments expressed or implied by the forward-looking statements, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, the Fund. While the Fund and the Manager anticipate that subsequent events and developments may cause its views to change, except as may be required by applicable securities laws, each of the Fund and the Manager disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results, or otherwise. These forward-looking statements should not be relied upon as representing the Fund’s or the Manager’s views as of any date subsequent to the date of this Offering Memorandum. Although the Fund and the Manager have attempted to identify important factors that could cause actual results, performance, or developments to differ materially from those described in forward-looking statements, there may be other factors that cause results, performance, or developments not to be as anticipated, estimated, or intended. Factors that could cause actual results or events to differ materially from current expectations include, among other things, volatility in economic and financial markets, fluctuations in currency exchange rates and interest rates, tax consequences, changes in applicable laws, and other risks associated with investing in securities and those factors discussed under the section entitled “Risk Factors” in this Offering Memorandum. There can be no assurance that forward-looking statements will prove to be accurate, as actual results, performance, or developments could differ materially from those anticipated in such statements. Although the Fund and the Manager believe that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein. The factors identified above are not intended to represent a complete list of the factors that could affect the Fund.

One or more of the Master Fund Parties may be located outside of Canada, and as a result, it may not be possible for the Fund to effect service of process within Canada upon such Master Fund Parties, and all or a substantial portion of the assets of the Master Fund Parties may be located outside of Canada, and, as a result, it may not be possible to satisfy a judgment against such persons in Canada or to enforce a judgment obtained in Canadian courts against such persons outside of Canada.

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## SUMMARY

*Prospective purchasers are encouraged to consult their own professional advisors as to the tax and legal consequences of investing in the Fund. The following is a summary only and is qualified by the more detailed information contained in this Offering Memorandum. Capitalized terms not otherwise defined in this summary have the meanings ascribed to them in the Glossary. All references in this Offering Memorandum to “US\$” are to United States dollars, all references to “EUR” are to the official currency of the European Union and all references to “\$” are to Canadian dollars unless otherwise indicated.*

**The Fund:** PG Global Private Equity Canada Access Fund (the “**Fund**”) is an open-end investment fund established as a trust under the laws of the Province of British Columbia pursuant to the declaration of trust dated as of March 1, 2023, as the same may be amended, supplemented, or amended and restated from time to time (the “**Declaration of Trust**”). See “The Fund”.

**Trustee, Manager, and Adviser of the Fund:** Spartan Fund Management Inc., a corporation incorporated under the laws of the Province of Ontario, will act as the trustee (in such capacity, the “**Trustee**”) and the investment fund manager (in such capacity, the “**Manager**”) of the Fund, and will serve as the portfolio adviser of the Fund.

The Manager is registered as an investment fund manager, portfolio manager, exempt market dealer and commodity trading manager in the Province of Ontario, as an investment fund manager, portfolio manager and exempt market dealer in the provinces of Québec and British Columbia, as an investment fund manager and portfolio manager in the Province of Newfoundland and Labrador and as an exempt market dealer in the Province of Alberta. See “The Manager”.

**Partners Group:** Partners Group (Luxembourg) S.A. is the alternative investment fund manager (AIFM) of the Master Fund (the “**Master Fund Manager**”). The Master Fund Manager is a wholly owned subsidiary of Partners Group Holding AG. Partners Group Holding AG (“**Partners Group**”) is a global private market asset management firm specializing in private equity, private debt, private infrastructure and private real estate assets. The firm manages a broad range of funds, structured products and customized portfolios for an international clientele of institutional investors, private banks and distribution partners. Partners Group is headquartered in Zug, Switzerland and has offices in Europe, the United States of America and Asia. Partners Group is listed on the SIX Swiss Exchange and is majority owned by its partners and its employees. See “Management and Administration of the Master Fund - The Master Fund Manager”.

**The Offering:** The Fund is offering on a continuous basis an unlimited number of units, issuable in Series, pursuant to available exemptions from the prospectus requirements (the “**Prospectus Exemptions**”) under National Instrument 45-106 *Prospectus Exemptions* (“**NI 45-106**”) and, in Ontario, in Section 73.3 of the *Securities Act* (Ontario) (the “**Offering**”). The classes of Units being offered are Class W Units and Class USW Units of the Fund (the “**Units**”).

Subscribers must be resident in any province or territory of Canada (the “**Offering Jurisdictions**”) and qualify as “accredited investors” (as such term is defined in NI 45-106 and, in Ontario, in Section 73.3 of the *Securities Act* (Ontario)). The minimum initial investment amount for Class W Units is \$10,000. The minimum initial investment amount for Class USW Units is US\$10,000. The Manager may in its discretion accept subscriptions for lesser amounts subject to compliance with applicable securities legislation.

The Manager reserves the right to accept or reject subscriptions for Units, to change the minimum amounts for investment in the Fund, and/or to discontinue the Offering at any time and from time to time. See “Details of the Offering”.

A Unitholder may make an additional investment in Units of not less than \$5,000 or

US\$5,000, as applicable, provided that at such time the Unitholder is an “accredited investor” (as such term is defined in NI 45-106 and, in Ontario, in Section 73.3 of the *Securities Act* (Ontario)). See “Details of the Offering”.

**Units of the Fund:**

There are two Classes of Units currently offered by the Fund pursuant to this Offering Memorandum: Class W Units and Class USW Units. Each Class has the same investment objective, strategies, and restrictions but may differ in respect of one or more features, such as management fees, sales commissions, distribution reinvestment, and minimum investment, as set out herein.

Class W Units and Class USW Units of the Fund are available to all investors, including investors enrolled in fee-based programs. See “Details of the Offering”.

Each Unit of the same Class or Series will represent an equal undivided interest in the net assets of the Fund attributable to that Class or Series of Units. The Fund is authorized to issue an unlimited number of Classes and Series of Units and an unlimited number of Units in each such Class or Series. Each whole Unit of a particular Class or Series has equal rights to each other Unit of the same Class and Series with respect to all matters, including voting, receipt of distributions, liquidation, and other events in connection with the Fund. The Class W Units are denominated in Canadian dollars and the Class USW Units are denominated in United States dollars. See “Description of Units”.

**Series Redesignation:**

At the end of each year, and following the payment of all fees and expenses of the Fund, the Manager may determine that some or all Series of the same Class of Units will be redesignated as Series 1 Units (or other Series, in the discretion of the Manager) in order to reduce the number of outstanding Series of each Class. This will be accomplished by amending the Net Asset Value per Unit of all such Series so that they are the same, and consolidating or subdividing the number of Units of each such Series so the aggregate Net Asset Value of Units held by a Unitholder does not change. Unitholder’s rights will not be affected in any way as a result of this process. See “Description of Units - Series Redesignation”.

**Offering Price:**

All Classes (as hereinafter defined) of Units are initially offered at \$100.00 or US\$100.00 per Unit, as applicable, and thereafter on a continuous basis at the Net Asset Value per Unit of the applicable Class or Series, as applicable, as of each Subscription Date (as defined herein). Fractional Units will be issued up to a maximum of six decimal places. See “Purchase of Units”.

**Investment Objective of the Fund:**

The investment objective of the Fund is to provide Unitholders with superior returns and to achieve capital growth over the medium and long-term by investing in private equity through exposure to the returns of Partners Group Global Value SICAV, a company organised as a *société anonyme* under the laws of the Grand Duchy of Luxembourg and qualifies as a *société d’investissement à capital variable* (SICAV) (the “**Master Fund**”).

See “Investment Objective of the Fund”.

**Investment Strategies of the Fund:**

To achieve its objective, the Fund is expected to invest the net subscription proceeds from the sale of Units in Class W-N (CAD) Distributing Shares and Class W-N (USD) Distributing Shares of the Master Fund (the “**Master Fund Shares**”).

The return to holders of each Class of Units will be dependent upon the return of the Master Fund Shares. However, Unitholders will not have any ownership interest in the Master Fund Shares. There is no guarantee or other form of principal protection for any amounts invested by a Unitholder. Due to variations in fees and expenses, the return of the Fund will be different than the return of the Master Fund Shares. See “Investment Strategies of the Fund”.

The Fund has exclusive access to the Master Fund in Canada.

**Use of Leverage:**

The Fund has the authority to borrow money to pay redemptions and for cash management purposes. The indirect exposure of the Fund to the returns of the Master Fund Shares issued by the Master Fund will also have the indirect effect of exposing the Fund to the use of leverage by the Master Fund. The Master Fund may establish credit lines via specialized institutions, banks or affiliates of the Master Fund Manager to borrow up to 25% of the value of its assets provided this borrowing is only for the purpose of satisfying redemption requests or to balance disparities between commitments by the Master Fund and returns on existing investments. The assets of the Master Fund may be used as collateral in connection with any credit facility. See “Investment Strategies of the Fund - Use of Leverage”, “Risk Factors - Leverage” and “Investment Objective and Policies of the Master Fund”.

**Currency Hedging:**

The Units of the Fund are denominated in Canadian dollars and U.S. dollars. The Master Fund Shares of the Master Fund are denominated in, among other currencies, Canadian dollars and U.S. dollars. The Canadian dollar denominated Units of the Fund will obtain exposure to the Canadian dollar denominated class of Master Fund Shares and the U.S. dollar denominated Units of the Fund will obtain exposure to the U.S. dollar denominated class of Master Fund Shares. The Fund does not currently intend to engage in currency hedging transactions.

The underlying investments held in the portfolio of the Master Fund, as applicable, may be denominated in EUR and other foreign currencies and any return on such investments will be in the same currency. A fluctuation in the EUR against other currencies could cause the value of the underlying investments to diminish or increase irrespective of performance.

The Master Fund currently intends, at its discretion, to separately hedge classes or Master Fund Shares which are denominated in any currency other than EUR, being the Master Fund’s base currency. Depending on then prevailing circumstances, the Master Fund may or may not hedge the currency exposure of the classes of Master Fund Shares. However, the Master Fund has no obligation to hedge any such currency exposure at all. The Master Fund currently intends to partially, at its discretion, hedge its foreign exchange exposure at the overall portfolio level, as well. However, it has no obligation to hedge any foreign exchange exposure at all.

In relation to currency hedging undertaken, if any, in the interest of a hedged class of Master Fund Shares, the various classes of Master Fund Shares do not constitute separate portfolios of assets and liabilities, but only a quota in the assets and liabilities of the Master Fund. Accordingly, gains and losses on the hedging transactions are allocated to the hedged class of Master Fund Shares only but vis-à-vis third parties a class of Master Fund Shares may be liable for obligations incurred in connection with currency hedges in favour of another class of Master Fund Shares. See “Currency Hedging”.

**The Master Fund:**

The Master Fund is a company organized as a *société anonyme* under the laws of the Grand Duchy of Luxembourg and qualifies as a *société d’investissement à capital variable* (SICAV). The Master Fund is authorized as an undertaking for collective investment under Part II of the Luxembourg Law of 17 December 2010 relating to undertakings for collective investment (the “**Law of 2010**”). The Master Fund qualifies as an alternative investment fund (“**AIF**”) within the meaning of Article 1 (39) of the Law of 12 July 2013 on alternative investment fund managers (the “**2013 Law**”) implementing Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010 (the “**AIFMD**”). The Master Fund was incorporated in Luxembourg on February 1, 2007. The capital of the Master Fund shall be equal at all times to the net assets of the Fund. The Master Fund is registered with the



*Registre de Commerce et des Sociétés* of Luxembourg under number B 124.171. See “The Master Fund”.

**Management of the Master Fund:** The directors of the Master Fund (the “**Directors**”) are responsible for the overall management and administration of the Master Fund and for its overall investment policy. They have appointed the Master Fund Manager as alternative investment fund manager of the Master Fund to perform the day-to-day portfolio and risk management of the Master Fund in accordance with Article 88-2 of the Law of 2010. The Master Fund Manager is authorized and regulated by the Commission de Surveillance du Secteur Financier (the “**CSSF**”) in Luxembourg and is responsible for the portfolio and risk management of the Master Fund. See “Management and Administration of the Master Fund”.

**Master Fund Distribution Policy:** It is currently intended that Distributable Master Fund Net Income will be automatically reinvested in the Master Fund, although holders of Distributing Master Fund Shares may opt out to receive annual distributions in cash. Where the respective class of shares of the Master Fund is not expressly defined as “distributing shares” (the “**Distributing Master Fund Shares**”), such class of shares shall be deemed to be “accumulating shares” and its policy will be typically to reinvest capital gains, dividends, and interest received from assets, therefore no distributions shall be made and any gains will instead be reflected in the net asset value of the respective accumulating class. In connection with any class of Distributing Master Fund Shares, there is no guarantee that a distribution will be made by the Master Fund in any given period. See “The Master Fund - Master Fund Distribution Policy”.

**Investment Objective and Policies of the Master Fund:** The Master Fund’s investment objective is to obtain superior returns and to achieve capital growth over the medium and long-term by investing in private equity. The allocation of the Master Fund’s assets shall provide a broad diversification and follow the principle of risk spreading. Private equity is a common term for professionally managed investments in non-public and public companies through privately negotiated transactions in the form of equity, hybrid and debt instruments. Private equity covers a broad range of investment opportunities from start-up capital for companies trying to grow their business (“**Venture Capital**”) to management buyouts or leveraged buyouts of established companies (“**Buyouts**”) and investments in companies that have special financing needs because they are in a transition or restructuring phase (“**Special Situations**”). Private equity may also include mezzanine or other debt transactions, private real estate investments, private infrastructure investments or PIPE (private investments in public equity) transactions.

**There can be no assurance that the investment objective will be achieved and investment results may vary substantially over time.** See “Investment Objective and Policies of the Master Fund”.

**Net Asset Value:** The Administrator (as defined below) has been appointed by the Manager to calculate the net asset value (“**Net Asset Value**”) of the Fund. The Net Asset Value, the Net Asset Value for each Class and/or Series of Units, and the Net Asset Value per Unit of each Class and/or Series of Units will be determined by the Administrator in accordance with the Fund’s valuation policy as of each Valuation Date. See “Determination of Net Asset Value”.

**Suspension of Calculation of Net Asset Value:** The Fund may suspend the calculation of Net Asset Value of the Units: (i) for the whole or any part of a period during which normal trading is suspended on any stock exchange, options exchange, or futures exchange within or outside Canada on which a majority of the securities are listed and traded, or on which specified derivatives are traded, if those securities or specified derivatives represent more than 50% by

value, or underlying market exposure, of the assets of the Fund or the Master Fund, without allowance for liabilities, and if those securities or specified derivatives are not traded on any other exchange that represents a reasonably practical alternative; (ii) during a period in which the calculation of the value or redemption of the Master Fund Shares has been fully or partially suspended, postponed or deferred; or (iii) with the approval of the relevant securities regulatory authorities or as otherwise required or permitted under applicable securities laws. Calculation of the valuation of the Master Fund Shares and/or redemption of such shares may be suspended or postponed in certain circumstances. See “Determination of Net Asset Value - Suspension of Calculation” and “Redemption of Units – Suspension of Redemption”.

**Purchase Procedure:**

A subscription for Units must be made by completing and executing the subscription agreement and power of attorney form (a “**Subscription Agreement**”) and by forwarding to the Manager such completed form in accordance with the Subscription Agreement. An investor purchasing through a Registered Dealer should contact the dealer in order to understand the deadlines to deliver the completed Subscription Agreement to the dealer. No subscription will be accepted unless the Manager is satisfied that the subscription is in compliance with applicable securities laws.

All subscriptions for Units will be made through the purchase of interim subscription receipts (“**Subscription Receipts**”) at a fixed net asset value of \$100.00 or US\$100.00 per Subscription Receipt, as applicable. Following the calculation of the Class Net Asset Value per Unit of the relevant series, the Subscription Receipts will be automatically converted, without any further action on the part of the Subscriber, into the appropriate number of Units of the applicable Class and series subscribed for on the next Subscription Date (defined below). Units will be deemed to be issued as of the next Business Day following the applicable Subscription Date. The number of Units issued will be equal to the net subscription proceeds divided by the applicable Class Net Asset Value per Unit of the relevant series determined as at the applicable Subscription Date. The number of Subscription Receipts may be different than the final number of Units issued. Subscription Receipts: (i) may not be transferred by the holder thereof without the prior written consent of the Manager, at its sole discretion; (ii) are not redeemable; and (iii) do not carry any voting rights.

Subscriptions for Units will be accepted: (a) on any Valuation Date that the Units are available for subscription; or (b) on such other date as the Manager may permit (each a “**Subscription Date**”), subject to the Manager’s discretion to refuse subscriptions in whole or in part.

In order for Units to be issued as of a particular Subscription Date, a completed Subscription Agreement must be received by the Manager no later than 4:00 p.m. (ET) on the 15<sup>th</sup> day of the applicable month in which such Subscription Date falls (or, if the 15<sup>th</sup> day is not a Business Day, the **preceding** Business Day) (such date, the “**Subscription Deadline Date**”) (provided that the Manager reserves the right, but shall not be obligated, to accept subscriptions that are received after such deadline). Such required notice period may be increased if the Master Fund increases the amount of notice required for subscriptions in the Master Fund.

Payment of subscription amounts must be provided by the Subscriber directly on or before 12:00 p.m. (ET) on the Subscription Deadline Date or, in the case where a registered dealer (a “**Registered Dealer**”) acts as agent for an investor, from the Subscriber’s account at the Subscriber’s Registered Dealer not later than 12:00 p.m. (ET) on the specified settlement date.

Units will be issued in Series. On the first closing, Units designated by the Trustee as Series 1 Units of each Class shall be issued. On each successive Subscription Date on which Units are issued, a new Series of Units of the applicable Class will be

issued. It is in the discretion of the Trustee to change this policy.

Each Class of Units will be offered at a price equal to the initial offering price of \$100.00 or US\$100.00 per Unit, as applicable.

Units of the Fund are offered by the Manager directly and through Registered Dealers.

The Manager has the discretion to reject any subscription request. The decision to accept or reject any subscription request will be made as soon as possible. If the subscription request is rejected, all payments received with the request will be refunded without interest or deduction.

At the time of making each additional investment, unless a new Subscription Agreement is executed, each investor will be deemed to have repeated and confirmed to the Manager the covenants and representations contained in the Subscription Agreement delivered by the investor to the Manager at the time of initial investment in the Fund. See "Purchase of Units".

#### **Redemption of Units:**

Each Unit shall be redeemable at the option of the holder on a monthly basis, on the last Business Day of each month or on such other date as the Manager may permit (each, a "**Redemption Date**"), pursuant to a written redemption request that must be received by the Manager not later than 65 days (or such shorter period as the Manager may, in its discretion, approve) prior to the applicable Redemption Date. Such required notice period may be increased if the Master Fund increases the amount of notice required for redemptions in the Master Fund. Redemption requests are irrevocable unless the Manager, in its sole discretion, permits a redemption request to be withdrawn or unless a redemption request is not honoured on a Redemption Date, in which case it may be withdrawn at the option of the holder within thirty (30) calendar days following such Redemption Date. If a redemption request is not honoured on a Redemption Date and is not withdrawn during the required time period, the redemption request will remain in full force and effect and will be carried over to each next subsequent Redemption Date until honoured in full, subject to the Manager's ability to permit a redemption request to be withdrawn in the Manager's sole discretion.

With respect to any Units redeemed, the Fund may deduct the Redemption Charge from the redemption proceeds as determined by the Manager from time to time. In addition to the Redemption Charge, an early exit fee of 2.5% of the redemption price based on the Net Asset Value of the redeemed Units may apply on the redemption of units to any Unitholder who redeems Units within the first six (6) months following the purchase of Units (the "**Early Exit Fee**"). The amount of the Redemption Charge and Early Exit Fee shall be in the discretion of the Manager, subject to the maximum set out herein, and shall be retained by the Fund.

The Fund will redeem all or any part of the Units of a Class held by a Unitholder at the applicable Net Asset Value per Unit determined as of the applicable Redemption Date following receipt of the redemption request. All redemption requests received after 4:00 p.m. (ET) on the date that is less than 65 days prior to a Redemption Date (or such later date as the Manager may accept in its sole discretion) will be processed at the applicable Net Asset Value per Unit calculated as of the next Redemption Date in the following month.

Proceeds of redemption (less any applicable fees and deductions as provided herein and provided in the Declaration of Trust, including the Redemption Charge and Early Exit Fee) shall be paid as soon as is practicable and in any event within thirty (30) calendar days following the relevant Redemption Date.

Partial redemptions that reduce the aggregate Net Asset Value of a Unitholder's investment below an amount established from time to time by the Manager may

result in the Fund requiring a mandatory redemption of all Units held by such Unitholder or redesignating such Unitholder's Units as Units of another Class. The Manager may in its sole discretion also require the mandatory redemption of Units or redesignation of Units under other circumstances. See "Redemption of Units".

**Suspension of Redemptions:**

The Manager may suspend or postpone, or continue a suspension of or postponement of, the right of redemption of Units of the Fund, in full or in part on a *pro rata* basis, during: (i) any period in which there has been a suspension in the calculation of the Net Asset Value of the Units; (ii) any period in which there are insufficient liquid assets in the Fund to fund redemptions entirely in cash or in which the liquidation of assets of the Fund would be to the detriment of the Fund generally or is not reasonably practicable as determined by the Manager; or (iii) during a period in which the redemption of the Master Fund Shares has been fully or partially suspended, postponed or deferred. If the Manager suspends or postpones the right of redemption of Units in full or in part, a Unitholder may either withdraw its redemption request within thirty (30) calendar days following the applicable Redemption Date or receive payment based on the applicable Net Asset Value per Unit for each subsequent Redemption Date on which the redemption request is honoured, in full or in part, where such redemption requests shall take priority over subsequent redemption requests submitted for Redemption Dates following the Redemption Date for which redemptions were suspended or postponed. For greater certainty, if the Manager suspends or postpones the right of redemption of Units, the Fund may redeem some of the Units for which redemption has been requested by Unitholders and postpone or suspend the redemption of the remaining Units of such Unitholders. Any partial redemption shall be made *pro rata* according to the aggregate number of Units tendered for redemption by each such Unitholder. See "Redemption of Units – Suspension of Redemption".

**Redemptions of Master Fund Shares:**

The Master Fund will redeem the Master Fund Shares on the last business day of the month if it has received the duly completed redemption form by no later than 5 p.m. (CET) on the last business day, two (2) months prior to the applicable redemption date. Net redemptions of the Master Fund Shares will be limited per calendar quarter to 5% of the net asset value of the Master Fund Shares (across all classes of Master Fund Shares outstanding) at the end of the preceding quarter unless the Directors waive such restriction either partially (by determining a higher percentage) or in its entirety, based on the Master Fund Manager's analysis of available liquidity. To meet redemption requests, the Directors may also decide to establish a credit line of up to 25% of the assets of the Master Fund.

When deemed in the best interest of the Master Fund, the Directors may determine to further reduce the net redemption limits for Master Fund Shares to 2.5%. Such further restriction can be enacted for one or several redemption dates but would be limited for a period of up to two (2) years.

Where a redemption request is, fully or partially, deferred in accordance with the redemption restrictions of the Master Fund, the Directors may grant all affected shareholders the right to withdraw the deferred part of the original redemption request.

If the Master Fund receives net subscriptions or redemptions requests in excess of the limit for a given period, the Master Fund will reduce all applications received for a given redemption date *pro-rata*, and defer any applications in excess of the respective limit, and not settled on such redemption date, to the immediately succeeding period and relevant redemption date, always subject to the subscription and redemption restrictions applicable for such period. Deferred subscription or redemption requests will be dealt with on equal terms with new subscription and redemption requests for that redemption date, and all subscription or redemption requests, as applicable, whether deferred or newly submitted, will be reduced *pro-*

*rata* so that the relevant limit for that redemption date is not exceeded. No interest will be paid on any payments received in relation to applications being deferred.

See “Redemption of Units – Redemptions of Master Fund Shares”.

**Eligibility for Investment:**

Provided that the Fund qualifies and continues to qualify at all times as a “mutual fund trust” within the meaning of the *Income Tax Act* (Canada) (“**Tax Act**”), the Units will be “qualified investments” under the Tax Act for a trust governed by a tax-free savings account, first home savings account, registered retirement savings plan, registered retirement income fund, registered education savings plan, deferred profit sharing plan or registered disability savings plan. See “Eligibility for Investment”.

**Distributions and Automatic Reinvestment of Distributions:**

Subject to the Manager’s discretion to make distributions of cash, any distributions (less any amounts required by law to be deducted therefrom) with respect to the Units are expected to automatically be reinvested for the account of each Unitholder in additional Units at the applicable Net Asset Value per Unit. No sales charge or commission shall be payable by a Unitholder in connection with any such reinvestment.

**There can be no assurance that any distributions will be paid to a holder of Units. Accordingly, the Fund may not be a suitable investment for any investor who requires regular income distributions in cash.**

In addition to the above, the Fund intends to distribute sufficient net income and net realized capital gains, if any, to Unitholders in each taxation year to ensure that the Fund is not liable for income tax under Part I of the Tax Act, after taking into account any loss carry forwards and capital gains refunds. Such distributions, if any, are paid as of the last Business Day of the calendar year, and at such other times as may be determined by the Manager. Subject to the Manager’s discretion to make distributions of cash, all such distributions to Unitholders (less any amounts required by law to be deducted therefrom) will automatically be reinvested for the account of each Unitholder in additional Units at the applicable Net Asset Value per Unit. Following such distributions and reinvestments, Units will be immediately consolidated such that the number of outstanding Units held by each Unitholder on such day following the distribution will equal the number of Units held by the Unitholder prior to the distribution, except to the extent that tax has to be withheld in respect of the distribution. No sales charge or commission shall be payable by a Unitholder in connection with any such reinvestment.

Any distributions will be made to registered Unitholders determined as of the close of business on the record date of the distribution. All distributions payable in respect of a Class of Units will be made on a *pro rata* basis to Unitholders of that Class.

Other than as set forth above, the Fund does not intend to make any distributions on the Units. See “Distribution Policy.”

**Canadian Federal Income Tax Considerations:**

A Unitholder who is resident in Canada for the purposes of the Tax Act will generally be required to include in computing income for a taxation year the amount of the Fund’s net income for the taxation year, including net realized taxable capital gains, paid or payable to the Unitholder (whether in cash or in Units) in the taxation year. Amounts payable to a Unitholder that holds Units as capital property for purposes of the Tax Act in excess of the Unitholder’s share of the Fund’s net income and net realized capital gains will reduce the adjusted cost base of the Unitholder’s Units. If the reductions to a Unitholder’s adjusted cost base would cause the adjusted cost base of a Unit held as capital property to be negative, the Unitholder will be deemed to realize a capital gain equal to such negative amount. A Unitholder who disposes of Units held as capital property (on redemption or otherwise) will realize a capital gain (or capital loss) to the extent that the proceeds of disposition (other than any amount payable by the Fund which represents an amount that is otherwise

required to be included in the Unitholder's income) exceed (or are exceeded by) the aggregate of the adjusted cost base of Units and any reasonable costs of disposition.

Each investor should satisfy itself as to the tax consequences of an investment in Units by obtaining advice from its tax advisor. For a detailed summary of certain of the Canadian federal income tax considerations generally relevant to investors, see "Certain Canadian Federal Income Tax Considerations".

**Financial Reporting:**

The Fund intends to make available and, where requested, to deliver audited financial statements to Unitholders after the end of each fiscal year end. The Fund's ability to deliver such audited financial statements will depend, in part, upon its receipt of audited financial statements from the Master Fund. Consequently, it is possible that audited annual financial statements of the Fund may be completed later than would otherwise be the case. Furthermore, if the Master Fund is unable to complete its annual audit (or if the Master Fund issues a qualified audit report), the Fund may be unable to complete its own audit (or the Fund may have to issue a qualified audit report as well). See "Reporting to Unitholders".

**Release of Confidential Information:**

Under applicable securities and anti-money laundering legislation, the Manager and/or the Administrator are required to collect and may be required to release confidential information about Unitholders and, if applicable, about the beneficial owners of corporate Unitholders, to regulatory or law enforcement authorities.

**Risk Factors:**

An investment in the Units is subject to certain risks. Prospective investors should give careful consideration to the following factors, among others, in evaluating the merits and suitability of an investment in the Units:

*Certain Risk Factors Applicable to the Fund*

- Reliance on Manager;
- Dependence of Manager on Key Personnel;
- Liquidity, Marketability, and Transferability of Units;
- Nature of Units;
- Limited Ability to Liquidate Investment;
- Possible Effect of Redemptions;
- Taxation of the Fund;
- Taxation of the Master Fund;
- Foreign Tax Reporting;
- Risk of Achieving Investment Objectives or Change in Investment Objectives or Strategies;
- Income;
- Not a Trust Company;
- Custody Risk;
- Fluctuations in NAV and Valuation of the Fund's investments;
- Foreign Investment Risk;
- Restrictions on Transfer and Resale;
- No Opportunity for Unitholders to evaluate the PM or Investment Manager;
- Uncertain Exit Strategies;
- Cybersecurity;
- ESG and Fiduciary Duties;
- Charges to the Fund and the Master Fund;
- Public Health Crises and Other Events Outside the Control of the Fund;
- Leverage;
- Conflicts of Interest;
- Illiquidity;
- Suspension of Trading;
- Not a Public Mutual Fund Offered by Prospectus;

- No Operating History;
- Class Risk;
- Unitholder Liability;
- The Units are not Insured and Insurance Risk;
- Unitholders not Entitled to Participate in Management;
- Possible Negative Impact of Regulation of Alternative Funds;
- Enforcement of Legal Rights;
- Past Performance;
- Potential Indemnification Obligations;
- Tracking Error;
- Investments in the Underlying Funds; and
- Operational Risk.

*Certain Risk Factors Applicable to the Master Fund*

- Sustainability Risks;
- Risks arising from the Nature of the Investment in Private Equity;
- Investments in Funds of Private Equity Funds and certain Listed Private Equity Investments;
- The Master Fund may invest in highly leveraged companies;
- The Master Fund may use borrowing;
- Risks arising from the limitation on subscription and redemptions of Master Fund Shares;
- Risk arising from net subscriptions and net redemptions;
- Conflicts of Interest;
- The Master Fund's performance is dependent on the experience and network of its Master Fund Manager and Portfolio Manager;
- Hedging Risk;
- Risks Relating to Accounting, Auditing and Financial Reporting, etc.;
- Political, Regulatory, Exchange Rate and Currency Risk;
- Performance Fee Risk;
- Settlement Risks;
- Risk in relation to the Master Fund Commitment Strategy;
- Multiple Levels of Expense;
- Re-underwriting of Assets; and
- Holding and disposal of Investments.

