



**ANNUAL INFORMATION FORM**

Offering Series A, F, and I units of the following alternative mutual fund:

**WAYPOINT ALL WEATHER ALTERNATIVE FUND**

**AUGUST 23, 2021**

No securities regulatory authority has expressed an opinion about these units. It is an offence to claim otherwise.

The Fund and the units of the Fund offered under this Annual Information Form are not registered with the United States Securities and Exchange Commission and they are sold in the United States only in reliance on exemptions from registration.

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## NAME, HISTORY AND FORMATION OF THE FUND

Waypoint All Weather Alternative Fund (the “**Fund**”) is an alternative mutual fund established as a trust under the laws of Ontario. The Fund is governed by a master declaration of trust dated February 1, 2019, as amended and restated as of October 10, 2019 (the “**Declaration of Trust**”). The Fund was initially formed on February 1, 2019, as a non-public investment fund offered only by way of prospectus exemptions. Prior to October 10, 2019, the Fund was named “All Weather Fund”. Effective October 10, 2019, in order to prospectus-qualify the Fund, the declaration of trust governing the Fund was amended and restated to modernize its terms to accommodate retail distribution, including compliance with National Instrument 81-102 *Investment Funds* (“**NI 81-102**”).

Waypoint Investment Partners Inc. (the “**Manager**”, “**Waypoint**”, “**we**” or “**us**”) is the trustee, investment fund manager and portfolio manager of the Fund. The Manager is a corporation incorporated under the laws of Ontario. The registered office of the Fund and of the Manager is located at 1133 Yonge Street, Suite 603, Toronto, Ontario M4T 2Y7.

## INVESTMENT RESTRICTIONS OF THE FUND

### Investment Restrictions

The Fund is subject to certain standard investment restrictions and practices contained in securities legislation, including NI 81-102. This legislation is designed, in part, to ensure that the investments of the Fund are diversified and relatively liquid and to ensure the proper administration of the Fund. The Fund adheres to these standard investment restrictions and practices, except to the extent the Fund has obtained exemptive relief from such investment restrictions and practices. A copy of these investment restrictions and practices may be obtained from the Manager upon request.

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

### Exemptive Relief Obtained by the Fund

The Fund has obtained exemptive relief from Canadian securities regulatory authorities such that the Fund may purchase portfolio securities from, or sell portfolio securities to (in each instance, an “**Inter-fund Trade**”): (i) any investment fund that is managed by Waypoint and to which NI 81-102 applies, or (ii) a fully managed account for which Waypoint acts as portfolio manager (a “**managed account**”), subject to certain conditions, including that the Inter-fund Trade has received the approval of the independent review committee (“**IRC**”) of the Fund in accordance with National Instrument 81-107 – *Independent Review Committee for Investment Funds* (“**NI 81-107**”) and at the time of the Inter-fund Trade, the transaction complies with certain conditions set out in NI 81-107. The exemptive relief also allows the price at which the securities are purchased or sold to be at the “last sale price”. In addition, the Fund has obtained exemptive relief from Canadian securities regulatory authorities to permit the Fund to engage in *in-specie* transactions with a managed account, subject to certain conditions.

### Eligibility under the Income Tax Act

The Fund currently qualifies and is expected to continue to qualify as a “mutual fund trust” and a “registered investment” under the *Income Tax Act* (Canada) (the “**Tax Act**”). As a result, units of the Fund are qualified investments for trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, tax-free savings accounts, registered education savings plans and registered disability savings plans (referred to collectively as “**Registered Plans**”). Units of the Fund may be a “prohibited investment” under the Tax Act for a Registered Plan (other than a deferred profit sharing plan) even when the units are a qualified investment. Units of the Fund will generally not be a prohibited investment for the Registered Plan if the annuitant, planholder or subscriber, as the case may be, and persons (and partnerships) who do not deal at arm’s length with such persons do not, in total, directly or indirectly own units of the Fund representing 10% or more of the fair market value of the Fund. Under a safe harbour rule for new mutual funds, units of the Fund will not be a prohibited investment for a Registered Plan at any time during the first 24 months of the Fund’s existence provided that the Fund is a mutual fund

trust or a registered investment under the Tax Act during that time and is in substantial compliance with NI 81-102 or follows a reasonable policy of investment diversification. **Investors should consult with their own tax advisors as to whether units of the Fund would be a prohibited investment under the Tax Act for their Registered Plan.**

## DESCRIPTION OF UNITS

### General

The Fund is divided into units and may be divided into an unlimited number of series of units. The Fund may issue an unlimited number of units in each series. Currently, the Fund offers Series A, Series F and Series I units under the Simplified Prospectus.

The Fund also offers Series W-OM, which are not offered through a simplified prospectus. Such units are only offered pursuant to prospectus exemptions. The Fund also has Series A-OM, Series F-OM, Series F(US)-OM and Series I-OM units outstanding which it previously offered pursuant to prospectus exemptions.

### *Series A*

Series A units are available to all investors.

### *Series F*

Series F units are available to investors who have a fee-based account with their dealer, other investors for whom we do not incur distribution costs or investors approved by us. Instead of paying sales charges, investors with fee-based accounts who buy Series F units may pay fees to their dealer for investment advice provided by their advisor and other services. We do not pay any commissions to dealers in respect of Series F units.

If you cease to be eligible to hold Series F units, we may change your Series F units into Series A units of the Fund.

### *Series I*

Series I units are special purpose securities available to other mutual funds, institutional investors and other permitted investors. Series I units are not sold to the general public. No management fees or performance fees are charged to the Fund with respect to Series I. Instead, each Series I investor negotiates its own management fee and may negotiate its own performance fee, which is paid directly to us. No sales commission is paid to dealers for selling these units. We must approve any change to or from Series I units.

If you cease to be eligible to hold Series I units, we may change your Series I units into Series A units of the Fund.