In addition to the risks described above and detailed in this Offering Memorandum, the Fund, as an investor in the Master Fund is subject to all the risks relating to the Master Fund as described in the Master Fund Prospectus and, therefore, the Units will be subject, indirectly, to all such risks.

For a detailed discussion with regard to risks and conflicts of interest generally applicable to the Master Fund, investors should carefully review the Master Fund Prospectus and the other material documents relating to the Master Fund described in the Master Fund Prospectus. A copy of the Master Fund Prospectus is available upon request from the Manager or the Agent, as applicable. The risks and conflicts of interest described in the Master Fund Prospectus with respect to the Master Fund and an investment therein apply generally to an investment in the Fund and the Units. Prior to subscribing for Units, a prospective investor should carefully review the Master Fund Prospectus. The returns of the Fund will depend almost entirely on the performance of its investment in the Master Fund and there can be no assurance that the Master Fund will be able to implement their respective investment objectives and strategies.

See “Risk Factors”.

- Agent:** Westcourt Capital Corporation (the “**Agent**”) is an agent retained in connection with the distribution of Units of the Fund in the Offering Jurisdictions. See “Fees and Expenses Relating to the Fund – Agent Fee”, “Dealer Compensation” and “Conflicts of Interest”.
- Administrator:** SGGG Fund Services Inc.  
121 King Street West, Suite 300  
Toronto, Ontario,  
M5H 3T9  
(the “**Administrator**”)
- Auditors:** Deloitte LLP  
Toronto, Ontario
- Legal Counsel:** McMillan LLP  
Toronto, Ontario
- Tax Year-End:** December 31
- Statutory and Contractual Rights of Action:** Purchasers of Units are entitled to the benefit of certain statutory or contractual rights of action. See “Purchasers’ Rights of Action for Damages and Rescission”.



## SUMMARY OF FEES AND EXPENSES

The following table contains a summary of the fees and expenses relating to the Fund and Unitholders. Unitholders may have to pay some of these fees and expenses directly. The fees and expenses payable by the Fund will reduce the value of your investment in the Fund. See “Fees and Expenses Relating to the Fund”.

<u>Type of Fee</u>	<u>Description</u>
<i>Fees and Expenses of the Fund</i>	
<b>Management Fees:</b>	<p>The Fund shall pay the Manager a management fee (the “<b>Management Fee</b>”) based upon the Class Net Asset Value of each Class of Units. The Manager will receive an annual fee equal to 0.425% of the aggregate Class Net Asset Value of the Class W Units and Class USW Units of the Fund. The Management Fee is calculated and paid monthly in arrears and as at any other day as the Manager may determine.</p> <p>See “Fees and Expenses Relating to the Fund - Management Fees”.</p>
<b>Agent Fee:</b>	<p>The Fund has appointed the Agent in connection with the distribution of Units of the Fund in the Offering Jurisdictions. In consideration for providing its services, the Manager will pay to the Agent an annual fee (the “<b>Agent Fee</b>”) based on Class Net Asset Value of the Class W Units and Class USW Units of the Fund.</p> <p>The Agent Fee is calculated and paid monthly in arrears and as at any other day as the Manager may determine. See “Fees and Expenses Relating to the Fund - Agent Fee”</p>
<b>Establishment and Operating Expenses of the Fund:</b>	<p>The Fund will be responsible for the costs of establishing the Fund and the offering of Units, including, but without limitation, the fees and expenses of legal counsel and the Fund’s auditors. The Fund intends to amortize these costs over the five year period following the date of the initial closing of the offering of Units. The Fund is responsible for the payment of all fees and expenses relating to its operation, including fees payable to a third party administrator, accounting, audit and legal costs, insurance premiums, fees associated with the Fund’s bank accounts, custodial, prime broker and safekeeping fees, registrar and transfer agency fees and expenses, bookkeeping and recordkeeping costs, all Unitholder communication expenses and servicing costs, distribution expenses, promotional expenses, the cost of maintaining the Fund’s existence, regulatory fees and expenses, the cost of consulting, organizational costs, distribution costs, regulatory filing fees, all reasonable extraordinary or non-recurring expenses which are directly related to the maintenance and management of the Fund and all taxes, assessments or other regulatory and governmental charges levied against the Fund. The Fund is generally required to pay applicable sales taxes on any management fees and on most administration expenses that it pays. Each class of units is responsible for the expenses specifically related to that Class and a proportionate share of expenses that are common to all Classes.</p>
<i>Fees and Expenses of the Master Fund</i>	
<b>Management Fee:</b>	<p>The Master Fund Manager is entitled to receive an annual management fee paid by the Master Fund equal to 1.50% of the greater of: (i) the net asset value of the Master Fund, and (ii) the net asset value of the Master Fund less cash and cash equivalents plus the total of all commitments made by the Master Fund but not yet drawn for investment, in each case attributable the classes of Master Fund Shares purchased by the Fund, calculated and payable quarterly in arrears.</p>

See “Fees and Expenses Relating to the Fund”.

**Performance Fee:**

The Master Fund Manager is entitled to a performance fee (the “**Performance Fee**”), calculated and paid in respect of each Direct Investment and in respect of each Secondary Investment (i.e. on a deal-by-deal basis).

The Performance Fee in respect of Direct Investments and Secondary Investments shall be determined in the currency of the respective transaction as provided in clauses (i) to (iii) below, save that the Performance Fee in respect of Secondary Investments shall be determined using a rate of 10%, and the Performance Fee in respect of Direct Debt Investments, which are not Mezzanine Direct Investments, shall be determined using a rate of 10% and the Preferred Return rate shall be 4% per annum, compounded annually.

The Performance Fee in respect of each Direct Investment shall be calculated as follows:

- (i) First, 100% of all distributions (being all amounts whether of an income or capital nature) derived from the relevant Direct Investment (“**Relevant Distributions**”) shall be retained by the Master Fund until it has received Relevant Distributions equal to:
  - (a) the acquisition cost in respect of the relevant Direct Investment; plus
  - (b) an amount (the “**Preferred Return**”) calculated at the rate of 8% per annum compounded annually on the amount outstanding in respect of the relevant Direct Investment from time to time (i.e. zero or acquisition cost less Relevant Distributions, whichever is greater), taking into account the timing of the relevant cash flows;
- (ii) Second, a Performance Fee equal to 100% of further Relevant Distributions received by the Fund shall be due and payable to the Master Fund Manager until such time as the Master Fund Manager has received 15% of the sum of the Preferred Return under paragraph (i)(b) and the Performance Fee due and payable to the Master Fund Manager under this paragraph (ii); and
- (iii) Third, an additional Performance Fee equal to 15% of further Relevant Distributions shall be due and payable to the Master Fund Manager.

No Performance Fee will be payable in respect of any investments of the Master Fund other than for Direct Investments and Secondary Investments. See “Fees and Expenses Relating to the Fund”.

**Cooperation Fee:**

Westcourt Capital Corporation is registered as an exempt market dealer and is facilitating the ability of the Fund to purchase units of the Master Fund Shares and in connection therewith will be receiving a minimum annual fee of 0.25% of the aggregate net asset value of the such units. The fee is calculated and paid quarterly in arrears.

**Other Fees and Expenses:**

The Fund, as an investor in the Master Fund, indirectly bears its *pro rata* share of each such underlying fund’s other fees and expenses including, but not limited to, organizational expenses, operational expenses, expenses related to its investment program, including expenses borne indirectly through the Master Fund’s investments in underlying assets, legal fees, audit and accounting fees,

administrator fees, directors fees, and other fees, including extraordinary fees such as indemnification expenses. Such fees and expenses may be significant. See “Fees and Expenses Relating to the Fund”.

**A further description of the Master Fund’s fees and expenses is contained in the Master Fund Prospectus and should be carefully reviewed by investors. A copy of the Master Fund Prospectus is available upon request from the Manager or the Agent, as applicable.**

*Sales Commissions and Fees*

**Dealer Compensation:**

No sales commission will be payable in respect of Units purchased through the Manager in its capacity as exempt market dealer in connection with the distribution of the Units in the Offering Jurisdictions.

See “Dealer Compensation”.

## GLOSSARY

In this Offering Memorandum, the following terms have the meanings set forth below, unless otherwise indicated.

“**2013 Law**” has the meaning given to such term in “The Master Fund”.

“**Access Master Fund**” has the meaning given to such term in “Risk Factors - Conflicts of Interest”.

“**accredited investor exemption**” means the exemption from the prospectus requirements contained under section 2.3 of NI 45-106 and, in Ontario, section 73.3 of the *Securities Act* (Ontario).

“**Administration Agreement**” means the administration agreement between the Manager and the Administrator dated January 2, 2018, as amended from time to time.

“**Administrator**” means SGGG Fund Services Inc., the record-keeper and fund administrator of the Fund, or such other entity that is appointed the record-keeper and fund administrator of the Fund from time to time.

“**Agent**” means Westcourt Capital Corporation, an agent retained in connection with the distribution of Units of the Fund.

“**Agent Fee**” has the meaning given to such term in “Fees and Expenses Relating to the Fund”.

“**AIF**” means alternative investment fund as described in “The Master Fund”.

“**AIFMD**” has the meaning given to such term in “The Master Fund”.

“**applicable securities laws**” means, at any time, the securities laws, regulations and rules in the Offering Jurisdictions and the requirements, rules and policies of the Canadian securities regulatory authorities that are then applicable to the Fund in the circumstances.

“**Articles**” means the Articles of Incorporation of the Master Fund, as the same may be amended from time to time.

“**Business Day**” means any day (other than a Saturday, Sunday or a statutory holiday in Vancouver, British Columbia) on which the Toronto Stock Exchange is open for trading.

“**Buyouts**” has the meaning given to such term in “Investment Objective and Policies of the Master Fund - Investment Objective”.

“**Canadian IGA Legislation**” has the meaning given to such term in “Risk Factors– Foreign Tax Reporting”.

“**Capital Gains Refund**” has the meaning given to such term in “Certain Canadian Federal Income Tax Considerations – Taxation of the Fund”.

“**Class**” means a particular class of Units.

“**Class Net Asset Value**” means the net asset value of any Class of Units calculated as described under “Determination of Net Asset Value”.

“**Class Net Asset Value per Unit**” means the Class Net Asset Value attributable to each Unit in such Class.

“**Class W-N Exit Fee**” has the meaning given to such term in “Redemption of Units - Redemptions of Master Fund Shares - Master Fund Redemption Fees”.

“**CRA**” means the Canada Revenue Agency.

“**CSSF**” has the meaning given to such term in “Management and Administration of the Master Fund”.

“**Declaration of Trust**” has the meaning given to such term in “The Fund”.

“**Depository**” has the meaning given to such term in “Management and Administration of the Master Fund”.

“**Distributable Master Fund Net Income**” has the meaning given to such term in “The Master Fund - Master Fund Distribution Policy”.

“**Distributing Master Fund Shares**” has the meaning given to such term in “The Master Fund - Master Fund Distribution Policy”.

“**Direct Debt Investments**” has the meaning given to such term in “Investment Objective and Policies of the Master Fund”.

“**Direct Investments**” has the meaning given to such term in “Investment Objective and Policies of the Master Fund”.

“**Directors**” mean the Board of Directors of the Master Fund.

“**Early Exit Fee**” means an early exit fee of 2.5% of the redemption price based on the Net Asset Value of the redeemed Units that may apply on the redemption of units to any Unitholder who redeems Units within the first six (6) months following the purchase of Units. See “Redemption of Units”.

“**ESG**” has the meaning given to such term in “Investment Objective and Policies of the Master Fund - Environmental and/or social characteristics promoted by the Master Fund”.

“**FATCA**” has the meaning given to such term in “Certain Canadian Federal Income Tax Considerations – U.S. Foreign Account Tax Compliance Act”.

“**FATCA Tax**” has the meaning given to such term in “Certain Canadian Federal Income Tax Considerations – U.S. Foreign Account Tax Compliance Act”.

“**financial institution**” has the meaning given to such term in section 142.2 of the Tax Act.

“**Fund**” means PG Global Private Equity Canada Access Fund, an open-end investment trust established under the laws of the Province of British Columbia on March 1, 2023 pursuant to the Declaration of Trust.

“**Fund Investments**” has the meaning given to such term in “Investment Objective and Policies of the Master Fund”.

“**Fund of Private Equity Funds**” has the meaning given to such term in “Investment Objective and Policies of the Master Fund”.

“**GAAP**” means generally accepted account principles as described in “Determination of Net Asset Value - Valuation Principles”.

“**IFRS**” means the International Financial Reporting Standards as described in “Determination of Net Asset Value - Valuation Principles”.

“**IGA**” has the meaning given to such term in “Certain Canadian Federal Income Tax Considerations – U.S. Foreign Account Tax Compliance Act”.

“**Initial Offering Period**” means the period from April 21, 2023 to April 21 2024 during which Class W-N (CAD) Distributing Shares and Class W-N (USD) Distributing Shares are subject to the Class W-N Exit Fee.

“**Investment Assets**” has the meaning given to such term in “Certain Canadian Federal Income Tax Considerations – Taxation of the Fund”.

“**IRS**” means the U.S. Internal Revenue Services.

“**Law of 2010**” has the meaning given to such term in “The Master Fund”.

“**Management Fee**” has the meaning given to such term in “Fees and Expenses Relating to the Fund - Management Fees”.

“**Manager**” means Spartan Fund Management Inc., a company incorporated under the laws of the Province of Ontario and the manager of the Fund or, if applicable, its successor.

“**Manitoba Act**” means *Securities Act* (Manitoba), as amended.

“**Master Fund**” means Partners Group Global Value SICAV, a company organized as a *société anonyme* under the laws of the Grand Duchy of Luxembourg and qualifies as a *société d’investissement à capital variable* (SICAV).

“**Master Fund Administrator**” means Apex Fund Services S.A., the domiciliary and master fund administrator of the Master Fund, or such other entity that is appointed the domiciliary and master fund administrator of the Master Fund from time to time.

“**Master Fund Commitment Strategy**” has the meaning given to such term in “Investment Objective and Policies of the Master Fund”.

“**Master Fund Distribution Date**” means December 31 in each year or such other date(s) determined by the Master Fund Manager for distributions of Distributable Master Fund Net Income to holders of Distributing Master Fund Shares.

“**Master Fund DRIP**” has the meaning given to such term in “The Master Fund - Master Fund Distribution Policy”.

“**Master Fund Management Agreement**” has the meaning given to such term in “Management and Administration of the Master Fund - The Investment Fund Management Agreement”.

“**Master Fund Manager**” means Partners Group (Luxembourg) S.A., or any successor entity appointed to act as investment fund manager of the Master Fund.

“**Master Fund Parties**” has the meaning given to such term in the cover page of this Offering Memorandum.

“**Master Fund Prospectus**” means the Prospectus of Partners Group Global Value SICAV dated as of April 2023, as the same may be amended, restated, and/or supplemented from time to time.

“**Master Fund Redemption Fee**” has the meaning given to such term in “Redemption of Units - Redemptions of Master Fund Shares - Master Fund Redemption Fees”.

“**Master Fund Shares**” has the meaning given to such term in “Investment Strategies of the Fund”.

“**Master Fund Valuation Day**” has the meaning given to such term in “Determination of Net Asset Value - Net Asset Value of the Master Fund Shares”.

“**Material Fact**” has the meaning given to such term in “Purchasers’ Rights of Action for Damages and Rescission”.

“**Mezzanine Direct Investments**” has the meaning given to such term in “Investment Objective and Policies of the Master Fund - Investment Policies”.

“**Misrepresentation**” has the meaning given to such term in “Purchasers’ Rights of Action for Damages and Rescission”.

“**Net Asset Value**” means the net asset value of the Fund calculated as described under “Determination of Net Asset Value”.

“**Net Asset Value per Master Fund Share**” has the meaning given to such term in “Determination of Net Asset Value - Net Asset Value of the Master Fund Shares”.

“**Net Asset Value per Unit**” means the Net Asset Value attributable to each Unit of the applicable Class or Series.

“**NI 45-106**” means National Instrument 45-106 *Prospectus Exemptions* of the Canadian Securities Administrators.

“**Nova Scotia Act**” means the *Securities Act* (Nova Scotia), as amended.

“**Offering**” means the offering of Units of the Fund on a continuous basis pursuant to exemptions from the prospectus and, where applicable, registration requirements of applicable securities legislation.

“**Offering Jurisdictions**” means, collectively, the provinces and territories of Canada.

“**Offering Memorandum**” means this confidential offering memorandum of the Fund dated April 19, 2023, as the same may be amended or amended and restated from time to time.

“**OIFP**” means an offshore investment fund property as described in “Certain Canadian Federal Income Tax Considerations – Taxation of the Fund”.

“**Ontario Act**” means the *Securities Act* (Ontario), as amended.

“**Other Clients**” has the meaning given to such term in “Risk Factors - Re-underwriting of Assets”.

“**Partners Group**” means Partners Group Holding AG as described in “Management and Administration of the Master Fund”.

“**PEI Act**” means *Securities Act* (Prince Edward Island), as amended.

“**Performance Fee**” has the meaning given to such term in “Fees and Expenses Relating to the Fund - Fees and Expenses of the Master Fund”.

“**Plan**” has the meaning given to such term in “Certain Canadian Federal Income Tax Considerations – Taxation of Registered Plans”.

“**Pooling Vehicle**” means pooled investment vehicles or special purpose vehicles (i) that are established, managed and/or advised by the Master Fund Manager or any affiliate thereof, typically to access Direct Investments, Secondary Investments or Primary Investments, and (ii) which the Board has designated as pooling vehicles and approved for investment for the Master Fund.

“**Portfolio Manager**” means Partners Group AG as described in “Management and Administration of the Master Fund - The Master Fund Manager”.

“**Preferred Return**” has the meaning given to such term in “Fees and Expenses Relating to the Fund - Fees and Expenses of the Master Fund”.

“**Primary Investments**” has the meaning given to such term in “Investment Objective and Policies of the Master Fund - Investment Policies”.

“**Private Equity Funds**” has the meaning given to such term in “Investment Objective and Policies of the Master Fund”.

“**Prospectus Exemptions**” has the meaning given to such term in “Details of the Offering”.

“**Redemption Charge**” means an amount that may be deducted by the Fund from any redemption proceeds payable in connection with the redemption of Units equal to the sum of: (i) up to five percent (5%) of the applicable Net Asset Value per Unit for the redeemed Units; and (ii) the amount of any expense, charge, discount, fee, or other amount incurred or borne by the Fund in connection with the disposition of assets to fund a redemption of Units.

“**Redemption Date**” has the meaning given to such term in “Redemption of Units”.

“**Registered Dealers**” means dealers or brokers that are registered under applicable securities laws of the Offering Jurisdictions to sell securities of investment funds and that are not restricted from selling the Units including, for greater certainty, dealers registered in the category of exempt market dealers.

“**Registered Plan**” has the meaning given to such term in “Certain Canadian Federal Income Tax Considerations – Taxation of Registered Plans”.

“**Relevant Distributions**” has the meaning given to such term in “Fees and Expenses Relating to the Fund”.

“**Re-underwriting of Assets**” has the meaning given to such term in “Risk Factors - Re-underwriting of Assets”.

“**Saskatchewan Act**” means *The Securities Act*, 1988 (Saskatchewan), as amended.

“**Secondary Investments**” has the meaning given to such term in “Investment Objective and Policies of the Master Fund - Investment Policies”.

“**Series**” means a particular series of a Class of Units.

“**Series Net Asset Value**” means the net asset value of any Series of a Class of Units calculated as described under “Determination of Net Asset Value”.

“**Series Net Asset Value per Unit**” means the Series Net Asset Value attributable to each Unit in such Series.

“**Special Situations**” has the meaning given to such term in “Investment Objective and Policies of the Master Fund - Investment Objective”.

“**Subscriber**” means a person subscribing for Units of the Fund under a Subscription Agreement.

“**Subscription Agreement**” means the subscription agreement an investor must complete to subscribe for units of the Fund.

“**Subscription Date**” means any Valuation Date that the Units are available for subscription or such other date as the Manager may permit.

“**Subscription Deadline Date**” means the 15<sup>th</sup> day of the applicable month in which the applicable Subscription Date falls (or, if the 15<sup>th</sup> day is not a Business Day, the preceding Business Day).

“**Subscription Receipt**” means interim subscription receipts of the Fund.

“**Sustainability Risks**” has the meaning given to such term in “Risk Factors - Sustainability Risks”.

“**Tax Act**” means the *Income Tax Act* (Canada) as amended from time to time and all regulations promulgated thereunder.

“**Transaction Fees**” has the meaning given to such term in “Fees and Expenses Relating to the Fund”.

“**Trustee**” means Spartan Fund Management Inc., a company incorporated under the laws of the Province of Ontario and the trustee of the Fund or, if applicable, its successor.

“**UN PRI**” has the meaning given to such term in “Investment Objective and Policies of the Master Fund - Investment Strategies”.

“**Unitholders**” means the holders of Units, and each a “**Unitholder**”.

“**Units**” means the trust units of the Fund, and each a “**Unit**”.

“**U.S.**” means United States of America.

“**Valuation Date**” means the last Business Day of any month and December 31 or any such other day as determined from time to time by the Manager.



**“Valuation Time”** means 4:00 p.m. (ET) or such other time as the Manager, in its discretion, deems appropriate to determine the Net Asset Value per Unit and the Net Asset Value of the Fund and/or a Class or Series of Units, as applicable.

**“Venture Capital”** has the meaning given to such term in “Investment Objective and Policies of the Master Fund - Investment Objective”.

## THE FUND

PG Global Private Equity Canada Access Fund (the “**Fund**”) is an open-end investment fund established as a trust under the laws of the Province of British Columbia pursuant to the declaration of trust dated as of March 1, 2023, as the same may be amended, supplemented, or amended and restated from time to time (the “**Declaration of Trust**”). Spartan Fund Management Inc. is the trustee (in such capacity, the “**Trustee**”) and the investment fund manager (in such capacity, the “**Manager**”) of the Fund and is responsible for the management and administration of the Fund. The principal office of the Fund and the head office of the Manager of the Fund are situated at 150 King Street West, Suite 200, Toronto, Ontario, Canada M5H 1J9.

The only undertaking of the Fund is the investment of its assets. An investment in the Fund is represented by trust units (the “**Units**”). Subscribers whose subscriptions have been accepted will become unitholders of the Fund. Holders of Units are hereinafter referred to as “**Unitholders**”.

## THE TRUSTEE

Pursuant to the Declaration of Trust, the Trustee acts on behalf of all Unitholders in matters relating to the Fund. The principal office of the Trustee is located at 150 King Street West, Suite 200, Toronto, Ontario, Canada M5H 1J9.

The Trustee, and any successor trustee, must be a resident of Canada for tax purposes. The Trustee may resign upon 90 days’ written notice to the Unitholders and may be removed on 60 days’ written notice in the event the Trustee is in material breach or material default of the provisions of the Declaration of Trust, and, if capable of being cured, such breach or default has not been cured within twenty (20) Business Days’ from written notice to the Trustee of such breach or default if such removal has been approved by an extraordinary resolution of the Unitholders (being resolutions approved by more than 75% of the votes duly cast by Unitholders at a meeting or written resolutions signed by Unitholders holding more than 75% of the aggregate number of applicable Units, all in accordance with the Declaration of Trust). The Trustee shall be deemed to have resigned in certain circumstances including upon the dissolution, insolvency, or bankruptcy of the Trustee, or if the Trustee ceases to be a resident in Canada for the purposes of the *Income Tax Act* (Canada) (“**Tax Act**”). If the Trustee resigns or is deemed to resign, a successor trustee shall be appointed by the Manager to fill such vacancy and the replacement trustee, other than an affiliate of the Manager or a registered trust company nominated by the Manager, shall be elected by majority vote at a special meeting of the Unitholders called to approve such appointment. If, after the resignation or removal of the Trustee, no successor has been appointed within ninety (90) days, the Unitholders may elect a successor trustee by majority vote at a meeting of Unitholders called for such purpose. In each case, if, upon the expiry of a further thirty (30) days, neither the Manager nor the Unitholders of the Trust have appointed a successor Trustee, the Fund shall terminate.

The Declaration of Trust provides that the Trustee shall not be liable to the Fund or to any Unitholder for any loss or damage relating to any matter regarding the Fund except in cases where the Trustee fails to act honestly and in good faith and in the best interests of Unitholders to the extent required by the laws applicable to trustees, or breaches its standard of care. In performing its obligations and duties, the Trustee must act honestly and in good faith, with a view to the best interests of Unitholders, and must exercise the degree of care, diligence, and skill that a reasonably prudent trustee would exercise in comparable circumstances. Furthermore, the Trustee shall not be liable for any acts or omissions based on reliance upon the instructions of the Manager, the custodian (if not the Trustee), record keeper (if not the Trustee), any registrar or transfer agent of the Fund (unless the Trustee is acting in such capacity), or any person or organization to whom its responsibilities are delegated. In addition, the Declaration of Trust contains other customary provisions limiting the liability of the Trustee and indemnifying the Trustee, or any of its officers, directors, employees, or agents, in respect of certain liabilities incurred by any of them in carrying out the Trustee’s duties.

As long as the Trustee is the manager of the Fund or an affiliate thereof, the Trustee will not receive fees from the Fund but is entitled to be reimbursed for all out-of-pocket expenses that are properly incurred by the Trustee in connection with the performance of its duties.

## THE MANAGER

The Manager is responsible for the management of the Fund pursuant to the Declaration of Trust. The Manager's responsibilities include the provision of general administrative and management services. The Manager has delegated certain administrative functions to the Administrator pursuant to the Administration Agreement. The Manager is also responsible for the offering and sale of Units of the Fund. Units of the Fund may also be purchased from a Registered Dealer.

The Manager is required to exercise its powers and discharge its duties honestly, in good faith, and in the best interests of the Fund and to exercise the care, diligence, and skill of a reasonably prudent person in comparable circumstances. Among its other powers, the Manager may establish the Fund's operating expense budget and authorize the payment of operating expenses. If the Manager is in material breach or material default of its obligations under the Declaration of Trust and, if capable of being cured, such breach or default has not been cured within 20 Business Days' notice of such breach or default to the Manager, the Fund shall give notice thereof to the Unitholders and the Unitholders may remove the Manager by an extraordinary resolution (being resolutions approved by more than 75% of the votes duly cast by Unitholders at a meeting or written resolutions signed by Unitholders holding more than 75% of the aggregate number of applicable Units, all in accordance with the Declaration of Trust) and appoint a replacement manager of the Fund.

The Manager shall be deemed to have resigned its rights, powers, duties, and responsibilities under the Declaration of Trust without notice in certain circumstances including upon the dissolution, insolvency, or bankruptcy of the Manager, or if the Manager ceases to be resident in Canada for the purposes of the Tax Act. The Manager may resign as manager of the Fund at any time on 90 days' written notice to the Trustee and the Unitholders. The Declaration of Trust contains provisions for the appointment of a successor fund manager in the event of the removal or resignation of the Manager. If no successor fund manager is appointed, the Fund will be terminated. If the Manager resigns or is removed, a replacement manager shall forthwith be appointed by the Trustee or the resigning Manager and, unless the replacement manager is the trustee of the Fund or an affiliate of the trustee of the Fund or the resigning Manager, such appointment must be approved by a majority of the votes cast by Unitholders at a meeting called for such purpose.

The Manager and its directors, officers, partners, employees, and agents shall not be liable to the Fund for any loss or damage relating to any matter regarding the Fund, except in cases of wilful misconduct, bad faith, negligence, disregard of the Manager's standard of care, or by any material breach or material default by the Manager of its obligations under the Declaration of Trust. In addition, the Declaration of Trust contains other customary provisions limiting the liability of the Manager and indemnifying the Manager, and any of its officers, partners, employees, and agents.

The Manager is responsible for providing investment advisory services to the Fund and is responsible for acquiring the securities comprising the portfolio of the Fund and maintaining the portfolio in accordance with the investment objective of the Fund. The Manager's responsibilities include investment management services, investment analysis, selection of dealers or brokers and the negotiation of commissions, recommendations and investment decision making. The Manager will also receive all subscriptions and notices of redemption, accept or reject subscriptions and notices of redemption, complete all necessary forms required under the relevant securities legislation and regulations and submit such subscriptions, notices of redemption and associated forms for processing, as well as performing and keeping all records with respect to the "know your client" and "suitability" assessment of all direct subscribers for Units in the Fund with respect to which the Manager acts as dealer in accordance with all applicable securities laws.

The Manager, established in 2006, is an asset management firm that specializes in providing, through pooled funds, a broad selection of alternative investment solutions that meet a variety of investment needs. The Manager accesses alternative investment solutions through investment teams employed by the Manager or by way of sub advisory arrangements with other registrants. The Manager's clients primarily consist of high net worth individuals and family offices who access their funds directly or through registered advisors. The Manager currently manages approximately \$1.5B in client assets under management and committed capital.

The Manager is registered as an investment fund manager, portfolio manager, exempt market dealer, and commodity trading manager in the Province of Ontario, as an investment fund manager, portfolio manager, and exempt market

dealer in the provinces of Québec and British Columbia, as an investment fund manager and portfolio manager in the Province of Newfoundland and Labrador, and as an exempt market dealer in the Province of Alberta.

The principal place of business of the Manager is 150 King Street West, Suite 200, Toronto, Ontario, Canada M5H 1J9. The name and municipality of residence of the directors and officers of the Manager actively involved in the management of the Fund, and the office held by them (being their principal occupations), are set out below.

### **Officers, Directors, and Key Investment Personnel of the Manager**

The name and position with the Manager of its directors and officers are set out below:

<u>Name and Municipality of Residence</u>	<u>Position with the Manager</u>	<u>Principal Occupation</u>
Gary Ostoich Toronto, Ontario	Director and President	Executive of the Manager
Brent Channell Oakville, Ontario	Director and Managing Director	Executive of the Manager
John Ackerl Millgrove, Ontario	Director and Chief Investment Officer	Executive of the Manager

### **INVESTMENT OBJECTIVE OF THE FUND**

The investment objective of the Fund is to provide Unitholders with superior returns and to achieve capital growth over the medium and long-term by investing in private equity through exposure to the returns of Partners Group Global Value SICAV, a company organized as a *société anonyme* under the laws of the Grand Duchy of Luxembourg and qualifies as a *société d'investissement à capital variable* (SICAV) (the “**Master Fund**”).