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

Units of a series of units of the Fund represent your ownership in the Fund. You receive distributions of the Fund's net income and net capital gains attributable to your series of units (except for Management Fee Distributions (as defined below) and distributions of capital gains to redeeming unitholders) based on the relative net asset value ("Series NAV") and net asset value per unit ("Series NAV per unit") for each series in the Fund. Upon the wind-up or termination of the Fund, unitholders of the Fund will be entitled to participate *pro rata* in the Fund's net assets allocated to the applicable series of units. If you hold units in the Fund, you will be entitled to vote at any unitholder meeting of the Fund as a whole as well as any unitholder meeting for the particular series of units you own. Each unit, regardless of the series, entitles the holder to one vote. Subject to the limitations set out herein, units are issued as fully paid and non-assessable and are redeemable at their Series NAV per unit by unitholders. Units of the Fund can be changed from one series of the Fund to another series of the Fund, provided you are eligible to hold the series you wish to change into. The Fund may issue fractional units, which entitle the holder to similar proportionate

participation in the Fund, but do not entitle the holder to receive notice of, or vote at, meetings of unitholders of the Fund.

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

### **Meetings of Unitholders**

The Fund does not hold regular meetings of unitholders. Investors in the Fund are entitled to one vote for each whole unit held by them at any meeting of the Fund as a whole or of the applicable series.

Investors in the Fund are permitted to vote on all matters that require securityholder approval under NI 81-102 or under the constating documents of the Fund. These matters are:

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

In some cases, NI 81-102 permits these changes to be made without unitholder approval. In these cases, unitholder approval will not be obtained and, instead, if required by securities regulators, unitholders of the Fund or the relevant series will be given at least 60 days' notice of the change before the effective date of the change.

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

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

### **Calculation of Net Asset Value**

The Series NAV and Series NAV per unit of each series of the Fund are calculated on behalf of the Manager by a third party fund administrator (the “**Administrator**”) or such other person engaged by the Manager for such purpose as at 4:00 p.m. (Toronto time) or such other time as we deem appropriate (“**Valuation Time**”) on each day the Toronto Stock Exchange (“**TSX**”) is open for trading, or any other day that we determine that such calculations shall be made (“**Valuation Date**”).

The net asset value (“**NAV**”) of the Fund is computed by subtracting the liabilities of the Fund from the value of the assets of that Fund.

A separate NAV for each series of units of the Fund is also calculated. We call this the “**Series NAV**”. The Series NAV is based on the value of the proportionate share of the assets of the Fund attributable to the particular series less the liabilities of the Fund attributed only to that series that are paid by the Fund and the proportionate share of the

common liabilities of the Fund allocated to that series that are paid by the Fund. A series' proportionate share of the Fund's assets and liabilities is generally determined by comparing that series' NAV to the aggregate NAV of the Fund as of the close of business on the previous business day. That amount is further adjusted for applicable transactions attributable to that series. The Series NAV per unit for each series is determined by dividing the Series NAV by the total number of units of that series outstanding at the time.

The Series NAV per unit is normally determined as at the Valuation Time on each Valuation Date unless the Manager has declared a suspension of the determination of the Series NAV as described under "Redemption of Units". This information is available each Valuation Date at [www.waypointinvestmentpartners.com](http://www.waypointinvestmentpartners.com). The Series NAV per unit so determined remains in effect until the time as at which the next determination of the Series NAV per unit is made.

Units of each series of the Fund are issued or redeemed at the Series NAV per unit next determined after the receipt by the Fund of the purchase order or the redemption request.

The NAV for the Fund and the Series NAV per unit of each series of units of the Fund is available upon request, free of charge, by sending an email to [funds@waypointinvestmentpartners.com](mailto:funds@waypointinvestmentpartners.com) or by calling the Manager at 416-960-7682.

### **Valuation of Portfolio Securities**

Pursuant to National Instrument 81-106 *Investment Fund Continuous Disclosure* ("NI 81-106"), we are required to calculate the Fund NAV and each Series NAV per unit using the fair value of the Fund's assets and liabilities. This Series NAV per unit is used for purchases and redemptions. Fair value generally means the market value based on reported prices and quotations in an active market; however, if the market value is not available, or the Manager believes that it is unreliable, fair value means a value that is fair or reasonable in all the relevant circumstances.

The following valuation principles are used in determining the value of the assets of the Fund. However, deviations from these valuation principles may occur if we feel that applying a particular principle in a particular situation may result in the use of a valuation for a security that does not reflect its fair value.

- (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 NAV of the relevant Fund is being determined) and interest accrued and not yet received, shall be deemed to be the full amount thereof, unless the Administrator, in consultation with 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 Administrator, in consultation with the Manager, determines to be the reasonable value thereof.
- (b) The value of any security that 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. 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 Administrator, in consultation with the Manager, most closely reflects their fair market value.
- (c) The value of any security or other asset for which a market quotation is not readily available shall be its fair market value as determined by the Administrator, as at the Valuation Date.
- (d) All Fund property valued in a foreign currency shall be converted into Canadian dollars by applying the rate of exchange obtained from the best available sources by the Administrator, in consultation with the Manager, to calculate NAV.
- (e) Each transaction of purchase or sale of portfolio securities effected by the Fund will be reflected in

the computation of the NAV of the Fund on the trade date.

- (f) The value of any security or property to which, in the opinion of the Administrator, in consultation with 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 Administrator, in consultation with the Manager, may from time to time determine based on standard industry practice.
- (g) All other liabilities shall include only those expenses paid or payable by the Fund, including accrued contingent liabilities.

If an asset cannot be valued under the above principles or under any valuation principles set out in securities legislation, or if any valuation principles adopted by the Manager, but not set out in securities legislation, are at any time considered by the Manager to be inappropriate in the circumstances, then the Manager shall use a valuation that it considers to be appropriate in the circumstances.

The liabilities of the Fund shall be deemed to include:

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

The Manager has not exercised its discretion to deviate from the Fund's valuation principles as set out above in the past three years.