There can be no assurance that the investment objective will be achieved.

### **INVESTMENT STRATEGIES OF THE FUND**

To achieve its objective, the Fund is expected to invest the net subscription proceeds from the sale of Units in Class W-N (CAD) Distributing Shares and Class W-N (USD) Distributing Shares of the Master Fund (the “**Master Fund Shares**”).

The return to holders of each Class of Units will be dependent upon the return of the Master Fund Shares. However, Unitholders will not have any ownership interest in the Master Fund Shares. There is no guarantee or other form of principal protection for any amounts invested by a Unitholder. Due to variations in fees and expenses, the return of the Fund will be different than the return of the Master Fund Shares.

The Fund has exclusive access to the Master Fund in Canada.

#### **Use of Leverage**

The Fund has the authority to borrow money to pay redemptions and for cash management purposes. The indirect exposure of the Fund to the returns of the Master Fund Shares issued by the Master Fund will also have the indirect effect of exposing the Fund to the use of leverage by the Master Fund. The Master Fund may establish credit lines via specialized institutions, banks or affiliates of the Master Fund Manager to borrow up to 25% of the value of its assets provided this borrowing is only for the purpose of satisfying redemption requests or to balance disparities between commitments by the Master Fund and returns on existing investments. The assets of the Master Fund may be used as collateral in connection with any credit facility.

Borrowing for investment purposes is known as “leverage”. Leverage is defined as the absolute market value of all long positions and short positions over net asset value. Leverage is defined as a factor (rather than an independent source of risk) that influences the rapidity with which changes in market risk, credit risk or liquidity risk change the

value of an investment portfolio. Although leverage presents opportunities for increasing total investment return, it also has the effect of potentially increasing losses as well. Any event that adversely affects the value of an investment, either directly or indirectly, by the Fund could be magnified to the extent that leverage is employed. The cumulative effect of the use of leverage, directly or indirectly could result in a loss that would be greater than if leverage were not employed. In addition, to the extent the Fund borrows money, the rates at which it can borrow may affect its operating results.

See “Risk Factors – Leverage” and “Investment Objective and Policies of the Master Fund”.

### **Currency Hedging**

The Units of the Fund are denominated in Canadian dollars and U.S. dollars. The Master Fund Shares of the Master Fund are denominated in, among other currencies, Canadian dollars and U.S. dollars. The Canadian dollar denominated Units of the Fund will obtain exposure to the Canadian dollar denominated class of Master Fund Shares and the U.S. dollar denominated Units of the Fund will obtain exposure to the U.S. dollar denominated class of Master Fund Shares. The Fund does not currently intend to engage in currency hedging transactions.

The underlying investments held in the portfolio of the Master Fund, as applicable, may be denominated in EUR and other foreign currencies and any return on such investments will be in the same currency. A fluctuation in the EUR against other currencies could cause the value of the underlying investments to diminish or increase irrespective of performance.

The Master Fund currently intends, at its discretion, to separately hedge classes or Master Fund Shares which are denominated in any currency other than EUR, being the Master Fund’s base currency. Depending on then prevailing circumstances, the Master Fund may or may not hedge the currency exposure of the classes of Master Fund Shares. However, the Master Fund has no obligation to hedge any such currency exposure at all. The Master Fund currently intends to partially, at its discretion, hedge its foreign exchange exposure at the overall portfolio level, as well. However, it has no obligation to hedge any foreign exchange exposure at all.

In relation to currency hedging undertaken, if any, in the interest of a hedged class of Master Fund Shares, the various classes of Master Fund Shares do not constitute separate portfolios of assets and liabilities, but only a quota in the assets and liabilities of the Master Fund. Accordingly, gains and losses on the hedging transactions are allocated to the hedged class of Master Fund Shares only but vis-à-vis third parties a class of Master Fund Shares may be liable for obligations incurred in connection with currency hedges in favour of another class of Master Fund Shares.

## **INVESTMENT RESTRICTIONS OF THE FUND**

The investment activities of the Fund are subject to the following investment restrictions:

- **Sole Undertaking.** The Fund will not engage in any undertaking other than the investment of the Fund’s assets in accordance with the Fund’s investment objective and, subject to the investment restrictions, such activities as are necessary or ancillary with respect thereto; and
- **“Mutual Fund Trust” Status.** The Fund will not make or hold any investment, undertake any activity or otherwise do (or fail to do) anything that would result in the Fund failing to qualify as a “mutual fund trust” within the meaning of the Tax Act.

## **THE MASTER FUND**

The Master Fund is a company organised as a *société anonyme* under the laws of the Grand Duchy of Luxembourg and qualifies as a *société d’investissement à capital variable* (SICAV). The Master Fund is authorised as an undertaking for collective investment under Part II of the Luxembourg Law of 17 December 2010 relating to undertakings for collective investment (the “**Law of 2010**”). The Master Fund qualifies as an alternative investment fund (“**AIF**”) within the meaning of Article 1 (39) of the Law of 12 July 2013 on alternative investment fund managers (the “**2013 Law**”) implementing Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010 (the “**AIFMD**”). The Master Fund was incorporated in Luxembourg on February 1, 2007. The Master Fund is registered with the *Registre de Commerce et des Sociétés* of

Luxembourg under number B 124.171. Its registered office is 68-70, Boulevard de la Pétrusse, L-2320 Luxembourg, Grand Duchy of Luxembourg.

The Articles were published in the *Mémorial C, Recueil des Sociétés et Associations* (the “*Mémorial*”) on 21 February 2007. The Articles were last amended on 7 August 2012 at an extraordinary general meeting of Shareholders. This amendment is published in the *Mémorial* of 18 September 2012. The Master Fund is incorporated for an undetermined period.

The Master Fund has appointed Partners Group (Luxembourg) S.A. as alternative investment fund manager of the Master Fund in accordance with Article 88-2 of the Law of 2010.

The base currency of the Master Fund is the Euro (“EUR”) and all the financial statements of the Master Fund will be presented in EUR.

The financial year of the Master Fund ends on 31 December in each year. Audited annual financial statements of the Master Fund made up to 31 December in each year will be prepared in EUR and in accordance with the Luxembourg Generally Accepted Accounting Principles (Lux GAAP) and made available to shareholders, together with a report of the Master Fund Manager, within six (6) months of the financial year end. The Master Fund will also prepare half-yearly reports, which will be made available to shareholders within three (3) months of the period end.

### **Directors of the Master Fund**

The board of directors (the “**Directors**”) of the Master Fund are responsible for the management of the Master Fund. See “Management and Administration of the Master Fund - Directors of the Master Fund”.

### **Share Capital and Rights**

Under Luxembourg law and the Articles, the Master Fund is authorized to issue an unlimited number of shares, all of which are without par value. The capital of the Master Fund shall be equal at all times to the net assets of the Master Fund. The minimum capital is EUR 1,250,000. The Directors of the Master Fund have the authority to issue different classes of shares within the Master Fund and the issue of new shares shall be at the discretion of the Directors. Details of the characteristics of such share classes offered by the Master Fund will be determined by the Directors.

All shares of the same class have equal rights and privileges. Each share is, upon issue, entitled to participate equally in assets of the relevant class to which it relates on liquidation and in dividends and other distributions as declared for the Master Fund. The shares will carry no preferential or pre-emptive rights and each whole share will be entitled to one vote at all meetings of shareholders.

#### *Meetings of Shareholders*

The annual general meeting of shareholders of the Master Fund will be held at the registered office of the Master Fund in Luxembourg on the last Thursday in the month of June (or the preceding business day if such day is not a business day) each year at 1 p.m. (Luxembourg time).

Notices of all general meetings, setting forth the agenda and specifying the time and place of the meeting and the conditions of admission thereto and referring to quorum and majority requirements, will be sent by post to registered shareholders, at least eight (8) days prior to the meeting, to their addresses in the register of shareholders.

To the extent required by law, such notices will be published in the *Luxemburger Wort* and in the *Recueil électronique des sociétés et associations (RESA)*.

Proceedings of any extraordinary general meeting called upon to resolve on amendments to the Articles shall not be valid unless at least one half of the capital is represented and the agenda indicates the proposed amendments to the Articles and, where applicable, the text of those which concern the objects or the form of the Master Fund. If the first of these conditions is not satisfied, a second meeting may be convened, in the manner prescribed by the Articles, by means of notices published on two occasions in the *RESA* and in two Luxembourg newspapers, at an

interval of at least fifteen (15) days and fifteen (15) days before the meeting. The convening notice shall reproduce the agenda, indicating the date and results of the previous meeting. The proceedings of the second meeting shall be valid regardless of the proportion of the capital represented. At both meetings, resolutions shall be validly passed if they are passed by two-thirds of the votes cast. Votes cast shall not include votes in relation to shares represented at the meeting but in respect of which the shareholders have not taken part in the vote or have abstained or have returned a blank or invalid vote.

The Articles make provision for meetings of shareholders. every shareholder present in person or by proxy has the same number of votes as the number of shares in the property of the Master Fund represented by the shares of which he is the shareholder. Voting in respect of fractions of shares is not permitted.

### *Liquidation*

In accordance with Luxembourg law, if the capital of the Master Fund falls below two-thirds of its minimum capital, the Directors must submit the question of the dissolution of the Master Fund to a general meeting of shareholders for which no quorum shall be prescribed and at which decisions shall be taken by shareholders holding a simple majority of the shares represented at the meeting. If the capital of the Master Fund falls below one quarter of its minimum capital the Directors must submit the question of the dissolution of the Master Fund to a general meeting for which no quorum shall be prescribed and at which decisions shall be taken by shareholders holding one quarter of the shares represented at the meeting.

Any liquidation of the Master Fund, which may be proposed by the Directors to the shareholders at any time, shall be carried out in accordance with the provisions of the Law of 2010. Such law specifies the steps to be taken to enable shareholders to participate in the distribution of the liquidation proceeds and provides upon finalization of the liquidation that the assets be deposited in escrow with the *Caisse de Consignation* to be held for the benefit of the relevant shareholders. Amounts not claimed from escrow within the relevant prescription period will be liable to be forfeited in accordance with the provisions of Luxembourg law.

### **Master Fund Distribution Policy**

It is currently intended that Distributable Master Fund Net Income will be automatically reinvested in the Master Fund, although holders of Distributing Master Fund Shares may opt out to receive annual distributions in cash. Where the respective class of shares of the Master Fund is not expressly defined as “distributing shares” (the “**Distributing Master Fund Shares**”), such class of shares shall be deemed to be “accumulating shares” and its policy will be typically to reinvest capital gains, dividends, and interest received from assets, therefore no distributions shall be made and any gains will instead be reflected in the net asset value of the respective accumulating class. In connection with any class of Distributing Master Fund Shares, there is no guarantee that a distribution will be made by the Master Fund in any given period.

### *Distribution Reinvestment Plan*

The Master Fund has adopted an “opt out” distribution reinvestment plan (the “**Master Fund DRIP**”). Shareholders of Distributing Master Fund Shares that wish to participate in the Master Fund DRIP will not be required to take any action. Under the Master Fund DRIP, the amount of any proposed income and realized capital gains (less any realized capital losses) attributed to such Distributing Master Fund Shares (“**Distributable Master Fund Net Income**”), which would otherwise be payable to a holder of Distributing Master Fund Shares participating in the Master Fund DRIP, will be automatically used to purchase additional shares of the same class of Distributing Master Fund Shares at the prevailing net asset value per share of such class. With respect to holders who “opt out” of the Master Fund DRIP, to the extent the Directors determine to cause the Master Fund to make distributions, the Master Fund will make a distribution proportional to such holder’s *pro-rata* share of the relevant class of Distributing Master Fund Shares less amounts retained to pay fees, expenses and fund reserves, all as determined in the reasonable discretion of the Directors as of the applicable Master Fund Distribution Date.

If a holder of Distributing Master Fund Shares elects to opt out of the Master Fund DRIP, it will receive any distribution amounts that the Directors determine to cause the Master Fund to make in cash. If the Master Fund authorizes and declares Distributable Master Fund Net Income, then unless the holder has “opted-out” of the Master Fund DRIP, it will have its cash distributions reinvested in additional shares of the same class, rather than receiving

the cash distributions. The Master Fund expects to coordinate Master Fund Distribution Dates so that the reinvestments of Distributable Master Fund Net Income are made at a net asset value per share calculated as of the Master Fund Distribution Date or the valuation point immediately preceding such Master Fund Distribution Date. Distributing shares and accumulating shares will have the same voting rights. Holders of Distributing Master Fund Shares may only elect to “opt in or out” of the Master Fund DRIP once each calendar year. The Directors, may reject, suspend or terminate any holder request to “opt out” from the Master Fund DRIP, if they consider it in the best interest of the Master Fund.

The Master Fund may amend, suspend or terminate the Master Fund DRIP. Holders of Distributing Master Fund Shares may, subject to the approval of the Master Fund Manager, opt out under the Master Fund DRIP by notifying the appointed administrator, registrar and transfer agent of the Master Fund.

#### *Accumulating Classes*

With regards to all accumulating class of shares, all Distributable Master Fund Net Income attributed to such classes will be reinvested and reflected within the net asset value per share of such classes.

#### *Distributing Classes*

With regards to all classes of Distributing Master Fund Shares, the Directors shall determine, on each Master Fund Distribution Date, in their sole discretion whether and to what extent any master fund distributable net income should be distributed to holders of Distributing Master Fund Shares.

**All information provided herein regarding the Master Fund, Master Fund Manager, and each other Master Fund Party is based on information provided by the Master Fund Manager and has not been independently verified by the Fund, the Trustee, the Manager or their affiliates. The descriptions of the Master Fund, the Master Fund Manager, and each other Master Fund Party are qualified by the more detailed descriptions set forth in the Master Fund Prospectus.**

## INVESTMENT OBJECTIVE AND POLICIES OF THE MASTER FUND

### **Investment Objective**

The Master Fund’s investment objective is to obtain superior returns and to achieve capital growth over the medium and long-term by investing in private equity. The allocation of the Master Fund’s assets shall provide a broad diversification and follow the principle of risk spreading.

Private equity is a common term for professionally managed investments in non-public and public companies through privately negotiated transactions in the form of equity, hybrid and debt instruments. Private equity covers a broad range of investment opportunities from start-up capital for companies trying to grow their business (“**Venture Capital**”) to management buyouts or leveraged buyouts of established companies (“**Buyouts**”) and investments in companies that have special financing needs because they are in a transition or restructuring phase (“**Special Situations**”). Private equity may also include mezzanine or other debt transactions, private real estate investments, private infrastructure investments or PIPE (private investments in public equity) transactions.

**There can be no assurance that the investment objective will be achieved and investment results may vary substantially over time.**

### **Investment Policies**

The Master Fund’s assets shall be invested in private equity by investing (i) in Private Equity Funds, (ii) in Listed Private Equity Investments, (iii) in private operating companies as so-called Direct Investments, including mezzanine debt (“**Mezzanine Direct Investments**”) and other debt (together with Mezzanine Direct Investments, the “**Direct Debt Investments**”) (including, without limitation, first and second lien debt, unitranche debt and bonds) to private or public companies (whether by way of origination, acquisition or other means) and in certain instances acquire equity interests, (iv) Master Fund of Private Equity Funds, and (v) Pooling Vehicles (each a “**Fund Investment**”, and collectively “**Fund Investments**”). The allocation of investments between Mezzanine Direct



Investments and other debt investments shall be made by the Master Fund Manager on a deal-by-deal basis. Master Fund Investments may be accessed directly or indirectly through pooled investments vehicles or other special purpose vehicles.

- *Private Equity Funds* are investment vehicles typically focusing on buyout, mezzanine, venture capital and special situations such as distressed or turnaround situations, private real estate, private infrastructure investments, PIPE (private investments in public equity) transactions, securitization vehicles or leveraged debt. Private Equity Funds are often set-up in the form of a limited partnership. A general partner or management firm typically manages the limited partnership according to policies described in a partnership agreement or similar contract.

Private Equity Funds usually have a term of ten to twelve years and invest over the first two to five years using equity, hybrid and/or debt instruments. The general partner selects the investments and often takes a material or even controlling position in the investee company. Accordingly, the general partner often applies significant influence on the investee company. A Private Equity Fund usually realises its investments after a holding period of approximately three to seven years with a view of generating a return for the Private Equity Fund's investors.

The Master Fund may invest in Private Equity Funds which are in the fundraising phase (“**Primary Investment**”), but may also acquire interests in previously established Private Equity Master Funds on the secondary market (“**Secondary Investment**”). Typically, Secondary Investments have already invested part of their assets in private operating companies.

The exposure to Private Equity Funds may be obtained directly or by investing in funds which themselves invest in Private Equity Funds (“**Funds of Private Equity Funds**”).

- *Listed Private Equity Investments* are investments in listed investment vehicles that invest in private equity transactions or funds. Listed Private Equity Investments may also include investments in publicly listed companies in connection with a privately negotiated financing or an attempt to exercise significant influence on the subject of the investment.
- The Master Fund may also invest in private operating companies (“**Direct Investment**”). Direct Investments may also include investments in private real estate investments, private infrastructure investments, PIPE (private investments in public equity) transactions, in mezzanine debt or any other debt in private or public operating companies. Mezzanine debt is a hybrid financial instrument combining the characteristics of debt and equity, is typically privately negotiated, and often employed in buyouts, growth financing and other private equity transactions.

The objective of the Master Fund is to provide participation in all sectors of the private equity asset class by investing, directly or indirectly, in Private Equity Funds, Listed Private Equity Investments, and Direct Investments. There will, however, be situations due to the need to ensure diversification, access or for other reasons, when it is in the interests of Shareholders to invest in Funds of Private Equity Funds or other Pooling Vehicles.

Investment in Funds of Private Equity Funds should enable the Master Fund to gain exposure to specific regions, vintage years, industries or high quality private equity management expertise which may otherwise not be accessible and ensure diversification on an ongoing basis.

The Master Fund Manager, on behalf of the Master Fund, intends to pursue three closely associated investment strategies when making investments in private equity, namely a top-down strategy, a bottom-up strategy (due diligence) and a commitment strategy. The top-down strategy is the selection process used to allocate investment according to financing stage (Venture Capital, Buyout, Special Situations) and geography. The bottom-up strategy is a selection process with the goal to identify those Private Equity Funds, Listed Private Equity Investments, and Direct Investments within the target sector that are expected to provide superior returns relative to their peers.

The commitment strategy (“**Master Fund Commitment Strategy**”) is a procedure to manage the use of monies to be invested and determine appropriate commitment levels. The commitments for an investment vehicle such as a Private Equity Master Fund only become invested when that sum is actually drawn down. The draw-down of the

given commitments may take a period of several years. During this period income accrues to the Master Fund from investments already made, whereby the overall sum to be invested is increased. In practice, without an appropriate commitment strategy a significant investment position would rarely be reached.

It is the aim of the Master Fund Commitment Strategy to keep the available liquidity resources substantially invested where possible.

This aim should be attained by making commitments based on anticipated and actual future cash flows from, *inter alia*, distributions from investments and subscriptions and redemptions of Shares by investors. However, at the same time possible net out-flows through the redemption of Shares by investors or distributions is taken into consideration. The use of the Master Fund Commitment Strategy assumes efficient liquidity management and anticipates future cash flows of the Master Fund. The Master Fund Manager intends to use a range of techniques to minimize the risk associated with the Master Fund Commitment Strategy. These techniques include:

- Limiting commitments with respect to individual vintage years;
- Operating an active liquidity management policy; and
- Producing cash flow forecasts based on a broad range of data. Where necessary the Master Fund may also establish a credit line to balance temporary disparities between commitments and appropriate returns and satisfy redemption requests. To enhance the Master Fund's liquidity, particularly in times of possible net outflows through the redemption of Shares by investors, the Master Fund Manager may sell certain of the Master Fund's assets on the Master Fund's behalf.

The Master Fund currently intends to partially hedge its foreign exchange exposure. Depending on the prevailing circumstances, the Master Fund may or may not hedge its foreign exchange exposure fully or partially. It has no obligation to hedge any foreign exchange exposure at all.

For the purpose of liquidity management, the Master Fund is expected to hold liquid assets. Such assets may be kept in current accounts, or short term money market instruments.

The Directors may at their discretion alter investment policies provided that any material change in investment policy is notified to shareholders and the Master Fund Prospectus is updated accordingly in accordance with applicable Luxembourg regulatory requirements.

### **Environmental and/or social characteristics promoted by the Master Fund**

The Master Fund Manager is committed to investing in a responsible way by actively integrating environmental, social and governance ("ESG") considerations in its investment selection and ongoing monitoring process. By integrating ESG factors into the investment process, the Master Fund Manager aims at:

- (i) enhancing investment returns and protecting value for the Master Fund; and
- (ii) ensuring that the companies and assets in which the Master Fund invests respect, and ideally benefit, investors, society and the environment.

### **No sustainable investment objective**

The Master Fund does not have as its objective sustainable investment but promotes environmental and/or social characteristics.

If and to the extent the Master Fund invests in assets that qualify as sustainable investments, the Master Fund Manager will apply screening procedures which shall enable it to identify and assess any significant harm indicators and will take into account the indicators for adverse sustainability impact.

Where the Master Fund invests directly, in case there should be significant harm which is unlikely to be remediated by way of active value creation through the Master Fund Manager, the Master Fund will abstain from investing in such asset. For the avoidance of doubt, the Master Fund Manager may consider making investments that initially

involve significant harm to sustainability indicators if it anticipates that such significant harm can be materially reduced through the Master Fund Manager's value creation approach.

### **No taxonomy aligned sustainable investment**

The Master Fund promotes environmental characteristics; however, it does not invest in sustainable investments.

The investments underlying the Master Fund do not take into account the EU criteria for environmentally sustainable economic activities.

**A more detailed description of the investment strategies, policies, guidelines, and restrictions of the Master Fund, as well as a summary of certain risks of obtaining exposure to the Master Fund, is included in the Master Fund Prospectus. In particular, prospective investors must review and carefully consider the specific risks associated with the Master Fund's investment strategies, as described in the Master Fund Prospectus. Furthermore, the Master Fund may pursue investment strategies or techniques not described herein, and neither the Trustee nor the Manager will have knowledge of, or the ability to control, the Master Fund's pursuit of such investment strategies.**

### **Investment Strategies**

The Master Fund Manager seeks to generate investment returns in a way that complies with relevant local and international laws, including adherence to international protocols on banned products, and potential for negative impacts on society or the environment.

The Master Fund Manager follows dedicated processes in deciding from a responsible investment perspective whether it is appropriate to invest in a company or other asset. The Master Fund Manager applies specific tools and processes to ensure a thorough integration of ESG factors. Furthermore, the Master Fund Manager monitors the Investments on an ongoing basis to ensure any potential ESG issues are quickly identified.

For Direct Investments in private equity, private infrastructure and private real estate, the Master Fund Manager establishes a comprehensive approach to ESG integration throughout the life cycle of a direct lead deal.

The Master Fund Manager actively includes ESG criteria in its investment process. During the deal sourcing, ESG investment themes will be considered based on identified ESG trends and a negative ESG screening will be run to avoid illegal and harmful products and services. During the due diligence process, a specific ESG analysis and assessment will be completed and presented to the investment committee to identify and mitigate material Sustainability Risks and pre-position ESG projects as part of the value creation approach of Partners Group's business strategy.

When considering an Investment for the Master Fund, the Master Fund Manager follows a bottom-up approach to identify potential investment opportunities and potential investment risks, including Sustainability Risks.

#### *Sourcing*

The Master Fund Manager's responsible investment screening framework provides investment professionals with a basis for assessing the potential Sustainability Risk of a given investment. The framework applies to investment decisions and addresses the products or services an asset provides and the overall integrity of its business practice. There is a positive screening for investments that deliver clear benefits to society or the environment.

There is also a negative screening process. The Master Fund Manager maintains a list of sectors and geographies the Master Fund avoids investing in based on Sustainability Risk grounds.

For instance, the Master Fund avoids investing in companies whose main products or services (e.g. manufacturing of tobacco, weapons) or practices (e.g. pollution, poor labor standards) may cause significant social or environmental harm in line with the Master Fund Manager's ESG & Sustainability Directive. Regarding geographies, the Master Fund avoids investing in geographies that are subject to sanction laws promulgated by, among others, the United

Kingdom, the United States, the European Union, the United Nations, as mentioned in the Master Fund Manager's ESG & Sustainability Directive.

The Master Fund Manager has developed exclusion and assessment criteria for infrastructure assets specifically taking into account climate change considerations. Hence, the Master Fund avoids companies or assets whose main business is the exploration or direct extraction or production of fossil fuels, regardless of their origin or use, except where the investment aims at improving the sustainability profile of such asset by responsible ownership.

#### *Due Diligence*

Standardized tools are used to facilitate the assessment of Sustainability Risk. The Master Fund Manager's internal deal teams complete an ESG assessment during each investment's due diligence process. The Master Fund Manager will consider ESG factors including under legal, operational, technical and other considerations as deemed appropriate. The outcome of these assessments will be included in the investment recommendation that is presented to the investment committee for the final investment decision. In events where the Master Fund Manager considers that ESG considerations are not satisfactorily addressed, it may engage external consultants to complete the detailed ESG due diligence on the target investment. The outcome of the ESG due diligence will help the Master Fund Manager identify Sustainability Risks and opportunities that may translate into initiatives in the value creation plan to be implemented during the ownership period.

#### *Ownership*

The Master Fund Manager will formulate and implement ESG initiatives with respect to each Investment. Post-acquisition, the Master Fund Manager will usually engage with the portfolio companies to implement its value creation approach, including by way of active discussions with senior management, regular reporting and incident monitoring / remediation. For non-leads, the Master Fund Manager relies on the lead to execute an ESG plan as needed.

#### *Exit*

The Master Fund Manager may perform an objective ESG assessment as part of the exit process.

The Master Fund Manager's primary objective for debt investments is risk mitigation. Identifying potential Sustainability Risks as early as possible is critical for potential debt investments. When potentially material Sustainability Risks are identified, the Master Fund Manager will attempt to deepen its understanding of material Sustainability Risks through conversations with borrowers, sponsors and external advisors.

To identify Sustainability Risks and seek to avoid potentially high-risk Secondary Investments, the Master Fund Manager considers whether investments could include illegal or potentially harmful products and services or business practices:

- (i) Harmful products generally include those that are threatening to human health, such as tobacco and firearms;
- (ii) Harmful services often target vulnerable populations or resources, such as gambling or mining;
- (iii) Harmful business practices may be unfair, deceptive, or threatening, such as bribery and corruption, irresponsible deforestation, or forced labor and child labor in supply chains.

The Master Fund Manager will, where possible, evaluate the strength of an underlying manager's approach to ESG integration and engage in potential mitigation measures, if needed.

For Primary Investments, underlying funds in which the Master Fund Manager is considering a potential investment are required to complete a "Primary ESG Assessment" to explain how they take into account ESG factors. The assessment is based on the United Nations Principle for Responsible Investment's ("UN PRI") limited partners' responsible investment due diligence questionnaire to assess the strength of an underlying manager's approach to ESG integration.

The Master Fund Manager works with responsible third-party property managers to monitor, remediate, and report ESG issues at the property level. ESG is a key topic during the selection and appointment process for third party managers. The Master Fund Manager selects the managers based on a score based on past experience, general performance of past investments, and project management skills, which includes ESG projects.

For liquid investments, the Master Fund Manager will refer to the exclusion list published by Norges Bank as well as conduct ESG due diligence and engagement with companies. In addition, standardized tools are used to facilitate the assessment of Sustainability Risk during the investment due diligence process.

There is an updated proxy voting policy put in place and a document formalizing the Master Fund Manager's approach to ESG in listed equities. The Master Fund Manager's listed equity proxy voting policy focuses on the specific ESG corporate governance considerations that arise most frequently in the listed investments: board composition, executive remuneration, audit and internal controls, and environmental and social matters. Given the nature of listed equities, the Master Fund Manager's ESG focus in listed equities is particularly on the screening and monitoring stages.

The Master Fund Manager will report on an annual basis the progress made in further developing its approach to ESG integration and engagement.

The Master Fund Manager has a process for assessing the governance practices of the underlying companies/investments.

### **Sustainability indicators**

The Master Fund Manager will actively monitor sustainability indicators and ESG incidents, where possible and depending on the asset class, and will review ESG progress on an annual basis.

For Direct Investments, as part of its value creation approach, the Master Fund Manager will identify and set ESG projects and action points as part of the Master Fund's investment into an asset. The Master Fund Manager has established a designated process and tools to scale and measure ESG progress across its portfolio.

As regards infrastructure investments, the Master Fund Manager has developed a set of guidelines approaching ESG sensitivities in fossil fuels- related deals at the sourcing and screening stage. As a screening framework, the Master Fund Manager put in place a carbon avoidance list, as well as a climate-sensitivity materiality screening based on sub-industry classification framework.

For real estate Investments, the Master Fund Manager will in particular monitor environmental, energy efficiency, contamination, and water efficiency indicators.

Generally, the Master Fund Manager will attempt to measure the portfolio emissions and to implement climate engagement projects and achieve greenhouse gas reduction.

### **Reference benchmark**

The Master Fund pursues an active investment management strategy and therefore does not invest by reference to any index and does not intend to do so.

### **Use of derivatives**

The Master Fund may use derivative instruments to reduce foreign currency and interest rate risks. The Master Fund will not otherwise use derivative instruments to meet or contribute towards the environmental or social characteristics. Derivative instruments used by the Master Fund will not be screened for ESG compliance.

### **Statutory Caution**

**The foregoing disclosure of the Master Fund Manager's investment strategies, techniques and intentions may constitute "forward-looking information" for the purpose of applicable securities legislation, as it contains**

**statements of the Master Fund Manager intended course of conduct and future operations of the Master Fund. These statements are based on assumptions made by the Master Fund Manager of the success of its investment strategies and techniques in certain market conditions, relying on the experience of the Investment Manager’s officers and employees and their knowledge of historical economic and market trends. Investors are cautioned that the assumptions made by the Master Fund Manager and the success of its investment strategies and techniques are subject to a number of mitigating factors. Investors are urged to read “Risk Factors” below for a discussion of other factors that will impact the operations and success of the Master Fund and consequently the Fund.**

## **MANAGEMENT AND ADMINISTRATION OF THE MASTER FUND**

### **Directors of the Master Fund**

The Directors are responsible for the overall management and administration of the Master Fund and for its overall investment policy. They have appointed the Master Fund Manager to perform the day-to-day portfolio and risk management of the Master Fund.