The Manager may authorize third parties, including the Administrator, to perform some of the valuation functions, and references to the Manager above in the valuation principles may, to the extent the Manager authorizes such parties to perform these functions, include these third parties.

## **PURCHASE OF UNITS**

### **General**

The Fund offers Series A, Series F and Series I units. There is no maximum number of units that may be issued.

Units of the Fund are offered for sale on a continuous basis. Individuals must be of the age of majority in their province of residence in order to purchase units and may hold such units in trust for a minor. Purchase orders must be placed with dealers registered in an investor's province. The Manager does not accept any purchase orders directly from individual investors.

### **Purchase Price**

Units of the Fund may be purchased at their Series NAV per unit, computed as described under "Calculation of Net Asset Value and Valuation of Portfolio Securities". The purchase price per unit is the Series NAV per unit next determined following submission of a complete subscription. Any subscription placed on a Valuation Date after the cut-off time or on any day that is not a Valuation Date is deemed to have been placed on the following Valuation Date. In such case, the purchase price per unit is the Series NAV per unit established on the Valuation Date following the

day of actual submission of the subscription. The cut-off time for submission of subscriptions is 4 p.m. Eastern Time, except on days that the TSX closes early, when the cut-off time is such earlier closing time.

### **Minimum Investment**

The minimum initial investment in Series A and Series F units of the Fund is \$1,000. The minimum subsequent investment in Series A and Series F units of the Fund is \$500 unless you buy through a pre-authorized contribution plan, in which case the minimum subsequent investment is \$100. These minimum investment amounts may be adjusted or waived in our absolute discretion and without notice to unitholders. The Manager reserves the right to redeem, without notice to the investor, all the Series A or Series F units that an investor holds in the Fund if their investment in Series A or Series F units of that Fund falls below \$1,000.

The minimum initial investment and each additional investment in Series I units of the Fund is negotiated between each Series I investor and the Manager.

### **Sales Charges**

Series A units are available for purchase under the initial sales charge option only. Under the initial sales charge option, investors pay a fee to their dealer when they buy the units, of up to 5% of the cost of the units. The fee is negotiated between the investor and their dealer.

There are no sales commissions payable on Series F and Series I units of the Fund. However, investors in Series F units may pay a separate fee to their dealer.

### **Processing Orders**

All orders for units of the Fund are placed by the investor's dealer and the Fund reserves the right to reject any order in whole or in part. Dealers must place an order for units without charge to the investor. They must make such transmittal by electronic means, or if such electronic means is not available, by same-day courier, priority post or telephone. The investor and the investor's dealer are responsible for ensuring that the investor's purchase order is accurate and that all necessary documents or instructions are submitted. The decision to accept or reject any order for units will be made within one business day of placement of the order by the Fund. In the event that any purchase order is rejected, all monies accompanying the order are returned to the subscriber. Full and proper payment for all orders of units must be submitted on or before the settlement date. The settlement date is currently the second business day from (but not including) the day on which the subscription price for the units so ordered is determined.

Orders placed must be settled within the time periods described above. Where payment of the subscription price is not submitted on a timely basis the Manager, on behalf of the Fund, redeems the units ordered by the cut-off time on the first business day following such period. Where the payment is returned or dishonoured, the Manager, on behalf of the Fund, redeems the units on the date that the Manager is notified of such returned or dishonoured payment. The redemption proceeds reduce the amount owing to the Fund in respect of the failed purchase transaction. If the difference is favourable to the Fund, the Fund keeps the difference. If there is a loss, the dealer making the order for units pays to the Fund the amount of the loss, together with any banking costs incurred by the Fund because the payment was not submitted on a timely basis, or if the payment is returned or dishonoured. The dealer may collect such amount from the investor on whose behalf the order was placed, depending on the dealer's arrangements with the investor.

### **CHANGING BETWEEN SERIES**

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

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



units, unitholders will be required to pay the fees and charges applicable to the initial sales charge option for Series A units.

Changes between Canadian dollar and U.S. dollar purchase options across the Fund must be initiated by you or your dealer as a redemption and subsequent purchase.

### **Change Fees**

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

## **REDEMPTION OF UNITS**

### **Price on Redemption**

Units of the Fund may be redeemed at the Series NAV per unit next determined after submission of a redemption request. Redemption requests placed on any day that is not a Valuation Date or after the cut-off time on a Valuation Date are deemed to have been placed on the following Valuation Date. In that case, the price on redemption will be the Series NAV per unit established on the Valuation Date following the day of actual submission. The cut-off time for submission of redemption requests is 4 p.m. ET, except that on days that the TSX closes early, the cut-off time is such earlier closing time.

### **Processing Redemptions**

The Manager encourages all investors to consult their advisors in connection with any redemption. Redemption requests must be forwarded to dealers. Dealers must transmit the particulars of such redemption request without charge to an investor and must make such transmittal wherever practical by electronic means, or if such electronic means is not available, by same day courier, priority post or telephone. The investor and the investor's dealer are responsible for ensuring that the investor's redemption request is accurate and that all necessary documents or instructions are submitted.

No payment of redemption proceeds is made until a duly completed redemption request has been properly submitted.

Where a duly completed redemption request is submitted, the Fund pays the redemption proceeds within two business days of submission. Any Short-Term Trading Fees, if applicable, are deducted from the payment.

If your dealer does not submit all the necessary documents or instructions within 10 business days of placing the redemption order, we will buy back the same number of units on your behalf on the 10th business day after the redemption request. If the proceeds from that redemption are greater than the cost we incur to buy back the units, the Fund will keep the difference. If the proceeds from that redemption are less than the cost we incur to buy back the units, your dealer will pay the difference to the Fund and you may have to reimburse your dealer.

### **Automatic Redemption**

Investors in Series A and Series F units of the Fund must keep at least \$1000 in their accounts. If your account falls below \$1000, we may notify you and give you 30 days to make another investment. If your account stays below \$1000 after the end of the 30 day notice period, we may redeem all of the units in your account and send the proceeds to you.