The Directors of the Master Fund are:

- Helene Müller Schwiering
- Roland Roffler
- Daniel Van Hove
- Eicke Schin

### **The Master Fund Manager**

Partners Group (Luxembourg) S.A. has been appointed as the alternative investment fund manager (AIFM) of the Master Fund within the meaning of the 2013 Law and the AIFMD. The Master Fund Manager is authorized and regulated by the Commission de Surveillance du Secteur Financier (the “CSSF”) in Luxembourg and is responsible for the portfolio and risk management of the Master Fund.

The Master Fund Manager is a wholly owned subsidiary of Partners Group Holding AG. Partners Group Holding AG (“**Partners Group**”) is a global private market asset management firm specializing in private equity, private debt, private infrastructure and private real estate assets. The firm manages a broad range of funds, structured products and customized portfolios for an international clientele of institutional investors, private banks and distribution partners. Partners Group is headquartered in Zug, Switzerland and has offices in Europe, the United States of America and Asia. Partners Group is listed on the SIX Swiss Exchange and is majority owned by its partners and its employees.

The Master Fund Manager will ensure the fair treatment of the Master Fund’s shareholders principally by ensuring adherence to Partners Group’s relevant group-wide policies. For instance, by ensuring that the Master Fund obtains access to a fair share of the investments sourced by Partners Group’s network, that conflicts of interest are identified and appropriately managed, and that risks are properly identified, monitored and managed. In addition, the Master Fund Manager will ensure that the investment strategy, risk profile and activities of the Master Fund are consistent with its objectives.

The Master Fund Manager has delegated the performance of certain tasks in accordance with applicable laws and regulations and as per the requirements of Article 18(1)(a) of the 2013 Law, to other Partners Group entities. Specifically, legal and tax services, accounting services, regulatory compliance monitoring, record keeping, investor and regulatory reporting and activities related to the assets of the AIFs, will be provided by Partners Group AG, a Swiss Master Fund authorized by the Swiss Financial Market Supervisory Authority (FINMA) as an asset manager of collective investment schemes.

The Master Fund Manager has further delegated the portfolio management function of the Master Fund to Partners Group AG (the “**Portfolio Manager**”) in accordance with the applicable requirements under the 2013 Law. The Portfolio Manager is notably responsible for taking investment decisions in relation to the acquisition, management,

realization and re-investment of the assets of the Master Fund, as the Portfolio Manager deems appropriate, always in accordance with the investment strategy and restrictions of the Master Fund.

The Master Fund Manager is in charge of the risk management function of the Master Fund in accordance with the applicable requirements under the 2013 Law.

The Master Fund Manager's delegates are members of the same corporate group as the Master Fund Manager, which means that certain conflicts of interest may arise. Partners Group seeks to manage actual or potential conflicts of interest appropriately and fairly. Primarily, Partners Group mitigates conflicts arising from such arrangements by separating the management and reporting lines of the staff and entities involved. For instance, the directors of the Master Fund Manager and the delegate are different, and those directors are aware of the fiduciary duties owed to their individual companies and of their regulatory obligations. This ensures that each entity is managed separately, in accordance with its obligation and in the interests of investors. Further, where applicable, the Master Fund Manager's delegates have an obligation to perform their roles in accordance with local law. This ensures that, regardless of their relationship with the Master Fund Manager, those delegates must meet certain standards in the performance of their roles. Partners Group believes this mitigates the potential conflicts of interest.

The Master Fund Manager covers its professional liability risks arising from professional negligence by holding sufficient professional indemnity insurance and maintaining an appropriate amount of own funds.

The Master Fund Manager employs a risk management system consisting of mainly two elements: (i) an organizational element in which the permanent risk management function plays a central role, and (ii) a procedural element documented in the applicable risk management policy, which sets out measures and procedures employed to measure and manage risks, the safeguards for independent performance of the risk management function, the techniques used to manage risks and the details of the allocation of responsibilities within the Master Fund Manager for risk management and operating procedures.

The central task of the risk management function of the Master Fund Manager is the implementation of effective risk management procedures in order to identify, measure, manage, and monitor on an ongoing basis all risks to which the Master Fund is or may be exposed.

In addition, the risk management function of the Master Fund Manager shall ensure that the risk profile of the Master Fund as disclosed in the Master Fund Prospectus is consistent with the risk limits as defined by the Master Fund Manager in compliance with the risk profile as approved by the Board.

The risk management function conducts on a regular basis (i) stress tests and scenario analyses to address risks arising from potential changes in market conditions that might adversely impact the Master Fund, and (ii) back-tests in order to review the validity of risk measurement arrangements.

The business unit of the Master Fund Manager responsible for the risk management function is functionally and hierarchically separated from the business units performing operating services, including the business unit responsible for the portfolio management.

The Master Fund Manager employs an appropriate liquidity management system and has adopted procedures which enable it to monitor the liquidity risk of the Master Fund and to ensure that the liquidity profile of the investments of the Master Fund complies with its underlying obligations. The liquidity management system ensures that the Master Fund maintains a level of liquidity appropriate to its underlying obligations based on an assessment of the relative liquidity of the Master Fund's assets in the market, taking account of the time required for liquidation and the price or value at which those assets can be liquidated and their sensitivity to other market risks or factors.

The Master Fund Manager monitors the liquidity profile of the portfolio of assets having regard to the profile of the investor base of the Master Fund, the relative size of investments and the redemption terms to which these investments are subject. The Master Fund Manager implements and maintains appropriate liquidity measurement arrangements and procedures to assess the quantitative and qualitative risks of positions and intended investments which have or may have a material impact on the liquidity profile of the portfolio of the Master Fund's assets to enable their effects on the overall liquidity profile to be appropriately measured and considered. The Master Fund

Manager also puts into effect the tools and arrangements necessary to manage the liquidity of the Master Fund. The Master Fund Manager will ensure the coherence of the investment strategy and the liquidity profile.

The Master Fund Manager proceeds, on a regular basis, with stress tests simulating normal and exceptional circumstances in order to evaluate and measure the liquidity risk of the Master Fund.

### **Depositary, Paying Agent, Registrar and Transfer Agent, Administrator and Domiciliary Agent**

The Master Fund has appointed European Depositary Bank SA as the depositary of the Master Fund (the “**Depositary**”) within the meaning of the 2013 Law.

The principal duties of the Depositary are as follows:

- (a) safe-keeping of the assets of the Master Fund that can be held in custody (including book entry securities) and record-keeping of assets that cannot be held in custody in which case the Depositary must verify their ownership;
- (b) ensure that the Master Fund’s cash flows are properly monitored, and in particular ensure that all payments made by or on behalf of investors upon the subscription of shares in the Master Fund have been received and that all cash of the Master Fund has been booked in cash accounts that the Depositary can monitor and reconcile;
- (c) ensure that the issue, redemption and cancellation of the Master Fund Shares are carried out in accordance with applicable laws and the Articles;
- (d) ensure that the value of the Master Fund Shares is calculated in accordance with applicable laws, the Articles and the valuation procedures;
- (e) carry out the instructions of the Master Fund Manager, unless they conflict with applicable laws or the Articles;
- (f) ensure that in transactions involving the Master Fund’s assets any consideration is remitted to the Master Fund within the usual time limits; and
- (g) ensure that the Master Fund’s income is applied in accordance with applicable laws and the Articles.

In relation to the Depositary’s custody duties referred to under a) above, in respect of financial instruments which can be held in custody, the Depositary is liable to the Master Fund or the shareholders for any loss of such financial instruments held by the Depositary or any delegate, in accordance with the provisions of the 2013 Law.

The Depositary has not entered into arrangements to contractually discharge itself of liability in accordance with Article 19 (13) or 19 (14) of the 2013 Law. The Master Fund Manager will inform investors of any changes with respect to depositary liability without delay. In particular, the Master Fund Manager will notify the investors of any contractual liability discharge arrangement that the Depositary has entered into with any sub-custodian pursuant to the provisions of Article 19 (11) and Article 19(13) of the 2013 Law.

In relation to all the other depositary duties including those referred to under a) to g) above, the Depositary is liable to the Master Fund or the shareholders for all other losses suffered by it or them as a result of the Depositary’s negligent or intentional failure to properly fulfil such obligations.

The Master Fund has also appointed European Depositary Bank SA as Paying Agent, Registrar and Transfer Agent of the Master Fund. As Registrar and Transfer Agent, European Depositary Bank SA is mainly responsible for the issue, redemption and cancellation of Master Fund Shares.



European Depository Bank SA was incorporated in Luxembourg as a *société anonyme* and has its registered office at 3, Rue Gabriel Lippmann, L-5365 Munsbach Luxembourg. It is licensed to engage in all banking operations under Luxembourg law. Its subscribed share capital as at 31 December 2016 amounted to EUR 32,700,000.

The Master Fund has appointed Apex Master Fund Services S.A as its Master Fund Administrator (the “**Master Fund Administrator**”). In this capacity, Apex Fund Services S.A. is responsible for the computation of the net asset value of the Master Fund Shares, the maintenance of records and other general administrative functions.

Apex Fund Services S.A. was incorporated in Luxembourg as a *société anonyme* and has its registered office at 3, rue Gabriel Lippmann L- 5365 Munsbach. It is licensed as a fund management company under Luxembourg Law. Its subscribed share capital as at 1 March 2021 amounted to EUR 16,817,247.

The Master Fund has appointed Apex Corporate Services S.A. as its Domiciliary Agent. It is licensed as a Corporate Domiciliation Agent under Luxembourg Law and has its registered office at 68-70, Boulevard de la Pétrusse, L-2320 Luxembourg.

Each of the Depositary and Paying Agent Agreement, the Administration Agreement and the Registrar and Transfer Agent Agreement provide that, in the absence of fraud, wilful misconduct or negligence under the relevant agreement, the Master Fund shall indemnify and hold harmless the Depositary, Paying Agent, Master Fund Administrator, Domiciliary Agent and Registrar and Transfer Agent against third party claims in connection with the relevant agreement.

The Depositary will have no decision-making discretion relating to the Master Fund’s investments. The Depositary is a service provider to the Master Fund and is not responsible for the preparation of this document and therefore accepts no responsibility for the accuracy of any information contained in this document.

#### *The Investment Fund Management Agreement*

The Master Fund has entered into an alternative investment fund management agreement (the “**Master Fund Management Agreement**”) with the Master Fund Manager dated as of March 1, 2019. Pursuant to the Master Fund Management Agreement, the Master Fund Manager has been delegated portfolio management services for the Master Fund, including managing the Master Fund’s assets to implement and achieve the Master Fund’s investment objective, policy and strategy. The Master Fund Manager has also been delegated risk management services for the Master Fund.

The Master Fund Manager is required to perform its duties and obligations to the Master Fund in accordance with the standard of skill, care and diligence that would reasonably be expected from an alternative investment fund manager performing the same or substantially similar duties and obligations as those performed by the Master Fund Manager. The Master Fund Manager has not guaranteed any investment success and cannot be held liable for any error of judgment or if, at any stage, any investment does not have the same value as at the time of purchase. The Master Fund Manager is not liable for any loss or damage by reason of exercise or non-exercise of its powers, discretions or obligations granted to it by the Master Fund unless the loss or damage results from the recklessness, willful default, fraud, bad faith or gross negligence by the Master Fund Manager or its officers, agents or employees.

Pursuant to the Master Fund Management Agreement, the Master Fund has agreed to indemnify, hold harmless and release the Master Fund Manager, its affiliates and its officers, directors, managers, employees, agents or representatives from and against all claims, demands, liabilities, costs, expenses, damages, losses, suits, proceedings and actions suffered or sustained by reason of being or having been in such position or that arises from any action or failure to act relating to the Master Fund, except for in cases of fraud, gross negligence, willful misconduct or material breach of the Master Fund Management Agreement.

The Master Fund Manager is entitled to receive an investment management fee as set out in the Master Fund Prospectus. The Master Fund will also reimburse the Master Fund Manager for expenses as set out in the articles of association of the Master Fund and the Master Fund Prospectus. The Master Fund Manager will bear expenses for registration with any regulatory authority and for routine overhead expenses including rent, utilities, secretarial expenses and compensation and benefits of its employees. All amounts payable by the Master Fund to the Master Fund Manager will be paid together with applicable value-added tax.

The Investment Fund Management Agreement will terminate immediately upon liquidation of either the Master Fund or the Master Fund Manager and may be terminated by either party on three (3) months' prior notice to the other party or shorter notice if agreed by the parties. The Investment Fund Management Agreement can be terminated immediately by either party if the other party fails to perform, or is enjoined from performing, its obligations in any material respect and such breach is not cured within thirty (30) days' notice to the other party. The Investment Fund Management Agreement can also be terminated immediately by either party if the other party is declared insolvent, convenes a meeting of or proposes to enter an arrangement with its creditors, passes a resolution or is ordered by a court to liquidate or has a receiver appointed over its assets, and such event is not remedied within thirty (30) days.

## DETAILS OF THE OFFERING

The Fund is offering on a continuous basis an unlimited number of units, issuable in Series, pursuant to available exemptions from the prospectus requirements (the "**Prospectus Exemptions**") under National Instrument 45-106 *Prospectus Exemptions* ("**NI 45-106**") and, in Ontario, the Ontario Act (the "**Offering**"). The classes of Units being offered are Class W Units and Class USW Units of the Fund (the "**Units**").

Subscribers must be resident in any province or territory of Canada (the "**Offering Jurisdictions**") and qualify as "accredited investors" (as such term is defined in NI 45-106 and, in Ontario, in Section 73.3 of the *Securities Act* (Ontario)). The minimum initial investment amount for Class W Units is \$10,000. The minimum initial investment amount for Class USW Units is US\$10,000. The Manager may in its discretion accept subscriptions for lesser amounts subject to compliance with applicable securities legislation.

The Manager reserves the right to accept or reject subscriptions for Units, to change the minimum amounts for investment in the Fund, and/or to discontinue the Offering at any time and from time to time.

A Unitholder may make an additional investment in Units of not less than \$5,000 or US\$5,000, as applicable, provided that at such time the Unitholder is an "accredited investor" (as such term is defined in NI 45-106 and, in Ontario, in Section 73.3 of the *Securities Act* (Ontario)).

There are two Classes of Units currently offered by the Fund pursuant to this Offering Memorandum: Class W Units and Class USW Units. Each Class has the same investment objective, strategies, and restrictions but may differ in respect of one or more features, such as management fees, sales commissions, distribution reinvestment, and minimum investment, as set out herein.

Class W Units and Class USW Units of the Fund are available to all investors, including investors enrolled in fee-based programs.

## FEES AND EXPENSES RELATING TO THE FUND

### Establishment and Operating Expenses of the Fund

The Fund will be responsible for the costs of establishing the Fund and the offering of Units, including, but without limitation, the fees and expenses of legal counsel and the Fund's auditors, except to the extent that the Manager agrees to pay any such expenses from time to time. The Fund intends to amortize these costs over the five year period following the date of the initial closing of the offering of Units. The Fund is responsible for the payment of all fees and expenses relating to its operation, including, but not limited to, fees payable to a third party administrator, accounting, audit and legal costs, insurance premiums, fees associated with the Fund's bank accounts, custodial, prime broker, and safekeeping fees, registrar and transfer agency fees and expenses, bookkeeping and recordkeeping costs, all Unitholder communication expenses and servicing costs, distribution expenses, promotional expenses, the cost of maintaining the Fund's existence, regulatory fees and expenses, the cost of consulting, organizational costs, distribution costs, regulatory filing fees, all reasonable extraordinary or non-recurring expenses that are directly related to the maintenance and management of the Fund, and all taxes, assessments, or other regulatory and governmental charges levied against the Fund. The Fund is also responsible for fees and expenses relating to the Fund's portfolio investments, if any, including the cost of securities, interest on borrowings and commitment fees and related expenses payable to lenders and counterparties, brokerage fees, commissions and expenses, and banking fees. The Fund is generally required to pay applicable sales taxes on the Management Fee,

the Agent Fee, and on most administration expenses that it pays. Each Class of Units is responsible for the expenses specifically related to that Class and a proportionate share of expenses that are common to all Classes.

The fees and expenses relating to the Mater Fund's operations, including, but not limited to, director and administration fees, regulatory, accounting, record keeping, legal fees, and expenses are attributable to the Master Fund Shares.

### **Management Fees**

The Fund shall pay the Manager a management fee (the "**Management Fee**") based upon the Class Net Asset Value of each Class of Units. The Manager will receive an annual fee equal to 0.425% of the aggregate Class Net Asset Value of the Class W Units and Class USW Units of the Fund. The Management Fee is calculated and paid monthly in arrears and as at any other day as the Manager may determine.

### **Agent Fee**

The Fund has appointed the Agent in connection with the distribution of Units of the Fund in the Offering Jurisdictions. In consideration for providing its services, the Manager will pay to the Agent an annual fee (the "**Agent Fee**") based on Class Net Asset Value of the Class W Units and Class USW Units of the Fund. The Agent Fee is calculated and paid monthly in arrears and as at any other day as the Manager may determine.

### **Fees and Expenses of the Master Fund**

#### *Management Fee*

The Master Fund Manager is entitled to receive an annual management fee paid by the Master Fund equal to 1.50% of the greater of: (i) the net asset value of the Master Fund, and (ii) the net asset value of the Master Fund less cash and cash equivalents plus the total of all commitments made by the Master Fund but not yet drawn for investment, in each case attributable the classes of Master Fund Shares purchased by the Fund, calculated and payable quarterly in arrears.

The Master Fund Manager and/or its affiliates may be entitled to receive cash topping, break-up, monitoring, directors', organizational, set-up, advisory, investment banking, syndication and other similar fees in connection with the purchase, monitoring or disposition of Master Fund Investments or from unconsummated transactions (the "**Transaction Fees**"). 100% of the Transaction Fees will be offset against the management fee payable to the Master Fund Manager, except with respect to Class W-N (USD) Distributing Shares and Class W-N (CAD) Distributing Shares, for which such offset will not apply.

#### *Performance Fee*

The Master Fund Manager is entitled to a performance fee (the "**Performance Fee**"), calculated and paid in respect of each Direct Investment and in respect of each Secondary Investment (i.e. on a deal-by-deal basis).

The Performance Fee in respect of Direct Investments and Secondary Investments shall be determined in the currency of the respective transaction as provided in clauses (i) to (iii) below, save that the Performance Fee in respect of Secondary Investments shall be determined using a rate of 10%, and the Performance Fee in respect of Direct Debt Investments, which are not Mezzanine Direct Investments, shall be determined using a rate of 10% and the Preferred Return rate shall be 4% per annum, compounded annually.

The Performance Fee in respect of each Direct Investment shall be calculated as follows:

- (i) First, 100% of all distributions (being all amounts whether of an income or capital nature) derived from the relevant Direct Investment ("**Relevant Distributions**") shall be retained by the Master Fund until it has received Relevant Distributions equal to:
  - (a) the acquisition cost in respect of the relevant Direct Investment; plus
  - (b) an amount (the "**Preferred Return**") calculated at the rate of 8% per annum compounded annually on the amount outstanding in respect of the relevant Direct Investment from time to time

(i.e. zero or acquisition cost less Relevant Distributions, whichever is greater), taking into account the timing of the relevant cash flows;

- (ii) Second, a Performance Fee equal to 100% of further Relevant Distributions received by the Fund shall be due and payable to the Master Fund Manager until such time as the Master Fund Manager has received 15% of the sum of the Preferred Return under paragraph (i)(b) and the Performance Fee due and payable to the Master Fund Manager under this paragraph (ii); and
- (iii) Third, an additional Performance Fee equal to 15% of further Relevant Distributions shall be due and payable to the Master Fund Manager.

No Performance Fee will be payable in respect of any investments of the Master Fund other than for Direct Investments and Secondary Investments.

#### *Cooperation Fee*

Westcourt Capital Corporation is registered as an exempt market dealer and is facilitating the ability of the Fund to purchase units of the Master Fund Shares and in connection therewith will be receiving a minimum annual fee of 0.25% of the aggregate net asset value of the such units. The fee is calculated and paid quarterly in arrears.

#### *Other Fees and Expenses*

The Fund, as an investor in the Master Fund, indirectly bears its *pro rata* share of each such underlying fund's other fees and expenses including, but not limited to, organizational expenses, operational expenses, expenses related to its investment program, including expenses borne indirectly through the Master Fund's investments in underlying assets, legal fees, audit and accounting fees, administrator fees, directors fees, and other fees, including extraordinary fees such as indemnification expenses. Such fees and expenses may be significant.

**A further description of the Master Fund's fees and expenses is contained in the Master Fund Prospectus and should be carefully reviewed by investors. A copy of the Master Fund Prospectus is available upon request from the Manager or the Agent, as applicable.**

### **DETERMINATION OF NET ASSET VALUE**

SGGG Fund Services Inc. (the "**Administrator**") has been appointed by the Manager to calculate the net asset value ("**Net Asset Value**") of the Fund. The Net Asset Value of the Fund, the Net Asset Value for each Class, and/or the Net Asset Value for each Series of a Class of Units (the "**Series Net Asset Value**") and the applicable Net Asset Value per Unit of each Class and/or Series, as applicable, will be determined by the Administrator in accordance with the Fund's valuation policy on each Valuation Date.

The Net Asset Value of the Fund and each Class and/or Series, as applicable, is determined by the Administrator in accordance with the Declaration of Trust and the Fund's valuation policy, which is summarized in this Offering Memorandum.

The Net Asset Value of the Fund and each Class and/or Series, as applicable, as at the relevant Valuation Date, will be calculated by the Administrator on or about the 25<sup>th</sup> day following the relevant Valuation Date. For these purposes, "**Valuation Time**" means 4:00 p.m. (ET) or such other time as the Administrator, in its discretion, deems appropriate to determine the Net Asset Value per Unit and the Net Asset Value of the Fund and each Class and/or Series, as applicable, and "**Valuation Date**" shall mean the last Business Day of each month, and in any event, on December 31<sup>st</sup> of each year or any such other day as determined from time to time by the Manager.

The Net Asset Value as of any date shall equal the fair market value of the assets of the Fund as of such date, less an amount equal to the total Fund liabilities as of such date.

The Manager may provide or make available estimates of the Net Asset Value of the Fund, a Class and/or a Series, as applicable, from time to time. Such estimates, if provided or made available, are for informational purposes only

and should not be relied upon or used for any other purpose as they may differ materially from the actual Net Asset Value calculated by the Administrator in accordance with the procedures described herein.

Since the Fund invests substantially all of its assets, indirectly through investment in the Master Fund (other than amounts determined necessary by the Manager to pay Fund expenses), net capital appreciation and net capital depreciation of the Fund is almost entirely based upon net capital appreciation and net capital depreciation, respectively, of the Master Fund Shares (as adjusted for any expenses, assets or liabilities incurred by the Fund).

The Fund's investment in the Master Fund will generally be valued at the value provided by the Master Fund. The Fund is authorized to make determinations of the Fund's Net Asset Value on the basis of estimated numbers provided by the Master Fund and it is expected that the Fund will accept such valuations. The Master Fund may use valuation principles and accounting standards that are different from the principles and standards used by the Fund. Neither the Trustee nor the Manager is expected to review any such valuations in detail. However, if the Manager, in consultation with the Administrator, determines that the valuation of the Master Fund does not fairly represent fair value, the Manager, in consultation with the Administrator, shall value the Fund's interests in the Master Fund as they reasonably determine and will set forth the basis of such valuation in writing in the Fund's records. Such re-valuations are only expected to occur in extraordinary circumstances. **The valuation policies of the Master Fund are set out in the Master Fund Prospectus and should be reviewed carefully by investors. A copy of the Master Fund Prospectus is available upon request from the Manager or the Agent, as applicable.**

### **Valuation Principles**

The value of the assets and the amount of the liabilities of the Fund (the net result of which is the Net Asset Value of the Fund) will be calculated in such manner as the Administrator, in consultation with the Manager, shall determine from time to time, subject to the following:

- (a) the value of any cash on hand or on deposit, bills, demand notes, accounts receivable, prepaid expenses, dividends receivable (if such dividends are declared and the date of record is before the date as of which the net asset value is being determined) and interest accrued and not yet received, shall be deemed to be the full amount thereof, unless the Manager determines that any such deposit, bill, demand note, account receivable, prepaid expense, dividend receivable or interest accrued and not yet received 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;
- (b) short-term investments including notes and money market instruments shall be valued at cost plus accrued interest (for this purpose, interest accrued will include amortization over the remaining term to maturity of any discount or premium from the face value of such an investment at the time of its acquisition);
- (c) the value of any security which is listed or dealt in upon a public securities exchange will be valued at the last available trade price on the Valuation Date or, if the Valuation Date is not a Business Day, on the last Business Day preceding the Valuation Date. If no sales are reported on such day, such security will be valued at the average of the current bid and asked prices. If the closing price is outside of the closing bid-ask range, then the closest bid or ask to the last trade will be used. Securities that are listed or traded on more than one public securities exchange or that are actively traded on over-the-counter markets while being listed or traded on such securities exchanges or over-the-counter markets will be valued on the basis of the market quotation which, in the opinion of the Manager, most closely reflects their fair value;
- (d) any securities which are not listed or traded upon any public securities exchange will be valued at the simple average of the latest available offer price and the latest available bid price (unless in the opinion of the Manager such value does not reflect the value thereof and in which case, the latest offer price or bid price as best reflects the value thereof should be used), as at the Valuation Date;
- (e) all Fund property valued in a foreign currency and all liabilities and obligations of the Fund payable by the Fund in foreign currency shall be converted into Canadian funds by applying the

rate of exchange obtained from the best available sources to the Manager or to the third party engaged by the Manager to calculate Net Asset Value;

- (f) the value of a forward contract shall be the gain or loss, if any, that would arise as a result of closing the position in the forward contract on the date of valuation unless daily limits are in effect, in which case fair market value may be based on the current value of the underlying interest;
- (g) the value of any security or other asset for which no published market exists, including securities of private issuers (other than the Master Fund), will be determined by the Manager in accordance with the following:
  - (i) such securities or other assets will normally be carried at cost unless:
    - (A) there is an arm's length transaction which in the Manager's reasonable opinion establishes a different value, or
    - (B) a material change in the value of an issuer occurs, including as a result of a write-down of its assets on its audited balance sheet or the preparation of a valuation of the issuer or of a substantial portion of its assets by a qualified independent person, in which event the value will be increased or decreased, as appropriate, to the resulting fair value; and
  - (ii) if there is an arm's length bona fide enforceable offer to purchase all or a substantial portion of an issuer's outstanding securities or its assets, the Fund's securities may be valued based upon the proposed transaction price;
- (h) each transaction of purchase or sale of portfolio securities effected by the Fund will be reflected in the computation of the Net Asset Value of the Fund on the trade date;
- (i) the value of any security or property to which, in the opinion of the Manager, the above principles cannot be applied (whether because no price or yield equivalent quotations are available or for any other reason), shall be the fair value thereof determined in such manner as the Manager may from time to time determine based on standard industry practice;
- (j) short positions will be marked-to-market, i.e., carried as a liability equal to the cost of repurchasing the securities sold short applying the same valuation techniques described above; and
- (k) all other liabilities shall include only those expenses paid or payable by the Fund, including accrued contingent liabilities; however expenses and fees allocable only to a Class or Series of Units shall not be deducted from the Net Asset Value of the Fund prior to determining the Net Asset Value of each Class and Series, and shall thereafter be deducted from the Net Asset Value so determined for each such Class or Series.

The Manager may determine such other rules as it deems necessary from time to time, which rules may deviate from Canadian generally accepted accounting principles ("GAAP") and from International Financial Reporting Standards ("IFRS").

Net Asset Value calculated in this manner will be used for the purpose of calculating the Manager's (and other service providers') fees and will be published net of all paid and payable fees and distributions. Such Net Asset Value will be used to determine the subscription price and redemption value of Units. To the extent that such calculations are not in accordance with GAAP or IFRS, the financial statements of the Fund will include a reconciliation note explaining any difference between such published Net Asset Value and Net Asset Value for financial statement reporting purposes (which must be calculated in accordance with GAAP).

### Series Net Asset Value per Unit

The “**Series Net Asset Value**” of a Series of Units, as of any date, shall equal the fair market value of the assets of the applicable Class as of such date, less an amount equal to the total Class liabilities as of such date, in each case attributable to that Series of Units. The “**Series Net Asset Value per Unit**” shall be computed by the Administrator as at each Valuation Date by dividing the applicable Series Net Asset Value by the total number of Units of such Series then outstanding on such Valuation Date, prior to any issuance or redemption of Units of such Series to be processed by the Manager immediately following such calculation.

### Net Asset Value of the Master Fund Shares

The net asset value per of the Master Fund Shares shall be determined by the Master Fund Administrator, in accordance with the Articles, as of close of business on the last business day of each calendar month (the “**Master Fund Valuation Day**”) by dividing the value of the assets of the Master Fund, including accrued income, less the amount of the liabilities of the Master Fund by the total number of Master Fund Shares then outstanding. The net asset value per share shall be calculated to two decimal places. The net asset value per share will be calculated and available other than in extraordinary circumstances typically on the 15<sup>th</sup> business day of the calendar month following the applicable Master Fund Valuation Day.

The Master Fund Manager is responsible for and will ensure that the valuation of the underlying Private Equity Funds, Funds of Private Equity Funds, Listed Private Equity Investments, Direct Investments and Pooling Vehicles of the Master Fund is performed appropriately and according to fair market values. In any event, the valuation task will be functionally independent from the portfolio management at the level of the Master Fund Manager.

The assets and liabilities of the Master Fund will be determined on the basis of the contribution to and withdrawals from the Master Fund as a result of

- (i) the issue and redemption of shares;
- (ii) the allocation of assets, liabilities and income expenditure attributable to the Master Fund as a result of the operations carried out by the Master Fund; and
- (iii) the payment of any expenses or distributions to holders of Master Fund Shares.

In addition, the following rules shall apply:

- (1) *Cash/liquidity*: the value of any cash on hand or on deposit, bills and demand notices and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received shall be deemed to be the full amount thereof unless in any case the same is unlikely to be paid or received in full, in which case the value thereof shall be determined after making such discount as the Directors may consider appropriate in such case to reflect the true value thereof.
- (2) *Listed investments*: each security which is quoted or dealt in on a stock exchange will be valued at its latest available dealing price or the latest available mid- market quotation (being the midpoint between the latest quoted bid and offer prices) on the stock exchange which is normally the principal market for such security.
- (3) *Private Equity Funds*: investments in Private Equity Funds (or any Funds of Private Equity Funds) will be initially valued at fair value and thereafter by reference to the most recent net asset value as reported by the general partner or manager of the relevant investment as adjusted for subsequent net capital activity or in accordance with such accounting principles as may be adopted by the Master Fund from time to time.
- (4) *Direct Investments other than Mezzanine Direct Investments*: As these investments are illiquid and may be difficult to value, the Master Fund Manager will make its own estimation of the value of any Direct Investment held by the Master Fund and will typically not obtain independent valuation

of such Direct Investments. The Master Fund Manager shall determine prudently and in good faith the estimated realisation value of such asset. Mezzanine Direct Investments will initially be valued at cost (face value of loan plus accrued interest, if any) and thereafter typically adjusted for any change, if any, in (i) accrued pay-in-kind interest and/or cash interest, (ii) value of warrants, and/or (iii) the value of the face value of the loans.

- (5) *Other:* in the event that the Master Fund Manager determine that the above valuation guidelines are not appropriate in relation to a particular asset of the Master Fund, then the Master Fund Manager shall determine prudently and in good faith the fair value of such asset. The Master Fund Administrator is authorised to conclusively rely on such net asset valuations reported by the general partner or manager of the relevant investment, or the Master Fund Manager, as the case may be.

All assets and liabilities not expressed in EUR are translated therein by reference to the market rates prevailing in the foreign exchange market at or about the time of the valuation.

In calculating the net asset value and net asset value per share of each class of Master Fund Shares (the “**Net Asset Value per Master Fund Share**”), the Master Fund Administrator may rely upon such automatic pricing services as it shall determine or, if so instructed by the Master Fund Manager, it may use information provided by such carefully selected particular pricing services, brokers, market makers or other intermediaries, believed to be reliable. In all circumstances, the Master Fund Administrator shall not, in the absence of fraud, negligence or wilful default on the part of the Master Fund Administrator, be liable for any loss suffered by the Master Fund or any shareholder by reason of any error in the calculation of the net asset value and Net Asset Value per Master Fund Share resulting from any inaccuracy in the information provided by any such pricing service, broker, market maker or other intermediary. Furthermore, in calculating the net asset value and Net Asset Value per Master Fund Share, the Master Fund Administrator shall rely solely on pricing information supplied by the Master Fund, the Fund Investments, the Master Fund Manager or any connected person approved by the Board. Investors should note that in certain circumstances including, without limitation, Private Equity Funds and Direct Investments it may not be possible or practicable for the Master Fund Administrator to verify such information. In such circumstances, the Master Fund Administrator shall not be liable for any loss suffered by the Master Fund or any shareholder by reason of any error in the calculation of the net asset value and Net Asset Value per Master Fund Share resulting from any inaccuracy in the information provided by any such person.

#### **Suspension of the Calculation of the Master Fund Net Asset Value**

The Master Fund may temporarily suspend the calculation of the Net Asset Value per Master Fund Share in exceptional cases where circumstances so require and provided the suspension is justified having regard to the interests of shareholders, for example in any of the following events:

- (i) when one or more recognised markets which provides the basis for valuing a substantial portion of the assets of the Master Fund are closed other than for or during holidays or if dealings therein are restricted or suspended;
- (ii) when, as a result of political, economic, military or monetary events or any circumstances outside the control, responsibility or power of the Master Fund, disposal of assets held by the Master Fund is not reasonably practicable without being seriously detrimental to the interests of the shareholders or if in the opinion of the Master Fund redemption prices cannot fairly be calculated;
- (iii) in the event of a breakdown of the means of communications normally used for valuing any part of the Master Fund or if for any reason the value of any part of the Master Fund may not be determined as rapidly and accurately as required; or
- (iv) if, as a result of exchange restrictions or other restrictions affecting the transfer of funds, transactions on behalf of the Master Fund are rendered impracticable or if purchases, sales, deposits and withdrawals of the assets of the Master Fund cannot be effected at the normal rates of exchange.



No issue or redemption of Master Fund Shares will take place during any period when the calculation of the Net Asset Value per Master Fund Share is suspended. Notice of any suspension will be given to any shareholder tendering his shares for redemption. If the request is not withdrawn, the redemption will take place as of the first Master Fund Valuation Day following the termination of the suspension. Notice of any suspension will also be given to the Luxembourg supervisory authority as soon as practicable after the suspension took effect. If appropriate, notice of the suspension will be published as required by Luxembourg law.

### **Suspension of Calculation**

The Fund may suspend the calculation of Net Asset Value of the Units: (i) for the whole or any part of a period during which normal trading is suspended on any stock exchange, options exchange, or futures exchange within or outside Canada on which a majority of the securities are listed and traded, or on which specified derivatives are traded, if those securities or specified derivatives represent more than 50% by value, or underlying market exposure, of the assets of the Fund or the Master Fund, without allowance for liabilities, and if those securities or specified derivatives are not traded on any other exchange that represents a reasonably practical alternative; (ii) during a period in which the calculation of the value or redemption of the Master Fund Shares has been fully or partially suspended, postponed or deferred; or (iii) with the approval of the relevant securities regulatory authorities or as otherwise required or permitted under applicable securities laws. Calculation of the valuation of the Master Fund Shares and/or redemption of such shares may be suspended or postponed in certain circumstances. See “Redemption of Units – Suspension of Redemption”.

### **PURCHASE OF UNITS**

Each Class of Units will be offered at a price equal to the initial offering price of \$100.00 or US\$100.00 per Unit, as applicable, and thereafter on a continuous basis at the Net Asset Value per Unit of the applicable Class or Series, as applicable as of each Subscription Date. Fractional Units will be issued up to a maximum of six decimal places.

A subscription for Units must be made by completing and executing the subscription agreement and power of attorney form (a “**Subscription Agreement**”) and by forwarding to the Manager such completed form in accordance with the Subscription Agreement. An investor purchasing through a Registered Dealer should contact the dealer in order to understand the deadlines to deliver the completed Subscription Agreement to the dealer. No subscription will be accepted unless the Manager is satisfied that the subscription is in compliance with applicable securities laws.

All subscriptions for Units will be made through the purchase of interim subscription receipts (“**Subscription Receipts**”) at a fixed net asset value of \$100.00 or US\$100.00 per Subscription Receipt, as applicable. Following the calculation of the Class Net Asset Value per Unit of the relevant series, the Subscription Receipts will be automatically converted, without any further action on the part of the Subscriber, into the appropriate number of Units of the applicable Class and series subscribed for on the next Subscription Date (defined below). Units will be deemed to be issued as of the next Business Day following the applicable Subscription Date. The number of Units issued will be equal to the net subscription proceeds divided by the applicable Class Net Asset Value per Unit of the relevant series determined as at the applicable Subscription Date. The number of Subscription Receipts may be different than the final number of Units issued. Subscription Receipts: (i) may not be transferred by the holder thereof without the prior written consent of the Manager, at its sole discretion; (ii) are not redeemable; and (iii) do not carry any voting rights.

Subscriptions for Units will be accepted: (a) on any Valuation Date that the Units are available for subscription; or (b) on such other date as the Manager may permit (each a “**Subscription Date**”), subject to the Manager’s discretion to refuse subscriptions in whole or in part.

In order for Units to be issued as of a particular Subscription Date, a completed Subscription Agreement must be received by the Manager no later than 4:00 p.m. (ET) on the 15<sup>th</sup> day of the applicable month in which such Subscription Date falls (or, if the 15<sup>th</sup> day is not a Business Day, the **preceding** Business Day) (such date, the “**Subscription Deadline Date**”) (provided that the Manager reserves the right, but shall not be obligated, to accept subscriptions that are received after such deadline). Such required notice period may be increased if the Master Fund increases the amount of notice required for subscriptions in the Master Fund.

Payment of subscription amounts must be provided by the Subscriber directly on or before 12:00 p.m. (ET) on the Subscription Deadline Date or, in the case where a registered dealer (a “**Registered Dealer**”) acts as agent for an investor, from the Subscriber’s account at the Subscriber’s Registered Dealer not later than 12:00 p.m. (ET) on the specified settlement date.

Units will be issued in Series. On the first closing, Units designated by the Trustee as Series 1 Units of each Class shall be issued. On each successive Subscription Date on which Units are issued, a new Series of Units of the applicable Class will be issued. It is in the discretion of the Trustee to change this policy.

Each Class of Units will be offered at a price equal to the initial offering price of \$100.00 or US\$100.00 per Unit, as applicable.

Units of the Fund are offered by the Manager directly and through Registered Dealers.

The Manager has the discretion to reject any subscription request. The decision to accept or reject any subscription request will be made as soon as possible. If the subscription request is rejected, all payments received with the request will be refunded without interest or deduction. If payment for any Units purchased is not honoured when presented for payment, the Manager may reverse the purchase transaction at the same Net Asset Value per Unit applied to the issue of the Units.

At the time of making each additional investment, unless a new Subscription Agreement is executed, each investor will be deemed to have repeated and confirmed to the Manager the covenants and representations contained in the Subscription Agreement delivered by the investor to the Manager at the time of initial investment in the Fund. No certificates will be issued for the Units or the Subscription Receipts.

## **REDEMPTION OF UNITS**

Each Unit shall be redeemable at the option of the holder on a monthly basis, on the last Business Day of each month or on such other date as the Manager may permit (each, a “**Redemption Date**”), pursuant to a written redemption request that must be received by the Manager not later than 65 days (or such shorter period as the Manager may, in its discretion, approve) prior to the applicable Redemption Date. Such required notice period may be increased if the Master Fund increases the amount of notice required for redemptions in the Master Fund. Redemption requests are irrevocable unless the Manager, in its sole discretion, permits a redemption request to be withdrawn or unless a redemption request is not honoured on a Redemption Date, in which case it may be withdrawn at the option of the holder within thirty (30) calendar days following such Redemption Date. If a redemption request is not honoured on a Redemption Date and is not withdrawn during the required time period, the redemption request will remain in full force and effect and will be carried over to each next subsequent Redemption Date until honoured in full, subject to the Manager’s ability to permit a redemption request to be withdrawn in the Manager’s sole discretion.

With respect to any Units redeemed, the Fund may deduct the Redemption Charge from the redemption proceeds as determined by the Manager from time to time. In addition to the Redemption Charge, an early exit fee of 2.5% of the redemption price based on the Net Asset Value of the redeemed Units may apply on the redemption of units to any Unitholder who redeems Units within the first six (6) months following the purchase of Units (the “**Early Exit Fee**”). The amount of the Redemption Charge and Early Exit Fee shall be in the discretion of the Manager, subject to the maximum set out herein, and shall be retained by the Fund.

The Fund will redeem all or any part of the Units of a Class held by a Unitholder at the applicable Net Asset Value per Unit determined as of the applicable Redemption Date following receipt of the redemption request. All redemption requests received after 4:00 p.m. (ET) on the date that is less than 65 days prior to a Redemption Date (or such later date as the Manager may accept in its sole discretion) will be processed at the applicable Net Asset Value per Unit calculated as of the next Redemption Date in the following month.

Proceeds of redemption (less any applicable fees and deductions as provided herein and provided in the Declaration of Trust, including the Redemption Charge and Early Exit Fee) shall be paid as soon as is practicable and in any event within thirty (30) calendar days following the relevant Redemption Date.

Partial redemptions that reduce the aggregate Net Asset Value of a Unitholder's investment below an amount established from time to time by the Manager may result in the Fund requiring a mandatory redemption of all Units held by such Unitholder or redesignating such Unitholder's Units as Units of another Class. The Manager may in its sole discretion also require the mandatory redemption of Units or redesignation of Units under other circumstances.

The Manager may in its absolute discretion decide to satisfy any redemption request in full or in part by instructing the Trustee to transfer *in specie* such securities or other property of the Fund, which together with payments in cash (if any), shall in the aggregate have a value not less than the redemption amount payable to the Unitholder (i.e., the aggregate Net Asset Value per Unit of such redeemed Units) provided that the value of all securities and other property of the Fund shall be determined as at the relevant Valuation Date. The Manager does not anticipate instructing the Trustee to satisfy redemption requests *in specie* other than in exceptional circumstances such as when one or more redemptions by one or more Unitholders have a materially prejudicial effect on the remaining Unitholders or otherwise materially and adversely affect the Fund.

### **Suspension of Redemptions**

The Manager may suspend or postpone, or continue a suspension of or postponement of, the right of redemption of Units of the Fund, in full or in part on a *pro rata* basis, during: (i) any period in which there has been a suspension in the calculation of the Net Asset Value of the Units; (ii) any period in which there are insufficient liquid assets in the Fund to fund redemptions entirely in cash or in which the liquidation of assets of the Fund would be to the detriment of the Fund generally or is not reasonably practicable as determined by the Manager; or (iii) during a period in which the redemption of the Master Fund Shares has been fully or partially suspended, postponed or deferred. See "Determination of Net Asset Value - Suspension of Calculation".

If the Manager suspends or postpones the right of redemption of Units in full or in part, a Unitholder may either withdraw its redemption request within thirty (30) calendar days following the applicable Redemption Date or receive payment based on the applicable Net Asset Value per Unit for each subsequent Redemption Date on which the redemption request is honoured, in full or in part, where such redemption requests shall take priority over subsequent redemption requests submitted for Redemption Dates following the Redemption Date for which redemptions were suspended or postponed.

For greater certainty, if the Manager suspends or postpones the right of redemption of Units, the Fund may redeem some of the Units for which redemption has been requested by Unitholders and postpone or suspend the redemption of the remaining Units of such Unitholders. Any partial redemption shall be made *pro rata* according to the aggregate number of Units tendered for redemption by each such Unitholder.

### **Redemptions of Master Fund Shares**

The Master Fund will redeem the Master Fund Shares on the last business day of the month if it has received the duly completed redemption form by no later than 5 p.m. (CET) on the last business day, two (2) months prior to the applicable redemption date. Net redemptions of the Master Fund Shares will be limited per calendar quarter to 5% of the net asset value of the Master Fund Shares (across all classes of Master Fund Shares outstanding) at the end of the preceding quarter unless the Directors waive such restriction either partially (by determining a higher percentage) or in its entirety, based on the Master Fund Manager's analysis of available liquidity. To meet redemption requests, the Directors may also decide to establish a credit line of up to 25% of the assets of the Master Fund.

When deemed in the best interest of the Master Fund, the Directors may determine to further reduce the net redemption limits for Master Fund Shares to 2.5%. Such further restriction can be enacted for one or several redemption dates but would be limited for a period of up to two (2) years.

Where a redemption request is, fully or partially, deferred in accordance with the redemption restrictions of the Master Fund, the Directors may grant all affected shareholders the right to withdraw the deferred part of the original redemption request.

If the Master Fund receives net subscriptions or redemptions requests in excess of the limit for a given period, the Master Fund will reduce all applications received for a given redemption date *pro-rata*, and defer any applications in excess of the respective limit, and not settled on such redemption date, to the immediately succeeding period and relevant redemption date, always subject to the subscription and redemption restrictions applicable for such period. Deferred subscription or redemption requests will be dealt with on equal terms with new subscription and

redemption requests for that redemption date, and all subscription or redemption requests, as applicable, whether deferred or newly submitted, will be reduced *pro-rata* so that the relevant limit for that redemption date is not exceeded. No interest will be paid on any payments received in relation to applications being deferred.

#### *Master Fund Redemption Fees*

The applicable net asset value per share may be reduced by a redemption fee of up to 5% of the net asset value for the benefit of the Master Fund as determined by the Directors from time to time (the “**Master Fund Redemption Fee**”). In addition to the Master Fund Redemption Fee, an early exit fee of 2.5% of the redemption price applies on the redemption of any Class W-N (CAD) Distributing Shares and Class W-N (USD) Distributing Shares during the Initial Offering Period (the “**Class W-N Exit Fee**”). The Class W-N Exit Fee is paid for the benefit of the Fund.

#### **Mandatory Redemptions or Redesignations**

Partial redemptions that reduce the aggregate Net Asset Value of a Unitholder’s investment below an amount established from time to time by the Manager may result in the Fund requiring a mandatory redemption of all Units held by such Unitholder or redesignating such Unitholder’s Units as Units of another Class. The Manager may in its sole discretion also require the mandatory redemption of Units or redesignation of Units under other circumstances. Any such mandatory redemption will be made at the applicable redemption price per Unit on the next redemption date following the issuance of not less than 10 days’ prior written notice of the mandatory redemption to the affected Unitholder, and any redesignation will be made at the applicable Net Asset Value per Unit on the next Valuation Date following the issuance of not less than 30 days’ prior written notice of the redesignation to the affected Unitholder.

If at any time the Trustee becomes aware that Units are or may become beneficially owned by one or more entities in the circumstances described below:

- (a) a non-resident of Canada or a partnership that is not a Canadian partnership within the meaning of the Tax Act if it would cause the Fund to lose its status as a mutual fund trust under the Tax Act;
- (b) a financial institution (as defined for the purposes of the Tax Act) if it would cause the Fund to be subject to the mark-to-market rules in section 142.5 of the Tax Act; or
- (c) a “designated beneficiary” of the Fund within the meaning of Part XII.2 of the Tax Act if, as a consequence thereof, the Fund may become liable for tax under Part XII.2 of the Tax Act,

the Trustee, or any third party on the direction of the Trustee, may cause the Fund to redeem all or such portion of the Units at the Net Asset Value per Unit of such Class or Series on the date of redemption, or on such other terms as the Trustee in its sole discretion deems equitable in the circumstances.

#### **DEALER COMPENSATION**

No sales commission will be payable in respect of Units purchased through the Manager in its capacity as exempt market dealer in connection with the distribution of the Units in the Offering Jurisdictions.

#### **DESCRIPTION OF UNITS**

Each Unit of the same Class or Series will represent an equal undivided interest in the net assets of the Fund attributable to that Class or Series of Units. The Fund is authorized to issue an unlimited number of Classes and Series of Units and an unlimited number of Units in each such Class or Series. Each whole Unit of a particular Class or Series has equal rights to each other Unit of the same Class and Series with respect to all matters, including voting, receipt of distributions, liquidation, and other events in connection with the Fund. The Class W Units are denominated in Canadian dollars and the Class USW Units are denominated in United States dollars

All Classes and/or Series of Units have the same investment objective, strategies, and restrictions but may differ in respect of one or more features, such as management fees, sales commissions, distribution reinvestment, and minimum investment, as set out herein. The Fund may issue fractional Units so that subscription funds may be fully

invested. Units will have no preference, conversion, exchange, or pre-emptive rights over any other Unit of the same Class or Series. Each whole Unit of a particular Class entitles the holder thereof to one vote at meetings of Unitholders where all Classes vote together, or to one vote at meetings of Unitholders where that particular Class of Unitholders votes separately as a Class. No holder of a fraction of a Unit, as such, shall be entitled to notice of, or to attend or vote at, meetings of Unitholders or of a Class of Unitholders, except to the extent that such fractional Units may represent in the aggregate one or more whole Units.

Units may only be issued as fully-paid and non-assessable upon receipt of the full consideration for which they are to be issued and are not subject to further call or assessment and no pre-emptive rights attach to them. No certificates representing the Units or the Subscription Receipts shall be issued by the Fund, Manager, Trustee, or Administrator. The rights of Unitholders of the Fund are contained in the Declaration of Trust and may be modified, amended, or varied only in accordance with the provisions contained in the Declaration of Trust. Units are transferable on the register of the Fund only by a registered Unitholder or its legal representative, subject to compliance with the Declaration of Trust and applicable securities laws. Unitholders are entitled to redeem their Units, subject to the Fund Manager's right to suspend the right of redemption. See "Redemption of Units".

Although the money invested by investors to purchase Units of any Class of the Fund is tracked on a Class by Class basis in the Fund's administration records, the assets of all Classes of Units will be combined into a single pool to create one portfolio for investment purposes.

Each Class and Series of Units is entitled to participate equally in the distributions made by the Fund and, on liquidation, in its assets remaining after satisfaction of outstanding liabilities.

Units of the Fund may be subdivided or consolidated by the Trustee in accordance with the Declaration of Trust.

The provisions or rights attaching to units of the Fund and other terms of the Declaration of Trust may only be modified, amended, or varied in accordance with the provisions contained in the Declaration of Trust. See "Amendments to the Declaration of Trust".

At any time and from time to time after providing a Unitholder with thirty (30) calendar days' prior written notice, the Trustee may redesignate Units of a Class or Series issued to a Unitholder as Units of another Class or Series denominated in the same currency having an aggregate equivalent net asset value.

### **Series Redesignation or Roll-Up**

Units will be issued as of the Business Day following the Subscription Date on which the subscription is accepted. Units will be issued in Series. On the first closing, Units designated by the Manager as Series 1 Units of each Class are issued at a price per Unit of \$100.00 or US\$100.00 per Unit, as applicable. On each successive Subscription Date on which Units are issued, a new Series of Units will be issued at an opening Net Asset Value per Unit equal to the Net Asset Value per Unit of the Series 1 Units of the same Class. It is in the discretion of the Manager to change this policy.

At the end of each year, and following the payment of all fees and expenses of the Fund, the Manager may determine that some or all Series of the same Class of Units will be redesignated as Series 1 Units (or other Series, in the discretion of the Manager) in order to reduce the number of outstanding series of each Class. This will be accomplished by amending the Net Asset Value per Unit of all such Series so that they are the same, and consolidating or subdividing the number of Units of each such Series so the aggregate Net Asset Value of Units held by a Unitholder does not change. Unitholders rights will not be affected in any way as a result of this process.

### **TRANSFER OR RESALE**

Units may only be redeemed at the option of the Unitholder in accordance with the Declaration of Trust, as described herein. Units may also be redeemed or redesignated by the Trustee or Manager. See "Redemption of Units". Units may only be transferred with the consent of the Manager and in accordance with the provisions of the Declaration of Trust and transfers will generally not be permitted. As the Units offered by this Offering Memorandum are being distributed pursuant to exemptions from the prospectus requirements under applicable securities legislation, the resale of these securities by investors is subject to restrictions. An investor should refer to

applicable provisions in consultation with a legal adviser. Furthermore, no transfers of Units may be effected unless the Manager approves the transfer and the proposed transferee. There is no market for these Units and no market is expected to develop, therefore it may be difficult or even impossible for the purchaser to sell the Units and 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.

Subscribers are advised to consult with their advisors concerning restrictions on resale and are further advised against reselling their Units until they have determined that any such resale is in compliance with the requirements of applicable legislation and the Declaration of Trust.

### **DISTRIBUTION POLICY**

Subject to the Manager's discretion to make distributions of cash, any distributions (less any amounts required by law to be deducted therefrom) with respect to the Units are expected to automatically be reinvested for the account of each Unitholder in additional Units at the applicable Net Asset Value per Unit. No sales charge or commission shall be payable by a Unitholder in connection with any such reinvestment.

**There can be no assurance that any distributions will be paid to a holder of Units. Accordingly, the Fund may not be a suitable investment for any investor who requires regular dividend income.**

In addition to the above, the Fund intends to distribute sufficient net income and net realized capital gains, if any, to Unitholders in each taxation year to ensure that the Fund is not liable for income tax under Part I of the Tax Act, after taking into account any loss carry forwards and capital gains refunds. Such distributions, if any, are paid as of the last Business Day of the calendar year, and at such other times as may be determined by the Manager. Subject to the Manager's discretion to make distributions of cash, all such distributions to Unitholders (less any amounts required by law to be deducted therefrom) will automatically be reinvested for the account of each Unitholder in additional Units at the applicable Net Asset Value per Unit. Following such distributions and reinvestments, Units will be immediately consolidated such that the number of outstanding Units held by each Unitholder on such day following the distribution will equal the number of Units held by the Unitholder prior to the distribution, except to the extent that tax has to be withheld in respect of the distribution. No sales charge or commission shall be payable by a Unitholder in connection with any such reinvestment.

Any distributions will be made to registered Unitholders determined as of the close of business on the record date of the distribution. All distributions payable in respect of a Class of Units will be made on a *pro rata* basis to Unitholders of that Class.

Other than as set forth above, the Fund does not intend to make any distributions on the Units.

### **REPORTING TO UNITHOLDERS**

Each Unitholder will receive from the Manager or the Administrator or from the Unitholder's Registered Dealer, as the case may be, an annual statement showing the Units held and any transactions for the preceding period. Such statements will contain any amounts reinvested for the Unitholder during the preceding period, the number of additional Units purchased or redeemed on behalf of the Unitholder and the Net Asset Value of the Units determined on the Valuation Date immediately preceding the date of the statement.

The Fund intends to make available and, where requested, to deliver audited financial statements to Unitholders after the end of each fiscal year end commencing for the fiscal year ending in 2023. The Fund's ability to deliver such audited financial statements will depend, in part, upon its receipt of audited financial statements from the Master Fund. Consequently, it is possible that audited annual financial statements of the Fund may be completed later than would otherwise be the case. Furthermore, if the Master Fund is unable to complete its annual audit (or if the Master Fund issues a qualified audit report), the Fund may be unable to complete its own audit (or the Fund may have to issue a qualified audit report as well). Unitholders are given the option to receive or not receive annual financial statements and have the ability to change their selection at any time by contacting the Manager.

The financial year end of the Fund is December 31 of each year and the tax year end of the Fund is December 31 of each year.

## MEETINGS OF UNITHOLDERS

The Fund will not hold regular meetings; however, the Manager may convene a meeting of Unitholders, or a Class of Unitholders, as it considers appropriate or advisable from time to time. The Trustee must also call a meeting of Unitholders or of a Class of Unitholders on the written request of Unitholders holding not less than 40% of the outstanding Units of the Fund (or of a Class with respect to a Class meeting) in accordance with the Declaration of Trust, provided that in the event of a request to call a meeting of Unitholders made by such Unitholders, the Trustee shall not be obliged to call any such meeting until it has been satisfactorily indemnified by such Unitholders against all costs of calling and holding such meeting. Meetings of the Fund may be held at any place in Canada or virtually, in which case such meeting shall be deemed to take place in Toronto, Canada.

Units of a Class shall vote separately as a Class if a Class is affected by any matter requiring the approval of Unitholders in a manner that is different from Units of another Class or if the notice calling the meeting so provides.

Not less than 21 days' notice will be given of any meeting of Unitholders. A quorum at any meeting of Unitholders or Class of Unitholders, as the case may be, will consist of two or more Unitholders, or Unitholders of the Class to which the meeting pertains, present in person or by proxy holding at least 20% of the outstanding Units, or Units of the Class to which the meeting pertains, except that for the purposes of passing a special resolution, Unitholders or Unitholders of a Class present in person or by proxy holding at least 33⅓% of the Units, or Units of the Class to which the meeting pertains, outstanding and entitled to vote thereon must be present. If no quorum is present at such meeting when called, the meeting will be adjourned by the Manager to a date and time not more than 10 days later, selected by the Manager, and at the adjourned meeting the Unitholders then present in person or represented by proxy will form the necessary quorum, if notice of the adjourned meeting is given.

Any consent of Unitholders under the Declaration of Trust must be given by the requisite number to obtain approval of the matter addressed of the Units or Units of a Class, as applicable, represented and voted at a meeting or by written resolution.

## AMENDMENTS TO THE DECLARATION OF TRUST

Subject to the below exceptions, any provision of the Declaration of Trust may be amended by the Manager (except in the circumstances set out below), with the approval of the Trustee, without any prior notice to, or approval of, Unitholders if the amendment is not reasonably expected to materially adversely affect the interests of the Unitholders, is intended to ensure compliance with applicable laws, regulations, or policies, is intended to provide additional protection to Unitholders or enhance the rights of Unitholders, is intended to remove conflicts or inconsistencies or correct typographical, clerical, or other errors, is intended to maintain the Fund's status as a "mutual fund trust" for purposes of the Tax Act, is intended to facilitate the administration of the Fund, is to create one or more new Class or Classes or one or more new Series of additional Units and to make consequential amendments related thereto, or is intended to respond to amendments to the Tax Act, or the interpretation or administration thereof, which might otherwise adversely affect the interests of the Fund or Unitholders, provided that Unitholders are given notice of the amendments as soon as reasonably possible following the effective date of the amendments.

In addition, subject to the below exceptions, any provision of the Declaration of Trust may be amended by the Manager, with the approval of the Trustee, upon notice to Unitholders, but no such amendment may be made to the terms applicable to Classes or Series of Units under the Declaration of Trust that would materially adversely affect the interest of the Unitholders of the Fund as a whole and/or of a Class or Series of the Fund without the approval of not less than 66 2/3% of the votes cast at a meeting of Unitholders of the Fund or of the affected Class or Series, as the case may be. The notice to be provided to Unitholders must be given in writing not less than 30 days in advance of the effective date of the amendment unless the Manager and Trustee agree to an earlier effective date.

Notwithstanding the above, the Declaration of Trust may only be amended, deleted, expanded or varied for any of the following purposes either: (i) with the consent of the holders of 66 2/3% of the votes cast at a meeting of Unitholders; or (ii) provided that Unitholders affected by such change having been given not less than 60 days' prior written notice of the proposed change and the opportunity to redeem all of such Unitholder's Units prior to the effective date of the change:

- (a) changes to the amendment provisions of the Declaration of Trust;
- (b) the basis of the calculation of a fee or expense that is charged to the Fund is changed in a way that could result in an increase in charges to the Fund paid to the Manager;
- (c) the fundamental investment objective of the Fund is changed, which for greater certainty is to provide Unitholders with long-term capital appreciation through exposure to the returns of the Master Fund;
- (d) the Fund decreases the frequency of the calculation of the Net Asset Value; or
- (e) the Fund undertakes a reorganization with, or transfers its assets to, another fund, if
  - (i) the Fund ceases to continue after the reorganization or transfer of assets, and
  - (ii) the transaction results in the Unitholders of the Fund becoming unitholders in the other fund; and
  - (iii) there is, in the opinion of the Manager, a material difference in the fundamental investment objective of the Fund and the other fund.