In addition, we reserve the right to redeem, without notice to you, all of the Series I units that you hold in the Fund if your investment in Series I units of the Fund falls below the negotiated minimum investment.

We may require investors who are U.S. citizens or foreign (including U.S.) tax residents to redeem some or all of their units if their participation has the potential to cause regulatory or tax problems. For example, if an investor does not provide a valid self-certification for the purposes of the Foreign Account Tax Compliance Act as implemented in Canada by the Canada-United States Enhanced Tax Information Exchange Agreement and Part XVIII of the Tax Act ("FATCA") or The Organization for Economic Co-operating and Development's (OECD) Common Reporting

Standard as implemented in Canada by Part XIX of the Tax Act (“**CRS**”), or a valid tax identification number, which could result in non-compliance penalty obligations to the Fund, we may redeem the investor’s units in an amount to make the Fund whole for the imposition of such penalties.

We also intend to observe all redemption policies that may be implemented from time to time by industry participants such as Fundserv, which provides a transaction processing system used by most mutual funds in Canada.

Irrespective of the size of your investment in the Fund, we reserve the right to redeem all of the units that you hold in the Fund in our sole discretion.

Investors should also refer to “Changing Between Series – Change Fees” and “Redemption of Units – Short-Term Trading Fees” above in connection with any change or redemption of units.

### **Redemption Fees**

No redemption fees are payable on the redemption of Series A, Series F or Series I units. In certain circumstances, a Short-Term Trading Fee may be charged by the Fund if an investor redeems within 30 days of purchase.

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

If an investor redeems within 30 days of purchase, the Manager may charge a short-term trading fee on behalf of the Fund (the “**Short-Term Trading Fee**”). No Short-Term Trading Fees are charged on redemptions that occur when an investor fails to meet the minimum investment amount for the Fund. In addition, certain dealer-sponsored rebalancing programs are also exempt from short-term trading fees. See “Purchase of Units - Minimum Investment” for more information.

Short-Term Trading Fees are meant to help protect long-term fund investors and reduce market timers’ arbitrage opportunities and, as such, we do not impose fees where the interests of long-term investors are not harmed by short-term or excessive trades.

The Short-Term Trading Fee will not apply in certain circumstances, such as:

- redemptions of units purchased by the reinvestment of distributions;
- for systematic withdrawal plans;
- redemptions initiated by Waypoint;
- redemptions of units to pay management fees, performance fees, operating expenses, fund costs and/or advisor fees with respect to Series I units; or
- redemptions as a result of a special circumstance, such as death of a unitholder or a hardship situation, subject to our discretion.

### **Suspension of Redemption Rights**

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

## RESPONSIBILITY FOR MUTUAL FUND OPERATIONS

### Manager

Waypoint Investment Partners Inc. is the trustee, investment fund manager and portfolio manager of the Fund. The head office of the Manager is located at 1133 Yonge Street, Suite 603, Toronto, Ontario M4T 2Y7. The phone number for the Manager is 416-960-7682, the e-mail address is [information@waypointinvestmentpartners.com](mailto:information@waypointinvestmentpartners.com) and the website address is [www.waypointinvestmentpartners.com](http://www.waypointinvestmentpartners.com). As investment fund manager, we are responsible for the day-to-day business, operations and affairs of the Fund and provide marketing and administrative services to the Fund. All unitholder reporting and servicing requirements are also furnished by us or on our behalf. The Manager has retained SGGG Fund Services Inc. (“**SGGG**”), located in Toronto, Ontario, to carry out certain administrative services for the Fund, consisting of fund accounting, valuation, including unitholder recordkeeping, processing of all subscriptions and redemptions and calculating and processing all income and capital gains distributions. In this capacity, the receipt by SGGG of any document pertaining to the purchase or redemption of units will be considered to be the receipt by the Fund.

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

Name and Municipality of Residence	Position with the Manager	Principal Occupation Within Preceding Five Years
C. Maxwell (Max) Torokvei Toronto, Ontario	Chief Executive Officer, Ultimate Designated Person and Director	Since January 2020, Chief Executive Officer of the Manager. Since December 2014, Director and Associate Portfolio Manager of the Manager.
William (Bill) Webb Toronto, Ontario	Director	Since February 2018, Director and Portfolio Manager of the Manager. From February 2018 to January 2020, Chief Investment Officer of the Manager.
Ryan Marr Toronto, Ontario	Chief Investment Officer and Director	Since February 2020, Chief Investment Officer and Director of the Manager. Since January 2018, Portfolio Manager of the Manager. Since June 2020, President and Chief Executive Officer of Chesswood Group Limited. From August 2009 to October 2017, Vice President and Portfolio Manager of Gluskin Sheff + Associates Inc.
Amy Aubin Oakville, Ontario	Chief Compliance Officer	Since April 2021, Chief Compliance Officer of the Manager. From March 2012 to March 2021, Chief Compliance Officer of Gluskin Sheff + Associates Inc.

We act as investment fund manager of the Fund pursuant to a master management agreement dated as of October 10, 2019 (the “**Management Agreement**”). The Management Agreement may be terminated by us on 30 days’ prior written notice. Any change in the investment fund manager of the Fund (other than to one of our affiliates) may be made only with the approval of the unitholders of the Fund and, where applicable, in accordance with securities legislation.

### *Management Fees*

For its management fee, the Manager directs the business, operations and affairs of the Fund and carries out the duties necessary to operate the business and affairs of the Fund, either directly or, in whole or in part, through a third party. Waypoint, as manager of the Fund, provides services such as managing the Fund, making recommendations and investment decisions for the Fund, and arranging for distribution, marketing and promotion of the Fund.

For its services rendered to the Fund, the Manager receives annual management fees (calculated and accrued daily and paid monthly) in respect of Series A and Series F units, which are unique to each series of units and calculated as an annual percentage of the Fund’s daily NAV attributable to the applicable series of units, as follows:

<u>Series A</u>	<u>Series F</u>
1.75%	1.00%

Management fees are subject to applicable sales tax.

Investors pay the management fees for Series I units directly. The Series I management fee (which is negotiated) will not exceed the management fee payable in respect of Series F units of the Fund and is accrued and paid as agreed to by the Manager and each Series I investor.

### ***Performance Fees***

The Manager receives a performance fee in respect of Series A and Series F units of the Fund, which is calculated and accrued for each such series each business day during the relevant Performance Fee Determination Period (as defined below).

The Fund will pay the Manager a performance fee plus HST and any other applicable taxes for each Performance Fee Determination Period equal to 15% of the Net Profit (as defined below) of each of the applicable series of units, subject to the High-water Mark (as defined below).

The “Performance Fee Determination Period” means (i) each calendar quarter for those investors that remain in the Fund at the end of the calendar quarter and (ii) the period from the beginning of a calendar quarter until the redemption date for those investors that redeem prior to the end of the calendar quarter.

“Net Profit” means, in respect of each series of units of the Fund for any Performance Fee Determination Period, the amount calculated by deducting the relevant Series NAV per unit on the first business day of that Performance Fee Determination Period from the Series NAV per unit on the last business day of that Performance Fee Determination Period and multiplying the resulting amount by the total number of units of such series outstanding at the close of business on the last business day in that Performance Fee Determination Period.

“High-water Mark” means, in respect of each series of units of the Fund, the highest Series NAV per unit in respect of which a performance fee has been previously paid for that series, or the initial offering price of the units of such series if no performance fee has yet been paid in respect of such series.

No performance fee shall be paid in respect of a series unless the Series NAV per unit exceeds the High-water Mark for that series and, in such circumstances, a performance fee shall only be paid on that portion of the Net Profit that exceeds the High-water Mark.

The Manager may make such adjustments to the NAV per unit and/or the calculation of the performance fee as may be determined by the Manager to be necessary to account for the payment of any distributions on units, any unit splits or consolidations or any other event or matter that would, in the opinion of the Manager, impact upon the calculation of the performance fee. Any such determination shall, absent manifest error, be binding on all unitholders.

Investors in Series I units may negotiate a performance fee (in accordance with applicable regulatory requirements) to be paid by the investor to the Manager that is the same or different than the one described above or may pay no performance fee at all, as determined by the Manager in its discretion.

### ***Management Fee Reductions***

The Manager reserves the right to offer a reduced management fee for select investors in Series A and Series F units who (among other considerations) hold large investments in the Fund. This is achieved by reducing the management fee charged by us to the Fund based on the aggregate NAV of the units held by such investor and the Fund distributing an amount equal to the reduction (a “**Management Fee Distribution**”) to the investor. Management Fee Distributions are automatically reinvested in additional units of the same series of the Fund. A Management Fee Distribution results in the distribution of additional income, capital gains and/or capital to an investor. Management Fee Distributions are paid first out of income and capital gains of the Fund, and then out of capital. The income tax consequences of a Management Fee Distribution made by the Fund generally will be borne by the unitholder who receives the

distribution. See “Income Tax Considerations” for more information regarding the tax consequences of a Management Fee Distribution.

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

If the Fund invests in an underlying fund, the fees and expenses payable in connection with the management of the underlying fund are in addition to those payable by the Fund. However, we will ensure that if the Fund invests in an underlying fund, it will not pay duplicate management fees on the portion of its assets that it invests in that underlying fund. In addition, if the Fund invests in an underlying fund, it will not pay duplicate sales fees or redemption fees with respect to the purchase or redemption by it of securities of that underlying fund.

### **Promoter**

The Manager has taken the initiative in founding and organizing the Fund and is, accordingly, the promoter of the Fund within the meaning of securities legislation of certain provinces of Canada. The Manager, in its capacity as manager of the Fund, receives compensation from the Fund. See “Responsibility for Mutual Fund Operations – Manager – Management Fees” and “Responsibility for Mutual Fund Operations – Manager – Performance Fees”.

### **Trustee**

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

### **Portfolio Manager**

Pursuant to the Management Agreement, we are the portfolio manager of the Fund and, in such capacity, are responsible for the management of the investment portfolio, the establishment of investment policies and guidelines and the provision of investment analysis relating to the assets of the Fund. The Management Agreement may be terminated by us on 30 days’ prior written notice.

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

Name and Title	Business Experience in the Past Five Years
Terry Thib Portfolio Manager*	Since August 2021, Portfolio Manager of the Manager. From February to August 2021, Portfolio Manager of Goodwood Investments Inc. Since October 2018, consultant in the investment management industry. From 2014 to October 2018, Vice President of Investments and Portfolio Manager of Industrial Alliance Clarington Investments.
Ryan Marr Chief Investment Officer	Since February 2020, Chief Investment Officer of the Manager. Since January 2018, Portfolio Manager of the Manager. From August 2009 to October 2017, Vice President and Portfolio Manager of Gluskin Sheff + Associates Inc.
C. Maxwell Torokvei Chief Executive Officer	Since January 2020, Chief Executive Officer of the Manager. Since December 2014, Director and Associate Portfolio Manager of the Manager.

\* An application has been filed with the securities regulatory authorities to register Mr. Thib as Portfolio Manager of the Manager. Mr. Thib's pending registration is subject to the approval of the securities regulatory authorities.

### **Brokerage Arrangements**

All decisions as to the purchase and sale of portfolio securities and all decisions as to the execution of these portfolio transactions, including the selection of market and dealer and the negotiation of commissions, where applicable, are made by the Manager. In executing trades for the Fund, the Manager must select dealers who will provide "best execution", taking into consideration the quality and reliability of brokerage services, as well as research and investment information and certain other services provided by dealers. While one dealer may give the Manager a better overall price (price plus commissions) than another, the Manager is allowed to take into consideration the relative value of research and other services, to determine the brokers with which to place the trade.