A change in the Trustee of the Fund requires the approval by a majority of votes cast at a special meeting of the Unitholders, other than to an affiliate of the Manager or successor to the current Trustee or a registered trust company nominated by the Trustee.

In addition, the consent of the Trustee is also required to any amendment if it restricts any protection provided to the Trustee or impacts the responsibilities of the Trustee under the Declaration of Trust.

No change or amendment to the redemption rights attaching to a Class or Series of Units may be made without the prior written consent of a majority of Unitholders of such Class or Series if such change or amendment will result in the Fund ceasing to qualify as a “mutual fund trust” for purposes of the Tax Act (including changes to the frequency of redemptions, any minimum holding period before which Units may be redeemed, minimum redemption amounts, the implementation of other deductions applicable to redemption proceeds payable, deferral of payment of redemption proceeds, suspension of redemptions, or any other matter that could limit, penalize or impair the redemption of such Units).

#### **CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS**

The following is, as of April 19, 2023, a summary of certain of the principal Canadian federal income tax considerations generally applicable to the acquisition, holding and disposition of Units by a Unitholder who acquires Units pursuant to this Offering Memorandum. This summary is applicable to a Unitholder who is an individual (other than a trust) and who, for the purposes of the Tax Act and at all relevant times, is resident in Canada, deals at arm’s length and is not affiliated with the Fund, is acquiring the Units on his/her own account and not as trustee of a trust, and will hold his/her Units as capital property.

Generally, Units will be considered to be capital property to a holder provided the holder does not hold the Units in the course of carrying on a business of trading or dealing in securities and has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade. Certain Unitholders who might not otherwise be considered to hold their Units as capital property may, in certain circumstances, be entitled to have their Units, and all other “Canadian securities” owned and subsequently owned by them, treated as capital property by making an irrevocable election under subsection 39(4) of the Tax Act. Unitholders should consult their own tax advisors as to whether an election under subsection 39(4) of the Tax Act is available or advisable in their circumstances.

This summary assumes that no Unitholder has entered or will enter into a “derivative forward agreement”, as that term is defined for the purposes of the Tax Act, with respect to the Units.



This summary assumes that, at all times, the Master Fund will not be, and will not be deemed to be, a “controlled foreign affiliate” of the Fund within the meaning of the Tax Act and that any Master Fund Shares held by the Fund will be capital property of the Fund for the purposes of the Tax Act. This summary also assumes that the Master Fund does not, and will not, carry on business in Canada for the purposes of the Tax Act and is not, and will not be, otherwise subject to tax in Canada.

This summary is based on the assumption that the Fund will at no time be a “SIFT trust” as defined in the rules in the Tax Act relating to SIFT trusts. This, in turn, is based on the assumption that the Units will at no time be listed or traded on a stock exchange or other public market. For the purpose of such rules, the redemption rights set out in the Declaration of Trust do not result in the Units being considered to be traded on a public market.

This summary assumes that the Fund at no time will (i) be a “financial institution” of the purposes of certain market-to-market rules in the Tax Act; or (ii) earn any “designated income” for the purposes of Part XII.2 of the Tax Act. This summary also assumes that Units of the Fund will not be a “tax shelter investment” for the purposes of the Tax Act and the Fund will comply with its investment restrictions at all times.

This summary is based on the facts set out in this Offering Memorandum, the current provisions of the Tax Act as at April 19, 2023, all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to April 19, 2023 (the “**Tax Proposals**”), and an understanding of the current published administrative policies and assessing practices of the Canada Revenue Agency (“**CRA**”). Other than the Tax Proposals, this summary does not take into account or anticipate any changes in law, whether by legislative, governmental or judicial action, nor does it take into account other federal or any provincial, territorial or foreign tax considerations, which may differ significantly from those discussed herein. There can be no assurance that the Tax Proposals will be enacted in the form publicly announced or at all.

**This summary is not exhaustive of all possible Canadian federal income tax considerations applicable to an investment in Units and does not describe the income tax consequences relating to the deductibility of interest on money borrowed to acquire Units. The income and other tax consequences of acquiring, holding or disposing of Units will vary depending on an investor’s particular circumstances, including the province or territory in which the investor resides or carries on business. Accordingly, this summary is of a general nature only and is not intended to be legal or tax advice to any investor. Investors should consult their own tax advisors for advice with respect to the income tax consequences of an investment in Units, based on their particular circumstances.**

#### **Status of the Fund**

This summary is based on the assumption that the Fund will qualify, and will continue to qualify at all times, as a “mutual fund trust” within the meaning of the Tax Act.

To qualify as a mutual fund trust, (i) the Fund must be a Canadian-resident “unit trust” for purposes of the Tax Act, (ii) the only undertaking of the Fund must be (a) the investing of its funds in property (other than real property or interests in real property or immovables or real rights in immovables), (b) the acquiring, holding, maintaining, improving, leasing or managing of any real property (or interest in real property) or of any immovable (or real right in immovables) that is capital property of the Fund, or (c) any combination of the activities described in (a) and (b), and (iii) the Fund must comply with certain minimum requirements respecting the ownership and dispersal of Units.

To qualify as a “unit trust” for the purposes of the Tax Act: (i) the interest of each beneficiary of the Fund must be described by reference to units of the Fund; (ii) issued units of the Fund must have conditions attached thereto that include conditions requiring the Fund to accept, at the demand of the holder thereof and at prices determined and payable in accordance with the conditions, the surrender of the units, or fractions or parts thereof, that are fully paid (such units being “**Specified Units**”); and (iii) the fair market value of the Specified Units must be not less than 95% of the fair market value of all of the issued units of the Fund (such fair market values being determined without regard to any voting rights attaching to units of the Fund). The Manager intends to take the position that the Fund will meet the requirements necessary for it to qualify as a unit trust at all times and, to the extent permitted by the Tax Act, the Manager intends that the Fund will elect to be deemed to be a mutual fund trust from the date it was established.

An additional condition to qualify as a “mutual fund trust” for the purposes of the Tax Act is that the Fund may not be established or maintained primarily for the benefit of non-resident persons unless, at all times, substantially all of its property consists of property other than “taxable Canadian property” within the meaning of the Tax Act (if the definition of such term were read without reference to paragraph (b) of that definition).

If the Fund were not to qualify or continue to qualify as a “mutual fund trust” at all times, the income tax considerations described below would in some respects be materially and adversely different.

### **Taxation of the Fund**

The Fund will be subject to tax in each taxation year under Part I of the Tax Act on the amount of its income for the year, including net realized taxable capital gains and dividends received in the year on shares of corporations, less the portion thereof that it claims in respect of amounts paid or payable to Unitholders (whether in cash or in Units) in the year. An amount will be considered to be payable to a Unitholder in a taxation year if it is paid in the year by the Fund or the Unitholder is entitled in that year to enforce payment of the amount. The Fund intends to make sufficient distributions in each year of its net income and net capital gains for tax purposes, thereby permitting the Fund to deduct sufficient amounts so that the Fund will generally not be liable in such year for non-refundable income tax under Part I of the Tax Act.

Distributions received by the Fund from the Master Fund will generally be required to be included in the computation of the income of the Fund even if such amounts are re-invested to acquire additional Master Fund Shares.

If the Fund were not to qualify as a “mutual fund trust” for the purposes of the Tax Act at all times, the Fund may be liable for alternative minimum tax under the Tax Act.

The Fund will generally be entitled for each taxation year throughout which it is a mutual fund trust for purposes of the Tax Act to reduce (receive a refund in respect of) its liability, if any, for tax on its net realized capital gains by an amount determined under the Tax Act based on the redemptions of Units during the year (the “**Capital Gains Refund**”). The Capital Gains Refund in a particular taxation year may not completely offset the tax liability of the Fund for such taxation year that may arise upon the disposition of Master Fund Shares in connection with the redemption of Units.

A disposition (including a redemption) or deemed disposition of a Master Fund Share will generally give rise to a capital gain (or a capital loss) for purposes of the Tax Act to the extent that the Fund’s proceeds of disposition exceed (or are less than) the total of the Fund’s adjusted cost base of the Master Fund Shares and reasonable costs of disposition.

The Fund’s portfolio may include securities that are not denominated in Canadian dollars. The cost and proceeds of disposition of securities, dividends and all other amounts will be determined for the purposes of the Tax Act in Canadian dollars at the exchange rate prevailing at the time of the transaction, as more particularly determined in accordance with section 261 of the Tax Act. Accordingly, the Fund may realize gains or losses by virtue of the fluctuation in the value of foreign currencies relative to Canadian dollars.

One-half of the amount of any capital gain (a “taxable capital gain”) realized by the Fund in a taxation year must be included in computing the Fund’s income for the year, and one-half of the amount of any capital loss (an “allowable capital loss”) realized by the Fund in a taxation year may be deducted against any taxable capital gains realized by the Fund in the year. Any excess of allowable capital losses over taxable capital gains for a taxation year may be deducted against taxable capital gains realized by the Fund in any of the three preceding taxation years or in any subsequent taxation year to the extent and under the circumstances described in the Tax Act.

In computing its income for tax purposes, the Fund may deduct reasonable administrative and other expenses incurred to earn income and such other expenses as permitted by the Tax Act. The Fund may generally deduct the costs and expenses of the Offering paid by the Fund and not reimbursed at a rate of 20% per year, pro-rated where the Fund’s taxation year is less than 365 days. Any losses incurred by the Fund may not be allocated to Unitholders but may generally be carried forward and back and deducted in computing the taxable income of the Fund in accordance with the detailed rules and limitations in the Tax Act.

The Tax Act contains rules which may require a taxpayer, including the Fund, to include in income in each taxation year an amount in respect of the holding of an “offshore investment fund property” (“OIFP”). The OIFP rules could apply to the Fund in respect of the acquisition and holding of the Master Fund Shares if: (a) the value of such Master Fund Shares may reasonably be considered to be derived, directly or indirectly, primarily from portfolio investments in (i) shares of the capital stock of one or more corporations, (ii) indebtedness or annuities, (iii) interests in one or more corporations, trusts, partnerships, organizations, funds or entities, (iv) commodities, (v) real estate, (vi) Canadian or foreign resource properties, (vii) currency of a country other than Canada, (viii) rights or options to acquire or dispose of any of the foregoing, or (ix) any combination of the foregoing (“Investment Assets”); and (b) it may reasonably be concluded, having regard to all the circumstances, that one of the main reasons for the Fund acquiring, holding or having an interest in the Master Fund Shares was to derive a benefit from portfolio investments in any Investment Assets in such a manner that the taxes, if any, on the income, profits and gains from such assets for any particular year are significantly less than the tax that would have been applicable under Part I of the Tax Act if the income, profits and gains had been earned directly by the Fund.

If the Master Fund Shares constitute OIFP, the OIFP rules would generally require the Fund to include in its income for each taxation year in which the Fund owns Master Fund Shares the amount, if any, by which (i) an imputed return from the taxation year computed on a monthly basis and calculated as the product obtained when the Fund’s “designated cost” (within the meaning of the Tax Act) of such shares at the end of a month, is multiplied by 1/12th of the sum of the applicable prescribed rate plus two percent, exceeds (ii) the Fund’s income for the year (other than a capital gain) in respect of such shares determined without reference to these rules. The prescribed rate for this purpose is a quarterly rate based on the average equivalent yield of Government of Canada 90-day treasury bills sold during the first month of the immediately preceding quarter. Any amount required to be included in computing the Fund’s income in respect of the Master Fund Shares if they were characterized as OIFP of the Fund would be added to the adjusted cost base to the Fund of the Master Fund Shares.

The Fund may be subject to the loss restriction rules contained in the Tax Act unless the Fund qualifies as an “investment fund” as defined in the Tax Act, which, among other things, requires that certain investment diversification restrictions are met, and that Unitholders hold only fixed (and not discretionary) interests in the Fund. If the Fund experiences a “loss restriction event” (i) the Fund will be deemed to have a year-end for tax purposes (which would result in an allocation of the Fund’s net income and net realized capital gains at such time to Unitholders so that the Fund is not liable for income tax under Part I of the Tax Act on such amounts), and (ii) the Fund will be deemed to realize any unrealized capital losses and its ability to carry forward such losses will be restricted. Generally, the Fund will have 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 Tax Act.

The Fund may be subject to the “suspended loss” rules contained in the Tax Act, which would generally apply where the Fund disposes of property and subsequently reacquires the property or acquires an identical property within the time period that begins 30 days before the disposition and ends 30 days following the disposition, and the Fund continues to own the reacquired or newly-acquired property following that period. Where the “suspended loss” rules apply, any losses arising from the initial disposition of property would be denied, but may be realized at a future point in time in accordance with the rules in the Tax Act.

The Fund may be subject to the “straddle loss” rules contained in the Tax Act, which generally defer the realization of any loss on the disposition of a “position” to the extent of any unrealized gain on an offsetting “position”. For the purposes of these rules, a “position” held by the Fund includes any interest in actively traded personal properties such as commodities, derivatives, and certain debt obligations. An offsetting “position” is any similar interest that has the effect of eliminating all or substantially all of the Fund’s risk of loss and opportunity for gain in respect of the underlying “position”. These rules are subject to various exceptions set out in the Tax Act.

### **Taxation of Unitholders**

A Unitholder will generally be required to include in computing income for a taxation year the amount of the Fund’s net income for the taxation year, including net realized taxable capital gains, paid or payable to the Unitholder (whether in cash or in Units) in the taxation year including any portions of amounts paid on redemption treated as distributions of gains by the Fund. The non-taxable portion of the Fund’s net realized capital gains paid or payable to a Unitholder in a taxation year will not be included in the Unitholder’s income for the year. Any other amount in

excess of the Fund's net income for a taxation year paid or payable to the Unitholder in the year will not generally be included in the Unitholder's income. Such amount, however, will generally reduce the adjusted cost base of the Unitholder's Units. To the extent that the adjusted cost base of a Unit would otherwise be less than zero, the negative amount will be deemed to be a capital gain realized by the Unitholder from the disposition of the Unit and the Unitholder's adjusted cost base will be increased by the amount of such deemed capital gain. Any losses of the Fund for purposes of the Tax Act cannot be allocated to, and cannot be treated as a loss of, a Unitholder.

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

Under the Tax Act, the Fund is permitted to deduct in computing its income for a taxation year an amount that is less than the amount of its distributions for the year. This will enable the Fund to utilize, in a taxation year, losses from prior years. The amount distributed to a Unitholder but not deducted by the Fund will not be included in the Unitholder's income. However, the adjusted cost base of the Unitholder's Units will be reduced by such amount (other than the non-taxable portion of the Fund's net realized capital gains paid or payable to the Unitholders, the taxable portion of which was designated to the Unitholder in a year).

On the disposition or deemed disposition of a Unit, including on a redemption, the Unitholder will realize a capital gain (or capital loss) to the extent that the Unitholder's proceeds of disposition (other than any amount payable by the Fund which represents an amount that is otherwise required to be included in the Unitholder's income as described above) exceed (or are less than) the aggregate of the adjusted cost base of the Unit and any reasonable costs of disposition. For the purpose of determining the adjusted cost base of Units to a Unitholder, when Units are acquired, the cost of the newly acquired Units will be averaged with the adjusted cost base of all identical Units owned by the Unitholder as capital property immediately before that time. The cost of Units acquired as a distribution of income or capital gains will generally be equal to the amount of the distribution. A consolidation of Units following a distribution paid in the form of additional Units will not be regarded as a disposition of Units and will not affect the aggregate adjusted cost base to a Unitholder of Units.

For Unitholders who hold Units denominated in U.S. dollars, the cost and proceeds of disposition of Units, distributions and all other amounts will be determined for the purposes of the Tax Act in Canadian dollars at the exchange rate prevailing at the time of the transaction, as more particularly determined in accordance with section 261 of the Tax Act. Accordingly, such Unitholders may realize gains or losses by virtue of the fluctuation in the value of U.S. dollars relative to Canadian dollars.

One-half of any capital gain realized on the disposition of Units will be included in the Unitholder's income and one-half of any capital loss realized may be deducted from taxable capital gains in accordance with the provisions of the Tax Act. In general terms, taxable capital gains realized on the disposition of Units as well as net income of the Fund paid or payable to the Unitholder that is designated as net realized taxable capital gains or as taxable dividends from taxable Canadian corporations may increase the Unitholder's liability for alternative minimum tax.

The Class Net Asset Value per Unit will reflect any income and gains of the Fund that have accrued or have been realized but have not been made payable at the time the Units are acquired. Accordingly, a Unitholder who acquires Units may become taxable on the Unitholder's share of income and gains of the Fund that accrued before the Units were acquired, notwithstanding that such amounts will have been reflected in the price paid by the Unitholder for the Units.

Based on the current published administrative positions of the CRA: (i) a redesignation of Units of one Class into Units of another Class denominated in the same currency should not result in a disposition of the Units for the purposes of the Tax Act; and (ii) a redesignation of Units denominated in U.S. dollars into Units denominated in Canadian dollars, and vice versa, will likely be considered to constitute a disposition of such Units for the purposes of the Tax Act. Unitholders should consult with their own tax advisors in this regard.

## Taxation of Registered Plans

Amounts of income and capital gains in respect of Units included in the income of a trust governed by a tax-free savings account (“**TFSA**”), a first home savings account (“**FHSA**”), a registered retirement savings plan (“**RRSP**”), a registered retirement income fund (“**RRIF**”), a deferred profit sharing plan (“**DPSP**”), a registered education savings plan (“**RESP**”), or a registered disability savings plan (“**RDSP**”) (each, a “**Plan**”) are generally not taxable under Part I of the Tax Act, provided that the Units are “qualified investments” for the Plan. See “Eligibility for Investment”. Unitholders should consult their own advisors regarding the tax implications of establishing, amending, terminating or withdrawing amounts from a Plan.

Notwithstanding the foregoing, if the Units are “prohibited investments” for an RRSP, RRIF, TFSA, FHSA, RDSP or an RESP (each a “**Registered Plan**”), the holder of the TFSA, FHSA or RDSP or the annuitant of the RRSP or RRIF or the subscriber of the RESP, as the case may be, will be subject to a penalty tax as set out in the Tax Act. A Unit will generally be a “prohibited investment” for a Registered Plan if the “controlling individual” (the holder of a TFSA, FHSA or RDSP or the annuitant of an RRSP or RRIF or the subscriber of an RESP) (i) does not deal at “arm’s length” with the Fund (for purposes of the Tax Act), or (ii) has a “significant interest” in the Fund (within the meaning of the Tax Act). A controlling individual will generally have a significant interest in a trust if he or she, either alone or together with one or more persons with whom he or she does not deal at arm’s length, holds interests representing 10% or more of the fair market value of all interests in the trust. A Unit will generally not be a “prohibited investment” if the Unit is “excluded property” for Registered Plans.

Controlling individuals of Registered Plans should consult with their own tax advisors regarding the “prohibited investment” rules based on their own particular circumstances.

## International Tax Reporting

Part XIX of the Tax Act implements the Organisation for Economic Co-operation and Development Common Reporting Standard. Pursuant to Part XIX of the Tax Act, “Canadian financial institutions” that are not “non-reporting financial institutions” (as both terms are defined in Part XIX of the Tax Act) are required to have procedures in place to identify accounts held by residents of foreign countries (other than the U.S.) or by certain entities the “controlling persons” of which are resident in a foreign country and to report required information to the CRA. Such information is expected to be exchanged on a reciprocal, bilateral, basis with the tax authorities of the foreign country in which the account holders or such controlling persons are resident, pursuant to the Multilateral Convention on Mutual Administrative Assistance in Tax Matters or the relevant bilateral tax treaty. Pursuant to Part XIX of the Tax Act, Unitholders are required to provide certain information regarding their investment in the Fund for the purpose of such information exchange, unless the investment is held within certain Plans.

## U.S. Foreign Account Tax Compliance Act

In March 2010, the U.S. enacted the Foreign Account Tax Compliance Act (“**FATCA**”), which imposes certain reporting requirements on non-U.S. financial institutions. The governments of Canada and the United States have entered into an Intergovernmental Agreement (the “**IGA**”), which establishes a framework for cooperation and information sharing between the two countries and may provide relief from a 30% U.S. withholding tax under FATCA (“**FATCA Tax**”) for Canadian entities, such as the Fund, provided that: (i) the Fund complies with the terms of the IGA and the Canadian legislation implementing the IGA in Part XVIII of the Tax Act, and (ii) the government of Canada complies with the terms of the IGA. The Fund will endeavour to comply with the requirements imposed under the IGA and Part XVIII of the Tax Act. Under Part XVIII of the Tax Act, Unitholders are required to provide identity and residency and other information to the Fund (and may be subject to penalties for failing to do so), which, in the case of “Specified U.S. Persons” or certain non-U.S. entities controlled by “Specified U.S. Persons”, will be provided, along with certain financial information (for example, account balances), by the Fund to the CRA and from the CRA to the U.S. Internal Revenue Service (the “**IRS**”). The Fund may be subject to FATCA Tax if it cannot satisfy the applicable requirements under the IGA or Part XVIII of the Tax Act, or if the Canadian government is not in compliance with the IGA and if the Fund is otherwise unable to comply with any relevant and applicable U.S. legislation. Any such FATCA Tax in respect of the Fund would reduce the Fund’s distributable cash flow and net asset value.

## ELIGIBILITY FOR INVESTMENT

Provided that the Fund qualifies and continues to qualify at all times as a “mutual fund trust” within the meaning of the Tax Act, the Units will be “qualified investments” under the Tax Act for a trust governed by a Plan.

## RISK FACTORS

An investment in the Fund involves significant risks. An investment in Units should only be made after consulting with independent and qualified sources of investment and tax advice. An investment in the Fund is speculative and is not intended as a complete investment program. Only investors who can reasonably afford the risk of loss of their entire investment should consider the purchase of Units. **The following does not purport to be a complete summary of all the risks associated with an investment in the Fund.**

### Certain Risk Factors Applicable to the Fund

#### *Reliance on Manager*

The Fund will be relying on the ability of the Manager to manage the Fund. The Manager will make the actual trading decisions upon which the success of the Fund will depend significantly. No assurance can be given that the trading approaches utilized by the Manager will prove successful. There can be no assurance that satisfactory replacements for the Manager will be available, if the Manager ceases to act as such. Termination of the Manager may expose investors to the risks involved in whatever new investment management arrangements can be made.

#### *Dependence of Manager on Key Personnel*

The Manager will depend, to a great extent, on the services of a limited number of individuals in the administration of the Fund’s activities. The loss of such individuals for any reason could impair the ability of the Manager to perform its management activities on behalf of the Fund. In the event of the loss of the services of a key person of the Manager, the business of the Fund may be adversely affected.

#### *Liquidity, Marketability, and Transferability of Units*

An investment in the Fund provides limited liquidity. There is no market for the Units and their resale, transfer and redemption are subject to restrictions imposed pursuant to the Declaration of Trust, including consent by the Manager, 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. In certain circumstances, the Manager may suspend or postpone redemption rights. See “Redemption of Units”. As a result, an investment in the Units is suitable only for sophisticated investors who do not require liquidity for their investment and are able to bear the financial risk of the investment for an extended period of time.

#### *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.

#### *Limited Ability to Liquidate Investment*

There is no market for the Units and one is not expected to develop. Accordingly, it is possible that Unitholders may not be able to dispose of their Units other than by way of redemption at the end of any month, in accordance with and subject to the Declaration of Trust. This Offering of Units is not qualified by way of prospectus, and consequently, the resale of Units is subject to restrictions under applicable securities laws. Unitholders are advised to seek legal advice prior to any resale of the Units.

### *Possible Effect of Redemptions*

Substantial redemptions of Units could require the Fund to submit a redemption of Master Fund Shares in which it invests. The Master Fund may impose limits on the number of Master Fund Shares they are willing to redeem in any given month. If the Master Fund does not accept redemption requests from the Fund sufficient to satisfy redemption requests from Unitholders, the Fund will be required to satisfy such redemption requests either by borrowing money or making in-kind distributions and/or may suspend or postpone redemption requests. Such factors could adversely affect the value of the Units redeemed and of the Units remaining outstanding. See “Redemption of Units”.

### *Taxation of the Fund*

If the Fund does not qualify, or ceases to qualify, as a “mutual fund trust” or a “unit trust” under the Tax Act, the income tax considerations described under the heading “Certain Canadian Federal Income Tax Considerations” would be materially and adversely different in certain respects, including but not limited to, that the Units will not be “qualified investments” for Plans. If the CRA were to contest the characterization of the Fund as a “mutual fund trust” or a “unit trust” for the purposes of the Tax Act, both the Fund and the Unitholders could be adversely affected. There can be no assurance that Canadian federal income tax laws and the administrative policies and assessing practices of the CRA respecting the treatment of mutual fund trusts will not be changed in a manner which adversely affects the Unitholders.

The Fund may be subject to the loss restriction rules contained in the Tax Act unless the Fund qualifies as an “investment fund” as defined in the Tax Act, which, among other things, requires that certain investment diversification restrictions are met, and that Unitholders hold only fixed (and not discretionary) interests in the Fund. If the Fund experiences a “loss restriction” event (i) the Fund will be deemed to have a year-end for tax purposes (which would result in an allocation of the Fund’s net income and net realized capital gains at such time to Unitholders so that the Fund is not liable for income tax under Part I of the Tax Act on such amounts), and (ii) the Fund will be deemed to realize any unrealized capital losses and its ability to carry forward such losses will be restricted. Generally, the Fund will have 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 Tax Act.

Certain amendments to the Tax Act have been proposed, which, if enacted, could limit the ability of the Fund to deduct the full amount of its interest expenses when computing its taxable income.

When computing its taxable income, the Fund will be required to take positions on the characterization of property held by the Fund for the purposes of the Tax Act. There can be no assurance that the CRA will agree with the tax filing positions taken by the Fund. If the Fund were to take the position that shares or interests in a non-resident entity, including Master Fund Shares, do not constitute OIFP under the applicable factual circumstances and the CRA were to successfully contest such characterization, Unitholders and/or the Fund may be subject to materially increased liabilities for taxes, interest and penalties in respect of current and past taxation years.

### *Taxation of the Master Fund*

The Master Fund intends to conduct its affairs such that it will not be, or be deemed to be, resident in, or engaged in a trade or business in, any country other than the Luxembourg for taxation purposes. If the Master Fund were, or were deemed to be, resident in, or if any of its activities were, or were deemed, to constitute a trade or business in, a country other than Luxembourg, then that country’s taxes may apply, and may adversely affect the return to Unitholders by reducing amounts available to be paid to the Fund in respect of its investment in the Master Fund, which could thereby reduce the value of the shares of the Fund.

### *Foreign Tax Reporting*

Unitholders of the Fund may be required to provide identity and residency information to the Fund, which may be provided by the Fund to the IRS, in order to avoid the FATCA Tax being imposed on certain U.S. source income and on sale proceeds received by the Fund. In certain circumstances, the Fund may be required to withhold a 30% tax from distributions it pays to Unitholders who have not provided the required information.

However, the governments of Canada and the United States have entered into the IGA, which establishes a framework for cooperation and information sharing between the two countries and may provide relief from FATCA Tax provided that (i) the Fund complies with the terms of the IGA and the Canadian legislation implementing the IGA (the “**Canadian IGA Legislation**”) and (ii) the government of Canada complies with the terms of the IGA. The Fund will endeavor to comply with the requirements imposed under the IGA and the Canadian IGA Legislation. Accordingly, Unitholders may be required to provide identity, residency and other information which (in the case of specified U.S. persons or specified U.S.-owned non-U.S. persons) will be provided to the CRA and from the CRA to the IRS. However, the Fund may be subject to FATCA Tax if it cannot satisfy the applicable requirements under the IGA or the Canadian IGA Legislation or if the Canadian government is not in compliance with the IGA and if the Fund is otherwise unable to comply with the relevant US legislation. Any such tax would reduce the Fund’s distributable cash flow and Net Asset Value.

In addition, in accordance with Part XIX of the Tax Act, the Manager or the Fund are required to identify and report to the CRA certain information relating to Unitholders who are resident in certain specified countries other than Canada.

#### *Income*

An investment in the Fund may not be suitable for prospective Unitholders seeking cash distributions from such investment, as the Fund does not plan to make regular distributions.

#### *Risk of Achieving Investment Objectives or Change in Investment Objectives or Strategies*

The Manager may alter its strategy without prior approval by the Unitholders if the Manager determines that such change in strategy is consistent with the Fund’s investment objective and in the best interest of Unitholders. There is no guarantee that such a change in investment strategy will be profitable or will not cause losses for Unitholders.

#### *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.

#### *Custody Risk*

Neither the Fund nor the Master Fund control the custodianship of all of its securities. The Fund’s and the Master Fund’s assets will be held in one or more accounts maintained for the Fund and the Master Fund by the respective custodians, prime broker or at other brokers. Special risks exist where the assets of the Fund and the Master Fund, are held by a prime broker rather than through a conventional custodial arrangement with a bank or trust company. Because of the large number of entities and jurisdictions involved and the range of possible factual scenarios involving the insolvency of a custodian or any sub-custodians, agents or affiliates, it is impossible to generalize about the effect of their insolvency on the Fund or the Master Fund and their respective assets. Investors should assume that the insolvency of any of the custodian or such other service providers would result in the loss of all or a substantial portion of the Fund’s or the Master Fund’s assets held by or through such custodian and/or the delay in the payment of withdrawal proceeds. In the event that the custodian experiences severe financial difficulty, the assets of the Fund or the Master Fund could be frozen and inaccessible for withdrawal for an extended period of time while the custodian’s business is liquidated, resulting in a potential loss to the Fund’s or the Master Fund’s investments.

#### *Fluctuations in NAV and Valuation of the Fund's investments*

The Net Asset Value and Net Asset Value for each Class or Series of Units of the Fund will vary according to, among other things, the value of the investments held by the Fund. The Manager and the Fund have no control over the factors that affect the value of the investments held by the Fund, including factors that affect the equity and debt markets generally, such as general economic and political conditions, fluctuations in interest rates and factors unique to each issuer included in the Fund’s portfolio, such as changes in management, changes in strategic direction, achievement of strategic goals, mergers, acquisitions and divestitures, changes in distribution and dividend policies



and other events. Valuation of the Fund's 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 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.