The Manager can enter into arrangements whereby commission dollars paid to an executing dealer can be used to pay for order execution goods and services and research goods and services for the benefit of the Fund. These services will contain elements that support the reasoning in respect of security selection and portfolio construction. Factors used in determining whether the Fund receives reasonable benefits from such goods and services include, but are not limited to, price, speed of execution and overall cost of execution. Not all brokerage commission arrangements will benefit the Fund at all times.

The types of research goods and services the Manager may receive from a dealer for directing brokerage commissions include:

- advice relating to the value of a security or the advisability of effecting the transaction in a security;
- an analysis or report concerning a security, portfolio strategy, issuer, industry or an economic or political factor or trend; and
- a database or software, to the extent that it supports goods or services described above.

The Manager may also receive goods or services from a dealer for directing brokerage commissions to the extent that they are directly related to order execution.

In making reasonable efforts to achieve best execution, the Manager considers a number of factors, including assessing the Fund's investment objectives, selecting appropriate dealers and marketplaces and monitoring the results on a regular basis.

The name of any non-affiliated dealer or third party that provides research goods and services or order execution goods and services to the Fund in return for the allocation of brokerage transactions will be provided upon request by contacting the Manager at 416-960-7682 or by emailing us at [funds@waypointinvestmentpartners.com](mailto:funds@waypointinvestmentpartners.com).

### **Conflicts of Interest**

The management and portfolio management services of the Manager under the Management Agreement are not exclusive and nothing in the Management Agreement prevents the Manager from providing similar management services to other investment funds and other clients (whether or not their investment objectives and policies are similar to those of the Fund) or from engaging in other activities.

Investments in securities on behalf of the Fund and other investment funds managed by the Manager will be allocated to the Fund and such other investment funds according to trade allocation procedures designed to ensure that no fund is intentionally favoured at the expense of another fund and all aggregated orders are conducted in a fair and equitable manner. The Manager's allocation policies include pro rata allocation as well as specific procedures for the allocation of partially filled allocated orders.

### **Custodian**

National Bank Financial Inc. (through its National Bank Independent Network division) (the “**Custodian**”), at its principal offices in Toronto, Ontario, is custodian of the assets of the Fund pursuant to a custody and securities services agreement dated February 1, 2019, as amended (the “**Custodian Agreement**”). The Custodian has a qualified foreign sub-custodian in each jurisdiction in which the Fund has securities. The Manager or the Custodian may terminate the Custodian Agreement at any time upon 30 days’ prior written notice.

The Custodian is entitled to receive fees from the Fund as described under the Custodian Agreement, and to be reimbursed for all expenses and liabilities that are properly incurred by the Custodian in connection with the activities of the Fund.

The Fund may deposit securities or cash as margin with a dealer when it uses clearing corporation options, options on futures or futures contracts in accordance with the regulations of the securities regulatory authorities. In this case, the dealer also acts as a custodian of assets of the Fund.

### **Securities Lending Agent**

In the event that the Fund engages in securities lending, the Custodian or a sub-custodian will act as the securities lending agent for the Fund.

### **Lender**

The Fund may borrow money from the Custodian for investment purposes pursuant to an amended and restated margin annex dated October 10, 2019, which forms part of the Custodian Agreement (the “**Margin Annex**”). The Custodian is not an affiliate or associate of the Manager.

### **Auditor**

The auditors of the Fund are KPMG LLP, Chartered Professional Accountants, Toronto, Ontario.

### **Administrator and Registrar of the Fund**

SGGG Fund Services Inc., at its offices in Toronto, Ontario, is the administrator and registrar for the units of the Fund. The register of the Fund is kept in Toronto. In addition to maintaining the register, as administrator, SGGG Fund Services Inc. is also responsible for certain aspects of the day-to-day administration of the Fund.

## **CONFLICTS OF INTEREST**

### **Principal Holders of Securities**

To the knowledge of the Manager, as of July 31, 2021, the only persons or companies that own, of record or beneficially, directly or indirectly, more than 10% of the units of the outstanding series of the Fund, are the following:

<b>Name*</b>	<b>Series</b>	<b>Type of Ownership</b>	<b>Number of Securities</b>	<b>% of Series of Securities Issued and Outstanding</b>
Investor #1*	A-OM	Of record and beneficial	62,632.9649 units	32.65%
Investor #2*	A-OM	Of record and beneficial	28,855.8163 units	15.04%
Investor #3*	A-OM	Of record and beneficial	20,904.7524 units	10.09%
Investor #4*	F	Of record and beneficial	1,415,546.4009 units	13.15%

<b>Name*</b>	<b>Series</b>	<b>Type of Ownership</b>	<b>Number of Securities</b>	<b>% of Series of Securities Issued and Outstanding</b>
Investor #5*	F-OM	Of record and beneficial	54,410.6811 units	25.24%
Investor #6*	F-OM	Of record and beneficial	27,753.0457 units	12.87%
Investor #7*	F-OM	Of record and beneficial	26,258.9501 units	12.18%
Investor #8*	I	Of record and beneficial	465,979.6924 units	43.87%
Axis Holdings Inc.	W-OM	Of record and beneficial	76,674.4174 units	15.24%
Investor #9*	W-OM	Of record and beneficial	69,663.6524 units	13.84%
William Webb	W-OM	Of record and beneficial	58,324.2507 units	11.59%
Investor #10*	W-OM	Of record and beneficial	56,504.5658 units	11.23%
Investor #11*	W-OM	Of record and beneficial	52,285.6774 units	10.39%

\* To protect the privacy of individual beneficial owners who are not directors or officers of the Manager, we have omitted the names of individual owners (and, as applicable, their holding companies and family trusts). This information is available on request by contacting the Manager at 416-960-7682.

As at July 31, 2021, the directors and senior officers of the Manager beneficially owned, directly or indirectly, in aggregate, 26.83% of the Series W-OM units and 90.67% of the voting shares of the Manager. Some of the voting shares of the Manager beneficially owned by the directors and senior officers of the Manager are held through companies the shares of which the directors or senior officers of the Manager may only hold a part of those shares. As at July 31, 2021, the members of the IRC did not beneficially own, in aggregate, directly or indirectly, any voting or equity securities in the Manager or any person or company that provides services to the Fund or the Manager, or more than 10% of the securities of any series of the Fund.

### **Affiliated Entities**

None of the service providers that currently provide services to the Fund and the Manager is an affiliated entity of the Manager.

If, in the future, the Manager employs an affiliated entity to provide services to the Fund, any amounts paid by the Fund to such affiliate will be reported in the financial statements of the Fund.

## **FUND GOVERNANCE**

### **Independent Review Committee**

As required by NI 81-107, the Fund has an IRC to review all conflicts of interest matters identified and referred to the IRC by the Manager relating to the Fund. The IRC reviews and gives its approval or recommendations as to the conflict of interests matters referred to it. A conflict of interest matter is a situation where a reasonable person would consider the Manager or an entity related to the Manager to have an interest that conflicts with the Manager's ability to act in good faith and in the best interest of the Fund. The IRC is also required to approve certain mergers involving the Fund and any change of the auditor of the Fund.

The IRC must have all independent members. The Manager considers that an individual is independent if the individual is not a director, officer or employee of any of the Manager, an affiliate of the Manager. In addition, the individual must be independent of management and free from any interest and any business or other relationship that



could, or could reasonably be perceived to, materially interfere with the individual's ability to act with the view to the best interest of the Fund.

The members of the IRC are as follows:

Alex Mitchell (Chair)  
 William O'Hara  
 R. Jeffrey White  
 Michael McKenna

The IRC has a written charter that sets out its powers, duties and responsibilities. Additionally, pursuant to NI 81-107, the IRC assesses, at least annually, the adequacy and effectiveness of the following:

- the Manager's policies and procedures regarding conflict of interest matters;
- any standing instructions that the IRC gave to the Manager for conflict of interest matters related to the Fund;
- the compliance of the Manager and the Fund with any conditions imposed by the IRC in a recommendation or approval it has provided to the Manager; and
- the independence and compensation of its members, the IRC's effectiveness as a committee and the contribution of each member to the IRC.

The IRC prepares a report for unitholders, at least annually, of its activities. Such report is made available on the Manager's website at [www.waypointinvestmentpartners.com](http://www.waypointinvestmentpartners.com) or, at the request of a unitholder and at no cost, by calling 416-960-7682. A copy will also be available at [www.sedar.com](http://www.sedar.com).

The Manager and the IRC members agreed that the IRC members would not receive any compensation for the first two financial years of distribution of units of the Fund under the Simplified Prospectus. Therefore, for the year ended December 31, 2019 and 2020, the individual IRC members did not receive any compensation or reimbursement of expenses from the Fund. Starting January 1, 2021, each member of the IRC will receive a retainer of \$2,000 per annum (\$2,500 per annum for the chair). The compensation of the IRC members is reviewed at least annually at a meeting of the IRC.

### **Policies on the Use of Derivatives**

The Fund may use derivative instruments from time to time for hedging or investment purposes, provided that the use of such derivative instruments is in compliance with NI 81-102 and is consistent with the investment objective and investment strategies of the Fund. For example, the Fund uses an options trading overlay strategy over the Fund's portfolio to seek to manage market volatility. In addition, the Fund may use futures or other derivative instruments to gain exposure to a particular security in circumstances where the Manager has determined that synthetic exposure would be preferable to a direct investment. Derivatives also may be used for a variety of purposes that do not constitute speculation, such as risk management, seeking to stay fully invested, seeking to equitize any cash and dividend receivables, seeking to reduce transaction costs, seeking to simulate investment in equity or debt securities or other investments, seeking to add value by using derivatives to more efficiently implement portfolio positions when derivatives are favourably priced relative to equity or debt securities or other investments and for other purposes. In connection with its use of derivatives, the Fund may purchase or hold cash and/or fixed-income and other instruments that it may pledge as collateral or margin to its counterparties or futures commission merchants.

The Fund may use derivative instruments to seek to hedge foreign currency exposure of the securities held by the Fund to the Canadian dollar.

### **Policies and Procedures related to Securities Lending, Repurchase or Reverse Repurchase Transactions**

The Fund may enter into securities lending arrangements in accordance with NI 81-102 in order to generate additional income to enhance the NAV of the Fund. The Fund may lend securities to securities borrowers acceptable to it pursuant to the terms of a securities lending agreement between the Fund's securities lending agent and any such borrower under which: (i) the borrower will pay to the Fund a negotiated securities lending fee and will make compensation payments to the Fund equal to any distributions received by the borrower on the securities borrowed; (ii) the securities loans must qualify as "securities lending arrangements" for the purposes of the Tax Act; and (iii) the Fund will receive collateral security. The securities lending agent is responsible for the ongoing administration of the securities loans, including the obligation to mark-to-market the collateral on a daily basis.

Under applicable securities legislation, the collateral posted by a securities borrower is required to have an aggregate value of not less than 102% of the market value of the loaned securities. The total value of the securities loaned by the Fund at any time is not permitted to exceed 50% of the net asset value of the Fund (excluding any collateral received from securities lending activities). Any cash collateral acquired by the Fund is permitted to be itself invested only in the securities permitted under NI 81-102 that have a remaining term to maturity of no longer than 90 days.

### **Policies and Procedures related to Liquidity Risk Management**

Liquidity is maintained in the context of the market environment. The Manager maintains systems to measure liquidity risk in real time and evaluates these risks in accordance with the Fund's disclosed investment strategy and performance objectives.

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

The Manager has policies and procedures in place to ensure that proxies relating to securities held by the Fund are voted in a timely manner, in accordance with the instructions of the Fund and in the best interests of the Fund. The Fund has authorized the Manager to make decisions with respect to proxy voting on behalf of the Fund. The Manager reviews the proxies voted on behalf of the Fund throughout the year and performs an annual review of the proxies voted on behalf of the Fund to ensure that proxies have been voted in accordance with the Manager's proxy voting guidelines.