#### *Foreign Investment Risk*

To the extent that the Fund invests in the Master Fund Shares, it will be affected by world economic factors and in many cases by the value of the Canadian dollars and U.S. dollar as measured against foreign currencies. Obtaining complete information about potential investments from foreign markets may also be of greater difficulty. Foreign issuers may not follow certain standards that are applicable in North America, such as accounting, auditing, financial reporting and other disclosure requirements. Political climate may differ, affecting stability and volatility in foreign markets. As a result, the Fund's value may fluctuate to a greater degree by investing in foreign equities, than if the Fund limited its investments to Canadian investments.

#### *Restrictions on Transfer and Resale*

The Units of the Fund may not be sold or transferred in any manner (including by pledge or as security) without the prior written consent of the Manager. Before granting such consent, the Manager would require, at a minimum, that the proposed purchaser execute a subscription agreement substantially in the form that the proposed seller executed in connection with his purchase of Units (or such other agreement as the Manager may approve) and represent to the Manager's satisfaction that, among other things, such proposed sale or transfer is permitted by the Declaration of Trust and all applicable securities laws. Without limiting the power of the Manager to withhold such consent, the Manager may withhold consent if the transfer may result in adverse tax consequences to the Fund or other Unitholders. For Units proposed to be held by a nominee, the required representations must be made by the beneficial owner of the Units and accompanied by a statement from the nominee that the nominee is acting solely in the capacity of nominee for such beneficial owner. The Manager may modify or waive the requirement for these representations in certain limited instances. Resale of the participating shares is also restricted under applicable securities laws.

#### *No Opportunity for Unitholders to evaluate the Master Fund Manager*

The Unitholders have no opportunity to select or evaluate any of the Master Fund's investments or strategies. The Master Fund Manager selects all Fund Investments of the Master Fund and strategies to which the Unitholders obtain exposure through the Master Fund Shares. The likelihood that Unitholders will realize income or gain depends on the skill and expertise of the Master Fund Manager of the Master Fund and its investment personnel.

#### *Uncertain Exit Strategies*

Due to the illiquid nature of some of the positions which the Master Fund may acquire, the Master Fund Manager will be unable to predict with confidence what the exit strategy will ultimately be for any given position, or that one will definitely be available. Exit strategies, which appear to be viable when an investment is initiated, may be precluded by the time the investment is ready to be realized due to economic, legal, political, or other factors.

#### *Cybersecurity*

As the use of technology has become more prevalent in the course of business, each of the Manager and the Fund have become potentially more susceptible to operational risks through breaches of cyber security. A breach of cyber security refers to both intentional and unintentional events that may cause the Manager or the Fund to lose proprietary information, suffer data corruption or lose operational capacity. This in turn could cause the Manager or the Fund to incur regulatory penalties, reputational damage, additional compliance costs associated with corrective measures, and/or financial loss. Cyber security breaches may involve unauthorized access to the Manager's or the Fund's digital information systems (e.g. through "hacking" or malicious software coding) but may also result from outside attacks, such as denial of service attacks (i.e. efforts to make network services unavailable to intended users). In addition, cyber security breaches of the Manager's or the Fund's third party service providers (e.g. administrators

and custodians) or issuers that the Master Fund invests in can also subject the Manager and the Fund to many of the same risks associated with direct cyber security breaches.

#### *In-Kind Distributions*

If the Fund were to make a distribution in-kind to Unitholders, including by way of the distribution of Master Fund Shares, the distributed property may not be a “qualified investment” for Plans for the purposes of the Tax Act. Significant taxes and other adverse consequences may arise for Plans that hold property that is not a “qualified investment” for the purposes of the Tax Act.

#### *ESG and Fiduciary Duties*

In managing the investments of the Master Fund, the Master Fund Manager will take account of ESG related risks arising and the potential financial impact of such risks on the return of an investment. However, prospective investors who consider themselves to be subject to legal obligations that do not permit or restrict their ability to make investments in a fund that takes into account sustainability factors must not invest in the Fund. While the Manager considers that the investment strategies described in the Master Fund Prospectus, in particular the consideration of sustainability and ESG related risks in connection with the investments of the Master Fund, is designed to help the Master Fund achieve its investment objective, as with any investment strategies, it is possible that, compared to a situation where those strategies were not adopted at all or another deployed that did not consider those elements, returns could be lower as a result of the adoption of the strategies.

#### *Charges to the Fund and the Master Fund*

The Fund and the Master Fund will pay certain fees and expenses, which may include management fees, performance fees, legal, accounting, filing, research, and other expenses, regardless of whether such fund realizes profits.

#### *Public Health Crises and Other Events Outside the Control of the Fund*

Public health crises, such as epidemics and pandemics, including the outbreak of the novel coronavirus known as “COVID-19”, acts of terrorism, war or other conflicts, and other events outside of the control of the Fund, the Trustee, the Manager and/or the Master Fund Parties may adversely impact the business, financial condition, and results of operations of the Fund and the Master Fund. In addition to the direct impact that such events could have on the Fund’s and/or the Master Fund’s operations and workforce or the operations and workforce of any manager, adviser, general partner, trustee, or service provider of the foregoing, these types of events could result in volatility and disruption to global supply chains, operations, mobility of people, and the economies and financial markets of many countries, which could affect stability of the financial and stock markets, interest rates, credit ratings, credit risk, inflation, business and financial conditions, operations, and other factors relevant to the Fund, its management and Master Fund and the entities in which the Master Fund invests. The extent to which the novel coronavirus known as “COVID-19” may impact the Fund, its management and Master Fund, and the entities in which the Master Fund invests will depend on future developments, which are highly uncertain and cannot be predicted at this time. The repercussions of this health crisis could have a material adverse effect on the Fund and the Master Fund.

#### *Leverage*

The Fund has the authority to borrow money from time to time and may enter into credit facilities from time to time to pay redemptions and for cash management purposes as described herein. Leverage may be utilized by the Master Fund and the amount of leverage may be substantial. Although leverage presents opportunities for increasing total investment return, it also has the effect of potentially increasing losses as well. Any event that adversely affects the value of an investment, either directly or indirectly, by the Fund could be magnified to the extent that leverage is employed. The cumulative effect of the use of leverage with respect to any investments in a market that moves adversely to such investments could result in a greater loss than if the investments were not levered.

In addition, if the Fund purchases securities on margin and the value of those securities falls, the Fund may be obligated to pay down the margin loans to avoid liquidation of the securities. If such loans are collateralized with portfolio securities that decrease in value, the Fund may be obligated to provide additional collateral to the lender in

the form of cash or securities to avoid liquidation of the pledged securities. Any such liquidation could result in substantial losses. Moreover, counterparties of the Fund, in their sole discretion, may change the leverage limits that they extend to the Fund.

#### *Conflicts of Interest*

The Fund, the Manager, and the Agent may be subject to various conflicts of interest as described under “Conflicts of Interest”. The Master Fund may be subject to various conflicts of interest as described in the Master Fund Prospectus. If one of more actual or potential conflicts are not identified and appropriately addressed, the Fund may be materially impacted, which impact may be adverse to the Fund and/or Unitholders.

#### *Illiquidity*

There can be no assurance that any of the Fund or the Master Fund will be able to dispose of its investments in order to honour requests to redeem Units. There is no assurance that distributions will be paid or that the investments in the Master Fund will be profitable. Unitholders have no entitlement to distributions. The Fund may receive distributions from the Fund in cash or in kind, including in marketable securities of portfolio companies or in restricted securities of portfolio companies. Although it is not expected that the Fund will make distributions in kind, the Fund retains the authority to do so. If distributions are made in kind, Unitholders may become subject to adverse tax and other consequences attributable to acquiring, holding, and disposing of certain distributed property and will bear any costs and market risks in respect of any disposition of such property.

#### *Suspension of Trading*

Securities exchanges typically have the right to suspend or limit trading in any instrument traded on the exchange. A suspension of trading of securities held by the Fund or the Master Fund would render it impossible to liquidate positions and could thereby expose the Fund or the Master Fund to losses.

#### *Not a Mutual Fund Offered by Prospectus*

The Fund is not a mutual fund offered by prospectus. In addition, the Fund will not invest in a manner similar to the investments made by a mutual fund offered by prospectus. Investors should note that as the Fund is not a mutual fund offered by prospectus, the rules designed to protect investors who purchase securities of a mutual fund offered by prospectus will not apply to the Units.

#### *No Operating History*

Although all persons involved in the management and administration of the Fund, including the service providers to the Fund, have significant experience in their respective fields of specialization, the Fund has a limited operating or performance history upon which prospective investors can evaluate the Fund’s likely performance. 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.

#### *Class Risk*

Each Class of Units has its own fees and expenses which are tracked separately. If for any reason, the Fund is unable to pay the expenses of one Class of Units using that Class’ proportionate share of the Fund’s assets, the Fund will be required to pay those expenses out of the other Classes’ proportionate share of the Fund’s assets. This could effectively lower the investment returns of the other Class or Classes of Units even though the value of the investments of the Fund might have increased.

#### *Unitholder Liability*

The Declaration of Trust provides that no Unitholder will be subject to any liability whatsoever, in tort, contract or otherwise, 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 risk, which is considered by the Manager to be remote in the circumstances, that a Unitholder could be held personally liable, 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. It is intended that the operations of the Fund will be conducted in such manner so as to minimize such risk. 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.

#### *The Units are not Insured and Insurance Risk*

The Fund is not a member institution of the Canada Deposit Insurance Fund and the Units offered pursuant to this Offering Memorandum are not insured against loss through the Canada Deposit Insurance Fund. The assets of the Fund are not insured by any government or private insurer except to the extent portions may be deposited in bank accounts insured by a government agency such as the Canada Deposit Insurance Corporation or with brokers insured by the Canadian Investor Protection Fund and such deposits and securities are subject to such insurance coverage (which, in any event, is limited in amount). Therefore, in the event of the insolvency of a depository or custodian, the Fund may be unable to recover all of its funds or the value of its securities so deposited.

#### *Unitholders not Entitled to Participate in Management*

Unitholders are not entitled to participate in the management or control of the Fund or its operations. Unitholders do not have any input into the Fund's trading. The success or failure of the Fund will ultimately depend on the indirect investment of the assets of the Fund by the Manager, with which Unitholders will not have any direct dealings.

#### *Possible Negative Impact of Regulation of Alternative Funds*

The regulatory environment for alternative 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 alternative funds that create additional compliance, transaction, disclosure or other costs for alternative funds, returns of the Fund may be negatively affected. In addition, the regulatory or tax environment is evolving and may be subject to modification by government or judicial action that may adversely affect the value of the investments held by the Fund. The effect of any future regulatory or tax change on the portfolio of the Fund is impossible to predict.

#### *Enforcement of Legal Rights*

The Manager, the Trustee, and the Fund, as well as the Manager's and Trustee's directors and officers, are located in Ontario. All or a substantial portion of the assets of the Manager, the Trustee, and the Fund are located in Ontario. As a result, a purchaser of Units may have to commence a legal action in Ontario in order to enforce any legal rights they may have against any of them in the event that such rights cannot be enforced in the purchaser's own province or jurisdiction.

#### *Past Performance*

There can be no assurance that either the Fund or the Master Fund will achieve their respective investment objectives. Past investment performance of the Master Fund or other funds managed by their manager should not be construed as an indication of the future results of an investment in the Master Fund.

#### *Potential Indemnification Obligations*

Under certain circumstances, the Fund may be subject to significant indemnification obligations in respect of, among others, the Trustee or the Manager or certain parties related to them. The Fund does not carry insurance to cover such potential obligations and the foregoing parties may not be insured for losses for which the Fund has agreed to indemnify them. Any indemnification paid by the Fund would reduce such entity's respective net asset value and, by extension, the value of its securities.

#### *Tracking Error*

Although the Fund is expected to invest in the Master Fund, its performance will not be identical to the returns achieved by the Master Fund. The costs and expenses applicable to an investment in the Fund itself (including the Management Fee and Agent Fee) will necessarily result in the Fund underperforming the Master Fund. In addition, a variety of other factors may contribute to deviations between the performance of the Fund and the Master Fund,

including, but not limited to, the size of the Fund's cash reserve that is not invested in the Master Fund, the timing of subscriptions and redemptions, and the ability of the Fund to fully invest new subscription proceeds in the Master Fund as of the same subscription date. In addition, the Fund will process subscriptions and redemptions, if any, on the basis of valuations provided by the Master Fund. There can be no assurance that such valuations will be accurate, and such valuations may be estimates that generally will not be adjusted retroactively when finalized to reflect revised valuations subsequently provided, which may contribute to tracking error. From time to time and over time, there will be tracking error between the performance of the Fund and the performance of the Master Fund that could, under certain circumstances, be material.

#### *Investments in the Underlying Funds*

In addition to the risks detailed in this Offering Memorandum, because the Fund will invest in and conduct its investment program directly or indirectly through the Master Fund, prospective investors should also carefully consider the risks that accompany an investment in the Master Fund. For a detailed discussion with regard to risks and conflicts of interest generally applicable to the Master Fund, please see risk factors described in this Offering Memorandum and the Master Fund Prospectus. The risks and conflicts of interest described in the Master Fund Prospectus with respect to the Master Fund and an investment therein apply generally to the Fund and the Units. The returns of the Fund will depend almost entirely on the performance of its investments in the Master Fund and there can be no assurance that the Master Fund will be able to implement their respective investment objectives and strategies. Certain ongoing operating expenses of the Fund, which will be in addition to those expenses borne by the Fund as an investor in the Master Fund (e.g., organizational expenses, investment expenses, operating expenses, and other expenses and liabilities borne by investors), generally will be borne by the Fund and the Unitholders with a corresponding impact on the returns to the Unitholders. Such additional expenses of the Fund will reduce the Fund's performance relative to the Master Fund. Although the Fund will be an investor in the Master Fund, investors in the Fund will not themselves be investors of the Master Fund, and will not be entitled to enforce any rights directly against the Master Fund or assert claims directly against the Master Fund or any Master Fund Party. An investor in the Fund will have only those rights provided for in the Declaration of Trust. Neither the Trustee nor the Manager takes any part in the management of the Master Fund or has any control whatsoever over its strategies or policies. If a corporate action is approved by the shareholders of the Master Fund that is adverse to the Fund's interests, the Fund may not achieve its investment objective and/or may suffer losses and incur opportunity costs, which may adversely affect the Fund and investors. The Fund is subject to the risk of bad judgment, negligence, or misconduct of the entities responsible for the management and operation of the Master Fund. The terms of the Master Fund are subject to change. There can be no assurances that the Master Fund will not amend its applicable governing documents. The Fund may invest in the Master Fund on terms different than other investors in the Master Fund, and such investors may invest in the Master Fund pursuant to terms that may be more advantageous than the terms pursuant to which the Fund invests in the Master Fund.

#### *Operational Risk*

The Fund is subject to operational risk, including the possibility that errors may be made by the Manager, the Trustee, the Fund's service providers (including third party fund administrators), or any of their respective affiliates in certain transactions, calculations, or valuations on behalf of, or otherwise relating to, the Fund. Unitholders may not be notified of the occurrence of an error or the resolution of any error. Generally, the Manager, the Trustee, the Fund's service providers, and any of their respective affiliates will not be held accountable for such errors, and the Fund may bear losses resulting from such errors.

The Fund's ability to deliver such audited financial statements will depend, in part, upon its receipt of audited financial statements from the Master Fund. Consequently, it is possible that audited annual financial statements of the Fund may be completed later than would otherwise be the case. Furthermore, if the Master Fund is unable to complete its annual audit (or if the Master Fund issues a qualified audit report), the Fund may be unable to complete its own audit (or the Fund may have to issue a qualified audit report as well).

#### **Certain Risk Factors Applicable to the Investment Strategies of the Master Fund**

In addition to the risks described above and detailed in this Offering Memorandum, the Fund, as an investor in the Master Fund, is subject to all the risks relating to the Master Fund as described below and in the Master Fund Prospectus and therefore, the Unitholders will be subject, indirectly, to all such risks.

### *Investment Risks in General*

Since the Master Fund will invest in private equity investors should be aware of the associated risks and special factors of this asset class which are not related to investments in traditional listed instruments.

The Master Fund expects that any or all of the Private Equity Funds and Listed Private Equity Investments in which it invests may utilize highly speculative investment techniques, highly concentrated portfolios, control and non-control positions and illiquid investments. The Master Fund Manager, the Master Fund Administrator nor the Directors (or any of their affiliates) will typically have the ability to direct or influence the management of the Master Fund's investments. Because of the specialized nature of the Master Fund, an investment in the Master Fund may not be suitable for certain investors and, in any event, an investment in the Master Fund should constitute only a limited part of an investor's total portfolio.

There can be no assurance that the Master Fund will have any profits or that cash will be available for distribution. If the Master Fund receives distributions in kind from any of its investments, the Master Fund may incur additional costs and risks to dispose of such assets. Further, the expenses of the Master Fund may exceed its income. Finally, the net asset value of the Master Fund may decrease as well as increase, and there can be no guarantee against loss resulting from an investment in the Master Fund.

Should the Master Fund's investments not develop favourably there is a risk for the investor that he may lose, in full or in part, the capital invested. The Master Fund does not warrant that it will achieve its investment objectives.

### *Sustainability Risks*

Sustainability risks ("**Sustainability Risks**") are environmental, social or governance events or conditions that, if they occur, could cause an actual or a potential material negative impact on the value of the Master Fund's portfolio and the returns of the Master Fund. Environmental risk factors could be (without limitation) events like earthquakes, climate change, flood risk or other environment-related factors. Social risk factors could be circumstances like social unrest, changes to social or labor laws or other social factors, and governance risks could be factors like bribery and corruption, compliance risks or similar. Sustainability Risks that could occur and which might potentially affect the performance of the Master Fund may vary from one Investment to another and no exhaustive list can be given, and these risks will also vary from time to time.

The assessment of Sustainability Risks is an essential part of the Master Fund Manager's investment decision making process, during the ownership and at the time of exit. The Master Fund Manager screens potential investments through its proprietary ESG due diligence tool which takes into account Sustainability Risks based on, amongst others, the Sustainability Accounting Standards Board's (SASB) Sustainability Risk factors, and produces a Sustainability Risk report and the UN PRI's limited partners' responsible investment due diligence questionnaire for Primary Investments and sensitivity screening for Secondary Investments. The Master Fund Manager will apply an active value-creation approach with an objective of improving the ESG profile of an Investment, when possible.

However, despite the proactive approach to Sustainability Risks, it cannot be excluded that environmental, social or governance factors may affect the value of the Master Fund's portfolio and the returns of the Master Fund.

### *Risks arising from the Nature of the Investment in Private Equity*

Private equity investments typically display uncertainties which do not exist to the same extent in other investments (e.g. listed securities). Private equity investments may be in entities which have only existed for a short time, which have little business experience, whose products do not have an established market, or which are faced with restructuring etc. Any forecast of future growth in value may therefore often be encumbered with greater uncertainties than is the case with many other investments.

Further, private equity investments are often illiquid long-term investments that do not display the liquidity or transparency characteristics often found in other investments (e.g. listed securities). Certain investments are valued on the basis of estimated prices and therefore subject to potentially greater pricing uncertainties than listed securities.

An investment in the Master Fund should be thought of as a long-term investment

*Investments in Funds of Private Equity Funds and certain Listed Private Equity Investments*

The Master Fund is permitted to invest in Private Equity Funds and Fund of Private Equity Funds established in jurisdictions where no or limited supervision is exercised on such funds by regulators. Further, the efficiency of any supervision may be affected by a lack of precision of investment and risk diversification guidelines applicable to, and the flexibility of the investment policies pursued by, such funds.

This absence of supervision at both the level of the fund of funds and the underlying funds may result in a higher risk for the shareholders of the Master Fund.

The specific investment policy of the Master Fund, which intends to also invest in Listed Private Equity Investments or Fund of Private Equity Funds, may result in a possible double or even triple charging of certain fees and expenses for the shareholders of the Master Fund.

Shareholders in the Master Fund will bear indirectly the management and advisory fees charged by the investment managers of the various Private Equity Funds, Funds of Private Equity Funds and Listed Private Equity Investments in which the Master Fund invests.

It is possible that, even at times when the Master Fund has a negative or zero performance, the Master Fund will, indirectly, bear performance fees levied within individual Private Equity Funds, Funds of Private Equity Funds and Listed Private Equity Investments.

*The Master Fund may invest in highly leveraged companies*

The Master Fund may invest in highly leveraged companies, i.e. in companies with a high degree of indebtedness. Investments in highly leveraged companies may be made either directly or indirectly through special purpose vehicles (which may invest in sub-investment grade companies). Companies that are highly leveraged and/or sub-investment grade have a higher risk of defaulting on their debt than companies with lower leverage and/or that are rated investment grade, due to greater exposure to adverse economic factors such as rising interest rates, reduced cash flows, fluctuations in exchange rates, inflation, downturns in the economy or deterioration in the condition of the relevant company or industry. If any of the companies in which the Master Fund has invested restructure or default on their debt, the Master Fund may not recover its investment.

*The Master Fund may use borrowing*

The Master Fund may use borrowing and this may have a positive or negative effect on returns.

*Risks arising from the limitation on subscription and redemptions of Master Fund Shares*

Subscriptions and redemptions of Master Fund Shares are subject to various restrictions as may be imposed by the Directors and may even be suspended or deferred under certain circumstances as more particularly set out under the section “Redemption of Units - Redemptions of Master Fund Shares”.

*Risk arising from net subscriptions and net redemptions*

The Master Fund will both issue new Master Fund Shares and redeem existing ones during its lifetime. Although the simultaneous issue and redemption will have a neutralizing effect and the net issue and/or net redemption is restricted (i) a net issue has the effect of reducing the investment level which changes the risk/return profile of the Master Fund and/or (ii) a net redemption may have the effect that assets of the Master Fund have to be liquidated causing a change in the investment level and the risk/return profile.

*Conflicts of Interest*

Situations may occur where the Master Fund, the Master Fund Manager, and/or the Master Fund Administrator (including their directors, officers, employees) encounter conflicts of interest. In particular the Master Fund Manager and the Master Fund Administrator do not perform their services exclusively for the Master Fund, but also for other

third parties whose interests might conflict with those of the investors of the Master Fund. The Master Fund may (i) make investments in Fund of Private Equity Funds, Private Equity Funds, Listed Private Equity Investments, Pooling Vehicles, or Direct Investments which are managed, advised, or controlled by a company associated with the Master Fund Manager or Master Fund Administrator or (ii) sell investments from the Master Fund's portfolio to third parties which are managed, advised or controlled by the Master Fund Manager or Master Fund Administrator.

Where conflicts arise, these will be addressed in a fair and reasonable manner. In the event of any affiliated transaction the parties will ensure that it is undertaken on an arm's length basis.

Investors should be aware that the Master Fund Manager (or its affiliates) may form investment vehicles that focus on particular market segments, typically where access to investment opportunities is relatively scarce, such vehicles have priority in relation to investment opportunities within their investment focus, and are generally guaranteed to receive at least a pre-defined minimum percentage of opportunities within their investment parameters.

The Master Fund has invested a portion of its assets in a listed private equity investment fund (the "**Access Master Fund**"), which is managed by Partner Group AG. The Access Master Fund in turn may invest in the securities of Partners Group Holding AG, the parent of Partner Group AG. The Master Fund's investment in the Access Master Fund may or may not result in a benefit to Partners Group Holding AG based on the Access Master Fund's increased investment in Partners Group Holding AG which would not otherwise exist if the Master Fund could not make such investment, thus, creating an incentive for the Master Fund Manager to maximize the investment by the Master Fund in the Access Master Fund.

Potential conflicts of interest may also arise out of integration of Sustainability Risks into Partners Group's processes, systems and internal controls. Those conflicts of interest may include conflicts arising from remuneration or personal transactions of staff involved into the investment-decision process, conflicts of interest that could give rise to greenwashing, mis-selling or misrepresentation of investment strategies and conflicts of interest between different investment vehicles managed by Partners Group.

*The Master Fund's performance is dependent on the experience and network of its Master Fund Manager and Portfolio Manager*

The Master Fund does not currently have any employees and does not own any facilities. The Master Fund has appointed the Master Fund Manager to provide certain services to assist with the portfolio management of the Master Fund's investments. Under the Master Fund Management Agreement the Master Fund Manager is responsible for, amongst other things, selecting, acquiring and disposing of investments and carrying out financing and cash management services. As a result, the Master Fund's performance is dependent on the experience and network of the Master Fund Manager, its affiliates and their respective directors, officers and employees. If the Master Fund Manager was to cease to provide services under the Master Fund Management Agreement for any reason, and no suitable replacement were to be found, the Master Fund could experience difficulty in making new and/or in managing its existing investments, its business and prospects may be materially harmed and its results of operations and financial condition would be likely to suffer materially.

#### *Hedging Risk*

The Master Fund and certain of the underlying private equity funds may invest in derivatives in certain circumstances for hedging purposes (e.g. currency hedging). The use of derivatives in this way involves additional costs and expenses, as well as certain special risks, including: dependence on the Master Fund's or the relevant private equity fund's ability to predict movements in the value of investments being hedged and movements in interest rates and exchange rates, as well as the ability to time the implementation or the dissolution of hedging transactions; imperfect correlation between the hedging instrument and the investments, securities or market sectors being hedged.

#### *Risks Relating to Accounting, Auditing and Financial Reporting, etc.*

Standards regarding publicity, accounting, auditing, reporting and legal conditions may be less stringent in countries where certain investments are acquired. This means that the reported value of such investments may deviate from that which would be reported in countries with more stringent standards.



### *Political, Regulatory, Exchange Rate and Currency Risk*

The Master Fund expects its investments to be made in a number of different countries, including less developed countries, and be denominated in a number of different currencies. Any returns on, and the value of, such underlying investments may, therefore, be materially affected by exchange rate fluctuations, local exchange control, limited liquidity of the relevant foreign exchange markets and other restrictions, including restrictions on the repatriation of such returns, the convertibility of the currencies in question and also by political and economic developments in the relevant countries, such as, but not limited to, nationalization, expropriation, confiscatory taxation, social or political instability, military conflicts, terrorist attacks or governmental restrictions.

### *Performance Fee Risk*

The existence of the Master Fund Manager's performance fee may create an incentive for the Master Fund Manager to advise more speculative investments to the Master Fund than it would otherwise make in the absence of such performance-based arrangements.

Moreover, the Master Fund Manager will be entitled to receive a performance fee under the Master Fund Management Agreement based on the realized value of each of the Master Fund's direct investments and secondary investments, on a deal-by-deal basis, in respect of which the Master Fund achieves an IRR of at least 8%. This fee will be payable in respect of each such investment (if any) irrespective of the overall performance of the Master Fund's investments in aggregate or the period over which any particular shareholder has held Master Fund Shares. Thus, in certain circumstances, the Master Fund Manager could be entitled to receive performance fees despite a decline in the value of the Master Fund Shares and/or the Master Fund's net asset value over any particular period. This could induce the Master Fund Manager to take greater risks in order to increase the likelihood of obtaining a performance fee.

### *Settlement Risks*

The Master Fund will regularly make investments which are settled outside of established clearing systems. For example (i) investments made in non-listed companies, (ii) investments which are only based on agreements and for which the investor has no security as proof of the investment, or (iii) investments in securities where the delivery of securities does not occur at the same time as payment of the purchase price. Moreover the settlement of investments or dividends and/or realizations may be more difficult or become impossible because of circumstances which are not in the power of the Master Fund (technical problems, sovereign restrictions, acts of God etc.).

### *Risk in relation to the Master Fund Commitment Strategy*

In light of the impact of the gap between commitments, investments and distributions on cash flows in relation to private equity investments, the Master Fund intends to "over-commit" itself pursuant to the Master Fund Commitment Strategy. The Master Fund aims to invest substantially all of the net proceeds of the issue of shares as soon as reasonably practicable through its Master Fund Commitment Strategy. The level of over-commitment will be determined in light of anticipated cash outflows of the portfolio (draw-downs, redemptions) and anticipated cash inflows (distributions, subscriptions). The Master Fund will seek to balance the advantages and risks of the Master Fund Commitment Strategy by adopting a number of risk control and other measures pursuant to the investment objective and policies of the Master Fund. There can be no assurance that any or all of these measures will be sufficient to meet the obligations of the Master Fund arising as a result of the Master Fund Commitment Strategy nor that the Master Fund will be able to otherwise successfully implement its Master Fund Commitment Strategy.

### *Multiple Levels of Expense*

In addition to the considerations set out above, it should be noted that both the Master Fund and the underlying Private Equity Funds, Funds of Private Equity Funds and Listed Private Equity Investments may impose management and/or administrative costs, expenses and performance allocations. This will result in greater expense than if such fees were not charged. Any investor in the Master Fund must be aware that the management fee will also be paid by the Master Fund in case the Master Fund's investments perform negatively.

All rebates and benefits the Master Fund will be able to negotiate with underlying Private Equity Funds or Funds of Private Equity Funds concerning fees will directly accrue within the Master Fund and therefore benefit the shareholders of the Master Fund.

In connection with investments in Pooling Vehicles the Master Fund will either (i) obtain a waiver of the management charges otherwise applicable by these funds or (ii) fully or partially waive or rebate the investment advisory fees at the level of the Master Fund for those investments. No subscription or redemption charges will be levied by those Pooling Vehicles in connection with transactions with the Master Fund.

#### *Re-underwriting of Assets*

The Master Fund Manager and its affiliates provide investment management services to other clients, which include other investment funds and proprietary accounts in which the Master Fund will not have an interest (such other clients, funds and accounts are collectively referred to as “**Other Clients**”). The Master Fund may participate in transactions that, based on selection criteria such as industry dynamics, a long-term business plan, value creation potential and maturity estimates, are expected to be suited for longer-term holding periods compared to traditional buyouts, as determined by the Master Fund Manager or its affiliates; with the partial or complete acquisition or sale of an investment by the Master Fund involving Other Clients. In such transactions the Master Fund may, if the Master Fund Manager and its Affiliates determine it is in the Master Funds’ best interest to do so, (i) sell all or a portion of a current Investment to purchasers that may include Other Clients; (ii) purchase all or a portion of an investment from one or more Other Clients; or (iii) participate on either side of the transaction by both selling a portion of an investment while retaining or repurchasing a different portion of the same underlying investment (hereinafter referred to as “**Re-underwriting of Assets**”). In such transactions, the Master Fund Manager and its affiliates will prioritize extending Other Clients’ and/or the Master Fund’s existing exposure to the relevant investment, as the case may be, assuming the Master Fund Manager and its affiliates have determined it is in the best interests of such investors to do so and that investment vehicles directly or indirectly controlled by the Master Fund Manager and/or its affiliates possess significant governance rights in the relevant underlying asset before and after the Re-underwriting of Assets, before allocating to new investors or adding to such existing exposure(s). Conflicts may arise in determining the amount of an investment and/or divestment, if any, to be allocated among Other Clients and the Master Fund in a Re- underwriting of Assets and the respective terms thereof, and there can be no assurance that any portion of such investment/divestment opportunity will be allocated to the Master Fund.

The Master Fund Manager and its affiliates will only involve the Master Fund in a Re-underwriting of Assets transaction where it aligns with the Master Fund’s best interests. When determining the Master Fund’s best interests within the context of a Re- underwriting of Assets, the Master Fund Manager and its affiliates will consider the totality of circumstances of the transaction, including e.g. the Master Fund’s investment objectives and time horizon, offered terms from third-party purchasers/sellers of the Investment, and any other transaction specific factors (e.g. tax and legal considerations and the participation of Other Clients) that influence the possible outcomes of the transaction vis-a-vis the Master Fund. There can be no assurance that the return of the Master Fund on a particular investment that is subject to a Re-underwriting of Assets will be equivalent to or better than the returns obtained by Other Clients participating in the transaction or holding such investment. Furthermore, a conflict may arise in such Re- underwriting of Assets because Other Clients may be acting on the other side of the Master Fund and the Master Fund Manager and its affiliates may control the investment prior to and after the Re-underwriting of Assets. The Master Fund Manager and its affiliates have established rule-based procedures designed to ensure all involved clients’ interests are fairly and equitably addressed through their participation in a given Re-underwriting of Assets; for example, the Master Fund Manager and its affiliates will for each Re-underwriting of Assets transaction ensure arm’s length pricing in accordance with the requirements of applicable regulations. Investors in the Master Fund should note that there can be no assurance that the resolution of any conflict will result in circumstances that favor the Master Fund, and each investor in the Master Fund acknowledges and agrees that in some instances, a decision by the Master Fund Manager and its affiliates to take a particular action could have the effect of benefiting Other Clients (and may also have the effect of benefiting the Master Fund Manager and its affiliates).

#### *Holding and disposal of Investments*

Investments owned by the Master Fund may also be allocated by Partners Group to Other Clients and such investments would therefore be owned by Other Clients. Such Other Clients may have different investment objectives and strategies which will include the expected time frame for the ownership, holding and eventual

disposal of such investments. It is likely that the Master Fund Manager and/or their affiliates may decide to dispose some of the investments owned by the Master Fund and Other Clients at the same time and on the same terms and conditions; however, in certain circumstances (for example, but not limited to, the potential listing of an investment on a stock market) it is possible that the Master Fund may seek to dispose of an investment at a different time (either earlier or later) than Other Clients.

There can be no guarantee or representation that the Master Fund will achieve its investment objective. Exposure to the Master Fund is speculative and involves certain considerations and risk factors that prospective investors should consider before investing, some of which are described in the Master Fund Prospectus. Investors will be deemed to acknowledge the existence of the risks set out in the Master Fund Prospectus, and to have waived any claim with respect to, or arising from, the existence of any such risks. The summary contained herein and in the Master Fund Prospectus is not a complete or exhaustive list or explanation of all risks involved in an investment in the Master Fund and the investments by the Master Fund in the underlying investments in which they invest. Investors who are considering making a commitment to the Fund should be aware of certain investment risk considerations and should carefully review and evaluate these with their financial, tax and legal advisors before subscribing.

**INVESTORS SHOULD BE AWARE THAT THEY WILL BE REQUIRED TO BEAR THE FINANCIAL RISKS OF AN INVESTMENT IN UNITS. IF PROSPECTIVE INVESTORS HAVE ANY QUESTIONS AS TO THE SUITABILITY OF THIS INVESTMENT, THEY SHOULD CONTACT THEIR PROFESSIONAL ADVISORS.**

For a detailed discussion with regard to risks and conflicts of interest generally applicable to the Master Fund, investors should carefully review the Master Fund Prospectus and the other material documents relating to the Master Fund described in the Master Fund Prospectus. The risks and conflicts of interest described in the Master Fund Prospectus with respect to the Master Fund and an investment therein apply generally to an investment in the Fund and the Units. Prior to subscribing for Units, a prospective investor should carefully review the Master Fund Prospectus. The returns of the Fund will depend almost entirely on the performance of its investment in the Master Fund and there can be no assurance that the Master Fund will be able to implement their respective investment objectives and strategies.

**The foregoing risk factors do not purport to be a complete explanation of all risks involved in purchasing Units of the Fund issued at any time. Potential investors should read this entire Offering Memorandum, the Master Fund Prospectus and consult with their legal and other professional advisors before making a decision to invest in the Units.**

## **CONFLICTS OF INTEREST**

Securities legislation in Canada requires the Manager to make certain disclosures regarding conflicts of interest. This statement is to inform you of the nature and extent of conflicts of interest that might be expected to arise between the Manager and the Fund.

Under applicable Canadian securities laws, the Manager is required to address and manage existing, as well as reasonably foreseeable, material conflicts in the best interests of clients, including the Fund. The Manager will avoid situations that would result in a serious conflict of interest that would be too high a risk for clients or market integrity and that cannot be addressed in the best interests of the client. In other circumstances involving a material conflict of interest, the Manager will take steps to address the conflict of interest in the best interests of the client.

A conflict of interest can include any circumstance where: (a) the interests of different parties, such as the interests of the Manager and those of a client, such as the Fund, are inconsistent or divergent; (b) the Manager or one of its representatives may be influenced to put their interests ahead of a client's interests; or (c) monetary or non-monetary benefits or disadvantages accruing to the Manager or its representatives that might compromise the trust that a reasonable client has in the Manager or any of its representatives.

The Manager determines the level of risk for each conflict. Whether a conflict is "material" or not depends on the circumstances. In determining whether a conflict is material, the Manager typically considers whether the conflict may be reasonably expected to affect the decisions of clients in the circumstances and/or the recommendations or decisions of the Manager or its representatives in the circumstances.

Certain situations in which the Manager could be in a conflict of interest, and the way in which the Manager intends to respond to such conflicts, are described below under “Statement of Policies”.

The conflicts of interest described in the Master Fund Prospectus with respect to the Master Fund and an investment therein apply generally to an investment in the Fund and the Units. Prior to subscribing for Units, a prospective investor should carefully review the Master Fund Prospectus.

## STATEMENT OF POLICIES

As a portfolio manager, the Manager may occasionally face conflicts between its own interests and those of its clients, or between the interests of one client and the interests of another. The Manager has adopted certain policies to minimize the occurrence of such conflicts or to deal fairly where those conflicts cannot be avoided. In no case will the Manager put its own interests ahead of those of its clients.

### Proprietary Products and Connected Issuers

The Manager’s business model includes managing proprietary funds, such as the Fund. Proprietary funds, such as the Fund, are connected / related to the Manager because the Manager established the funds and acts as their portfolio manager and investment fund manager. The Manager has determined that this is a material conflict of interest and takes the following steps to mitigate the actual and potential conflicts of interest associated with this business model, including distributing proprietary funds primarily through third party dealers and conducting an analysis of similar funds available to a similar client base. In addition, each proprietary fund of the Manager has a specific mandate and strategy. The Manager works to have each proprietary fund distinct and separate such that the mandate of one fund is clearly distinguishable from the other funds.

### Fair Allocation of Investment Opportunities

The Manager may, from time to time, act as portfolio manager to segregated managed accounts in addition to certain pooled investment funds. To ensure fairness in the allocation of opportunities among its clients, and as between its segregated accounts and the funds, the Manager will ensure:

- where orders are entered simultaneously for execution at the same price, fills are allocated on a *pro rata* basis and when transactions are executed at different prices for a group of clients, fills are allocated on an average price basis;
- in the case of a new securities issue, 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. However, if such prorating should result in an inappropriately small position for a client and or particular fund, the allotment would be reallocated to another account. Depending on the number of new issues, over a period of time, every effort will be made to ensure that these prorating and reallocation policies result in fair and equal treatment of all clients, including the Funds; and
- trading commissions are allocated on a *pro rata* basis, in accordance with the foregoing trade allocation policies.

Whichever method is chosen, it must be followed in the future where similar conditions exist. Where it is impossible to achieve uniform treatment, every effort shall be made by the Manager and its employees to compensate at the next opportunity in order that every client, large or small, over time, receives equitable treatment in the filling of orders.

### Soft Dollar Arrangements

The Manager may receive goods or services from a broker or a dealer in consideration of directing transaction business for the account of the Fund to such broker or dealer provided that: (i) the goods or services are of demonstrable benefit to the Fund; and (ii) the transaction execution is consistent with best execution standards and brokerage rates are not in excess of customary full service brokerage rates.

Goods and services may include research and advisory services, economic and political analysis, portfolio analysis (including valuation and performance measurement), market analysis, data and quotation services, clearing and custodian services and investment related publications. The goods and services which the Manager receives will not include any goods and services prohibited from time to time by any code or guidelines issued by any relevant regulatory authority.

The Fund may be deemed to be paying for these services with “soft” dollars. Although the Manager believes that the Fund will demonstrably benefit from the services obtained with “soft” dollars generated by trades, the Fund does not benefit from all of these “soft” dollar services. The Manager and other accounts managed by the Manager or its affiliates also derive substantial direct or indirect benefits from these services, particularly to the extent that the Manager uses “soft” dollars to pay for expenses the Manager would otherwise be required to pay itself.

Soft dollar arrangements occur when brokers have agreed to provide other services (relating to research and trade execution) at no cost to the Manager in exchange for brokerage business from the Manager’s managed accounts and investment funds. Although the brokers involved in soft dollar arrangements do not necessarily charge the lowest brokerage commissions, the Manager will nonetheless enter into such arrangements when it is of the view that such brokers provide best execution and/or the value of the research and other services exceeds any incremental commission costs.

The Manager intends to enter into soft dollar arrangements in accordance with industry standards when it is of the view that such arrangements are for the benefit of its subscribers.

### **Personal Trading**

Staff of the Manager are allowed to operate personal trading accounts at other registered firms. The Manager has adopted a personal trading policy that applies to all officers, directors and other staff with access to information regarding the portfolios. These policies are designed to reasonably prevent staff from trading in advance of orders for the Fund, or trading on the basis of their knowledge of the Fund’s trading activities.

### **Referral Arrangements**

The Manager currently does not have, nor does it propose to enter into any referral arrangements whereby it pays a fee for the referral of a client to the Manager or to one of the funds it manages.

### **Statement of Related and Connected Issuers**

Applicable securities laws 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, or securities of an issuer in which a “responsible person” (as defined by National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*) is an officer or director, to do so only in accordance with particular disclosure and other rules. These rules require dealers and advisers, prior to trading with or advising their customers or clients, to inform them of the relevant relationships and connections with the issuer of the securities. Clients and customers should refer to the applicable provisions of these securities laws for the particulars of these rules and their rights or consult with a legal adviser.

In trading under discretionary authority or advising with respect to investments in the Funds, the Manager will act in accordance with its client’s objectives and constraints set out in the subscription agreement and the investment objectives and constraints contained in the applicable offering documents of the Fund. In all investment decisions, the Manager will deal fairly, honestly and in good faith with each of its clients. Canadian securities legislation requires the Manager, prior to trading with or advising their clients, to purchase securities, to inform them of any relevant relationships and connections they may have with the issuer of securities.

A “related issuer” is a person or company that influences or is influenced by, through ownership or direction and control over voting securities, another person or company. The Manager is an independent firm, owned entirely by senior members of the firm and is not influenced by any other person or company.

A person or company is a “connected issuer” to another person or company if, due to its relationships with such person, a prospective purchaser of securities of the person or company might question the other person or company’s independence from the first person or company. Clients of the Manager, in its capacity as an exempt market dealer, invest in the funds for which the Manager serves as manager.

The Fund may be considered a connected and/or related issuer the Manager. The Manager acts as the investment fund manager and portfolio manager of the Fund and earns fees for managing the Fund. The Manager acts as an exempt market dealer in connection with the marketing and sale of units of the Fund. However, no commissions are paid to the Manager in connection with the sale of such Units. See “Fees and Expenses Relating to the Fund” and “Dealer Compensation”.

The Manager may engage in activities as an investment fund manager, portfolio manager and dealer in respect of securities of related and connected issuers or securities of an issuer in which a “responsible person” is an officer or director, but will do so only in compliance with applicable securities laws.

### **Outside Activities**

The Manager’s registered individuals may become involved in other activities outside of their employment with the Manager (e.g., sitting on boards of directors or providing volunteer services for a charity). These outside activities could: (i) impact the amount of time a registered individual spends on its employment or registration obligations to the Manager; and (ii) create a conflicting interest as to how a registered individual discharges its obligations to the Manager or its clients. The Manager has policies and procedures designed to ensure that all outside activities are reported to and considered by the Manager’s Chief Compliance Officer. The Chief Compliance Officer will only approve such outside activities that do not conflict with the operations or obligations of the Manager.

### **Gifts and Entertainment**

While it is recognized that conducting business may involve some modest exchange of gifts and business-related entertainment, the value of such gifts and entertainment must not create a real or perceived conflict of interest and must not impair the independence or objectivity of the recipient. The Manager has policies and procedures in place with respect to the receipt or giving of gifts and/or entertainment. These policies and procedures require employees to contact the Chief Compliance Officer of the Manager with any concerns about the receipt or giving of a gift or entertainment and whether that may create a conflict of interest. Further, employees are required to notify the Chief Compliance Officer of the Manager upon receipt of a gift or entertainment in excess of \$300 (on an individual basis).

### **Other Conflicts of Interest**

From time to time, other material conflicts of interest may arise. The Manager will continue to take appropriate measures to identify and respond to such situations fairly and reasonably and in the best interests of clients, including the Fund.

## **TERMINATION OF THE FUND**

The Manager may at any time terminate and dissolve the Fund by giving notice to the Trustee and each then Unitholder written notice of its intention at least 90 days before the date on which the Fund is to be terminated (the “**Termination Date**”). After giving such notice, the right of Unitholders to require payment for all or any of their Units shall be suspended and the Manager shall make appropriate arrangements for converting the fund property into cash. After payment of the liabilities of the Fund, each Unitholder registered as such at the close of business on the date fixed as the Termination Date will be entitled to receive from the Trustee his or her proportionate share of the value of the Fund attributable to the Class of Units held in accordance with the number of Units which he or she then holds. If the Fund is terminated, the Declaration of Trust will be terminated and the assets distributed in accordance with the terms of the Declaration of Trust.

## ADMINISTRATOR

The Fund has entered into a valuation and services agreement with the Administrator. The Administrator will calculate the monthly Net Asset Value, Series Net Asset Value, Class Net Asset Value (as applicable), and Net Asset Value per Unit (as applicable), allocate and report taxable income to the Unitholders, prepare the annual and semi-annual financial statements as required, keep Unitholder records and any other services that the Fund may request.

## LEGAL COUNSEL

McMillan LLP acts as legal counsel to the Fund and to the Manager.

## AUDITORS

Deloitte LLP, are the auditors of the Fund. The principal office of Deloitte LLP in Toronto is situated at 22 Adelaide Street West, Suite 200, Toronto, Ontario, Canada. PricewaterhouseCoopers, Société cooperative Réviseur d'entreprises agréé, 2, rue Gerhard Mercator, L-2182 Luxembourg, Grand Duchy of Luxembourg, is the auditor of the Master Fund.

## PERSONAL INFORMATION

By purchasing the Units, the purchaser acknowledges that the Fund and its respective agents and advisers may each collect, use and disclose its name and other specified personally identifiable information, including the amount of the Units that it has purchased for purposes of meeting legal, regulatory and audit requirements and as otherwise permitted or required by law or regulation. The purchaser consents to the disclosure of that information.

By purchasing the Units, the purchaser acknowledges (A) that personal information concerning the purchaser will be disclosed to the relevant Canadian securities regulatory authorities and may become available to the public in accordance with the requirements of applicable securities and freedom of information laws and the purchaser consents to the disclosure of the personal information; (B) is being collected indirectly by the applicable Canadian securities regulatory authority under the authority granted to it in securities legislation; and (C) is being collected for the purposes of the administration and enforcement of the applicable Canadian securities legislation; by purchasing the Units, the purchaser shall be deemed to have authorized such indirect collection of personal information by the relevant Canadian securities regulatory authorities. Questions about such indirect collection of personal information should be directed to the appropriate provincial or territorial authority as per the table below.

**Alberta Securities Commission**  
Suite 600, 250 – 5th Street SW  
Calgary, Alberta T2P 0R4  
Telephone: 403-297-6454  
Toll free in Canada: 1-877-355-0585  
Facsimile: 403-297-2082  
Attention: FOIP Coordinator

**British Columbia Securities Commission**  
P.O. Box 10142, Pacific Centre  
701 West Georgia Street  
Vancouver, British Columbia V7Y 1L2  
Inquiries: 604-899-6854  
Toll free in Canada: 1-800-373-6393  
Facsimile: 604-899-6581  
Email: FOI-privacy@bcsc.bc.ca  
Attention: FOI Inquiries

**The Manitoba Securities Commission**  
500 – 400 St. Mary Avenue  
Winnipeg, Manitoba R3C 4K5  
Telephone: 204-945-2561  
Toll free in Manitoba: 1-800-655-5244  
Facsimile: 204-945-0330  
Attention: Director

**Financial and Consumer Services Commission (New Brunswick)**  
85 Charlotte Street, Suite 300  
Saint John, New Brunswick E2L 2J2  
Telephone: 506-658-3060  
Toll free in Canada: 1-866-933-2222  
Facsimile: 506-658-3059  
Email: info@fenb.ca  
Attention: Chief Executive Officer and Privacy Officer

**Government of Newfoundland and Labrador Financial Services Regulation Division**  
P.O. Box 8700  
Confederation Building  
2nd Floor, West Block  
Prince Philip Drive  
St. John's, Newfoundland and Labrador A1B 4J6  
Attention: Director of Securities  
Telephone: 709-729-4189  
Facsimile: 709-729-6187  
Attention: Superintendent of Securities

**Government of the Northwest Territories Office of the Superintendent of Securities**  
P.O. Box 1320  
Yellowknife, Northwest Territories X1A 2L9  
Telephone: 867-767-9305  
Facsimile: 867-873-0243  
Attention: Superintendent of Securities

**Nova Scotia Securities Commission**  
Suite 400, 5251 Duke Street  
Duke Tower

**Government of Nunavut Department of Justice**  
Legal Registries Division

**Ontario Securities Commission**  
20 Queen Street West, 22nd Floor  
Toronto, Ontario M5H 3S8

P.O. Box 458  
Halifax, Nova Scotia B3J 2P8  
Telephone: 902-424-7768  
Facsimile: 902-424-4625  
Attention: Executive Director

P.O. Box 1000, Station 570  
1st Floor, Brown Building  
Iqaluit, Nunavut X0A 0H0  
Telephone: 867-975-6590  
Facsimile: 867-975-6594  
Attention: Superintendent of Securities

Telephone: 416-593- 8314  
Toll free in Canada: 1-877-785-1555  
Facsimile: 416-593-8122  
Email: [exemptmarketfilings@osc.gov.on.ca](mailto:exemptmarketfilings@osc.gov.on.ca)  
Attention: Inquiries Officer

**Prince Edward Island Securities Office**  
95 Rochford Street, 4th Floor Shaw Building  
P.O. Box 2000  
Charlottetown, Prince Edward Island C1A 7N8  
Telephone: 902-368-4569  
Facsimile: 902-368-5283  
Attention: Superintendent of Securities

**Autorité des marchés financiers**  
800, rue du Square-Victoria, 22e étage  
C.P. 246, tour de la Bourse  
Montréal, Québec H4Z 1G3  
Telephone: 514-395-0337 or 1-877-525-0337  
Facsimile: 514-864-6381 (For privacy requests only)  
Email: [fonds\\_dinvestissement@lautorite.qc.ca](mailto:fonds_dinvestissement@lautorite.qc.ca)  
Attention: Corporate Secretary

**Financial and Consumer Affairs Authority of Saskatchewan**  
Suite 601 - 1919 Saskatchewan Drive  
Regina, Saskatchewan S4P 4H2  
Telephone: 306-787-5842  
Facsimile: 306-787-5899  
Attention: Director

**Office of the Superintendent of Securities  
Government of Yukon  
Department of Community Services**  
307 Black Street, 1st Floor  
P.O. Box 2703, C-6  
Whitehorse, Yukon Y1A 2C6  
Telephone: 867-667-5466  
Facsimile: 867-393-6251  
Email: [securities@gov.yk.ca](mailto:securities@gov.yk.ca)  
Attention: Superintendent of Securities

Pursuant to the IGA entered into by the governments of Canada and the United States and related Canadian legislation found in Part XVIII of the Tax Act, certain information with respect to Unitholders who are U.S. residents and U.S. citizens (including U.S. citizens who are residents and/or citizens of Canada), and certain other “U.S. Persons”, as defined under the IGA (excluding registered plans), may be provided to the CRA. The CRA is expected to provide such information to the U.S. Internal Revenue Service. By investing in the Fund and providing us with your identity and residency information you will be deemed to have consented to the Fund disclosure of such information to the CRA. Other jurisdictions may impose similar requirements.

In addition, in accordance with Part XIX of the Tax Act, the Manager or the Fund are required to identify and report to the CRA certain information relating to Unitholders who are resident in certain specified countries other than Canada. Such information is expected to be exchanged on a reciprocal, bilateral, basis with the tax authorities of the foreign country in which the account holders or such controlling persons are resident.

#### **PROCEEDS OF CRIME (MONEY LAUNDERING) AND TERRORIST FINANCING LEGISLATION**

In order to comply with Canadian legislation aimed at the prevention of money laundering, the Manager may require additional information concerning investors. The Subscription Agreement contains detailed guidance on whether identification verification materials will need to be provided with the Subscription Agreement and, if so, a list of the documents and information required.

If, as a result of any information or other matter which comes to the Manager’s attention, any director, officer or employee of the Manager, or its professional advisers, knows or suspects that an investor is engaged in money laundering, such person is required to report such information or other matter to the Financial Transactions and Reports Analysis Centre of Canada and such report shall not be treated as a breach of any restriction upon the disclosure of information imposed by law or otherwise.



## PURCHASERS' RIGHTS OF ACTION FOR DAMAGES AND RESCISSION

### Cooling-off Period

Securities legislation in certain provinces may give a purchaser certain rights of rescission, against the Registered Dealer who sold Units to them, but those rights must be exercised within a certain time period as little as forty-eight (48) hours following the purchase of Units.

### Statutory Rights of Action for Damages or Rescission

In addition to and without derogation from any right or remedy that a purchaser of Units may have at law, securities legislation in certain of the provinces of Canada provides purchasers of Units with, in addition to any other right they may have at law, rights of rescission or damages, or both, where this Offering Memorandum and any amendment hereto contains a Misrepresentation. Such rights must be exercised by the purchaser within prescribed time limits.

For the purposes of this section, “**Misrepresentation**” means: (a) an untrue statement of a fact that significantly affects, or would reasonably be expected to have a significant effect, on the market price or the value of the securities (a “**Material Fact**”); or (b) an omission to state a Material Fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

In some provinces in Canada, a purchaser may have a statutory right of action which is described below. In certain provinces, no statutory rights exist but a contractual right of action is offered where the Fund is required to do so by securities legislation or where the Fund has determined to do so on a voluntary basis. Any statutory rights of action for damages or rescission described below are in addition to, and without derogation from, any other right or remedy available at law to the purchaser and are subject to the defences contained in those laws. These rights must be exercised by the purchaser within the time limits set out below.

The following is a summary of the rights of rescission or damages, or both, available to purchasers under the securities legislation of certain of the provinces of Canada. Purchasers should refer to the applicable provisions of the securities legislation of their province of residence for the particulars of their rights or consult with a legal adviser.

### **Ontario**

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

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

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

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

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

- (a) a Canadian financial institution or a Schedule III bank (each as defined in NI 45-106);
- (b) the Business Development Bank of Canada incorporated under the *Business Development Bank of Canada Act* (Canada); or
- (c) a subsidiary of any person referred to in paragraphs (a) and (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary.

### ***Saskatchewan***

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

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

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

- (a) if the purchaser elects to exercise its right of rescission against the issuer or selling security holder, it shall have no right of action for damages against that party;
- (b) in an action for damages, a defendant will not be liable for all or any portion of the damages that he, she or it proves do not represent the depreciation in value of the securities resulting from the misrepresentation relied on;

- (c) no person or company, other than the issuer or a selling security holder, will be liable for any part of the offering memorandum or any amendment to it not purporting to be made on the authority of an expert and not purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person or company failed to conduct a reasonable investigation sufficient to provide reasonable grounds for a belief that there had been no misrepresentation or believed that there had been a misrepresentation;
- (d) in no case shall the amount recoverable exceed the price at which the securities were offered; and
- (e) no person or company is liable in an action for rescission or damages if that person or company proves that the purchaser purchased the securities with knowledge of the misrepresentation.

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

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

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

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

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

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

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

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

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

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

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

The Saskatchewan Act also provides a purchaser who has received an amended offering memorandum delivered in accordance with subsection 80.1(3) of the Saskatchewan Act has a right to withdraw from the agreement to purchase the securities by delivering a notice to the person who or company that is selling the securities, indicating the purchaser's intention not to be bound by the purchase agreement, provided such notice is delivered by the purchaser within two (2) business days of receiving the amended offering memorandum.

### ***Manitoba***

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

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

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

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

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

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

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

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

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

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

### ***Nova Scotia***

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

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

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

- (a) the offering memorandum or amendment to the offering memorandum was sent or delivered to the purchaser without the person’s or company’s knowledge or consent and that, on becoming aware of its delivery, the person or company gave reasonable general notice that it was delivered without the person’s or company’s knowledge or consent;

- (b) after delivery of the offering memorandum or amendment to the offering memorandum and before the purchase of the securities by the purchaser, on becoming aware of any Misrepresentation in the offering memorandum or amendment to the offering memorandum the person or company withdrew the person's or company's consent to the offering memorandum or amendment to the offering memorandum, and gave reasonable general notice of the withdrawal and the reason for it; or
- (c) with respect to any part of the offering memorandum or amendment to the offering memorandum purporting (i) to be made on the authority of an expert, or (ii) to be a copy of, or an extract from, a report, an opinion or a statement of an expert, the person or company had no reasonable grounds to believe and did not believe that (A) there had been a Misrepresentation, or (B) the relevant part of the offering memorandum or amendment to offering memorandum did not fairly represent the report, opinion or statement of the expert, or was not a fair copy of, or an extract from, the report, opinion or statement of the expert.

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

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

### ***New Brunswick***

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

- (a) the purchaser has a right of action for damages against the issuer and any selling security holder(s) on whose behalf the distribution is made, or
- (b) where the purchaser purchased the securities from a person referred to in paragraph (a), the purchaser may elect to exercise a right of rescission against the person, in which case the purchaser shall have no right of action for damages against the person.
- (c) This statutory right of action is available to New Brunswick purchasers whether or not such purchaser relied on the Misrepresentation. However, there are various defences available to the issuer and the selling security holder(s). In particular, no person will be liable for a Misrepresentation if such person proves that the purchaser purchased the securities with knowledge of the Misrepresentation when the purchaser purchased the securities. Moreover, in an action for damages, the amount recoverable will not exceed the price at which the securities were offered under the offering memorandum and any defendant will not be liable for all or any part of the damages that the defendant proves do not represent the depreciation in value of the security as a result of the misrepresentation.

If the purchaser intends to rely on the rights described in (a) or (b) above, such purchaser must do so within strict time limitations. The purchaser must commence an action to cancel the agreement within 180 days after the date of the transaction that gave rise to the cause of action. The purchaser must commence its action for damages within the earlier of:

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

### ***Prince Edward Island***

Section 112 of the *Securities Act* (Prince Edward Island) (“**PEI Act**”) provides to a purchaser who purchases, during the distribution period, a security offered by an offering memorandum (such as this Offering Memorandum) containing a misrepresentation, without regard to whether he or she relied on the misrepresentation, a right of action for rescission against the issuer or the selling security holder on whose behalf the distribution is made or a right of action for damages against (a) the issuer, (b) the selling security holder on whose behalf the distribution is made, (c) every director of the issuer at the date of the offering memorandum, and (d) every person who signed the offering memorandum. If the purchaser elects to exercise a right of action for rescission, the purchaser shall have no right of action for damages.

Such rights of rescission and damages are subject to certain limitations and a person will not be liable if the person proves that the purchaser purchased the securities with knowledge of the misrepresentation.

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

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

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

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

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

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

### ***Newfoundland and Labrador***

Section 130.1 of the *Securities Act* (Newfoundland and Labrador) provides that if an offering memorandum (such as this Offering Memorandum) contains a misrepresentation, a purchaser who purchases Units offered by the offering

memorandum is deemed to have relied on the representation if it was a misrepresentation at the time of purchase, and the purchaser has:

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

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

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

When a misrepresentation is contained in the offering memorandum, no person or company other than the Fund, is liable

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



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

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

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

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

The rights of action described above are in addition to and without derogation from any other right or remedy that the purchaser may have at law.

### ***Yukon***

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

whichever period expires first.

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

### ***Northwest Territories***

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

180 days after the plaintiff first had knowledge of the facts giving rise to the cause of action, or three years after the date of the transaction giving rise to the cause of action, whichever period expires first.

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

### ***Nunavut***

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

- (a) a right of action for damages against

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

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

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

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

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

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

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

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

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

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

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

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

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

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

whichever period expires first.

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

***British Columbia, Alberta, and Québec***

Notwithstanding that the *Securities Act* (British Columbia), the *Securities Act* (Alberta) and the *Securities Act* (Québec) do not provide, or require, the Fund to provide to purchasers resident in the Province of Alberta purchasing under the accredited investor exemption and to purchasers in British Columbia and Québec any rights of action in circumstances where this Offering Memorandum or an amendment hereto contains a Misrepresentation, the Fund hereby grants to such purchasers contractual rights of action that are equivalent to the statutory rights of action set forth above with respect to purchasers resident in Ontario.