A summary of the proxy voting policies and procedures of the Manager is set out below. Copies of the complete proxy voting policies and procedures for the Fund are available to investors on request, free of charge, by calling the Manager at 416-960-7682, by sending an email to [funds@waypointinvestmentpartners.com](mailto:funds@waypointinvestmentpartners.com) or by sending a request via mail to Waypoint Investment Partners Inc. at 1133 Yonge Street, Suite 603, Toronto, Ontario M4T 2Y7.

The Fund's proxy voting record for the most recent period ended June 30 of each year will be available free of charge to any unitholder of the Fund upon request at any time after August 31 of that year by calling 416-960-7682. The proxy voting record will also be available on the Fund's website at [www.waypointinvestmentpartners.com](http://www.waypointinvestmentpartners.com).

### ***Waypoint Proxy Voting Guidelines***

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

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

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

The Policies generally provide for voting in favour of management's recommendations unless there are specific circumstances for voting against and/or the Manager believes the Fund's best interests would be better served by

voting against such recommendations. The Manager will also document the reasons for a decision to cast a proxy vote in a manner that deviates from the Policies. All proxies shall be reviewed and analyzed on a case by case basis by the portfolio manager(s).

Should a material conflict of interest arise with respect to proxy voting, the matter will be brought to the attention of the Manager's Chief Compliance Officer, who will refer the matter to the Fund's IRC for recommendation as to whether the Manager's proposed course of action achieves a fair and reasonable result for the Fund, in accordance with NI 81-107.

To the extent the Fund invests in other mutual funds managed by the Manager, the Fund would be prohibited from voting such units. The Manager may, in its discretion, choose to flow-through any voting rights regarding such units to investors in the Fund.

### **Market Timing and Excessive Short-Term Trading**

In general, the Fund is a long-term investment. Some investors may seek to trade frequently to try to take advantage of the difference between the Fund's NAV and the value of the Fund's portfolio holdings. This activity is sometimes referred to as "market timing". Frequent trading in order to time the market or otherwise can hurt the Fund's performance, affecting all the investors in the Fund, by forcing the Fund to keep cash or sell investments to meet redemptions. This activity can negatively impact Fund performance affecting all investors in the Fund by forcing the Fund to keep cash or sell investments to meet redemptions. We use a combination of measures to detect and deter market timing activity and excessive short-term trading, including:

- monitoring trading activity in our client accounts;
- imposing short-term trading fees and, if a client continues to attempt such trading activity, declining trades; and
- applying fair value pricing to foreign portfolio holdings in determining the value of portfolio securities owned by the Fund.

While we actively take steps to detect and deter market-timing activity and excessive short-term trading, we cannot ensure all such activity is completely eliminated. In certain instances, an institutional investor may invest in the Fund directly or indirectly for multiple investors whose individual trading activity is not recorded on our recordkeeping system.

## **DISTRIBUTIONS**

The Fund distributes sufficient income and net realized capital gains (reduced by loss carry forwards, if any) for each taxation year of the Fund to ensure that the Fund is not liable for ordinary income taxes after taking into account any applicable losses of the Fund and the capital gains refund, if any, the Fund is entitled to for the purpose of the Tax Act. The Fund may also make such other distributions out of income, capital gains and/or capital at such time or times as the trustee of the Fund, in its sole discretion, determines.

Returns of capital may result in an encroachment upon an investor's original investment and, over time, may result in the return to the investor of the entire amount of the investor's original investment. Outside a Registered Plan, a return of capital made to an investor is not immediately taxable in the investor's hands but will reduce the investor's adjusted cost base ("ACB") of the related units. However, if the distributions are reinvested in additional units of the Fund, the ACB will increase by the amount reinvested. Where net reductions to the ACB of the investor's units would result in the ACB becoming a negative amount, such amount will be treated as a capital gain realized by the investor and the ACB of the investor's related units will then be nil. Any further net reductions to ACB will similarly be treated as capital gains realized by the investor outside a Registered Plan.

All distributions made by the Fund (other than a special distribution of capital gains to a redeeming unitholder) will be automatically reinvested in additional units on the Valuation Date on the date of or immediately following the distribution at the Series NAV per unit of such units unless the unitholder's dealer advises the Manager it is to be paid

in cash. Once the distribution reinvestment is completed, there will be a consolidation of units such that each unitholder (other than a non-resident in respect of whose share of the distribution tax was withheld) has the same number of units that they held immediately prior and the Series NAV per unit will be adjusted accordingly so that the aggregate NAV of a unitholder's units remains the same as prior to the distribution.

Each investor of the Fund is sent an annual statement. A tax slip will be sent to an investor if distributions are paid on units held outside a Registered Plan showing the amount and type of distributions paid on those units. The annual statements and tax slips, together with the confirmations sent to the investor on the purchase of units of the Fund (including on a reinvestment of distributions) should be retained by the investor, so that the investor may compute and report for tax purposes any distributions received, as well as any gain or loss realized on a redemption of units.

## **INCOME TAX CONSIDERATIONS**

The following is a summary of the principal Canadian federal income tax considerations under the Tax Act for the Fund and for a prospective investor in the Fund 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, holds units of the Fund either directly as capital property or in a Registered Plan, and is not affiliated with the Fund and deals at arm's length with the Fund. This summary is based upon the current provisions of the Tax Act and the regulations issued thereunder (the "**Regulations**"), all specific proposals to amend the Tax Act and Regulations that have been publicly announced by the Minister of Finance (Canada) prior to the date hereof and the current published administrative policies and assessing practices of the Canada Revenue Agency ("**CRA**"). This summary does not take into account or anticipate any other changes in law, whether by legislative, regulatory, administrative or judicial action. Furthermore, this summary does not take into account provincial, territorial or foreign income tax legislation or considerations, which may differ from the considerations described below.

**This summary is of a general nature only and is not exhaustive of all possible income tax considerations. Prospective investors should consult their own tax advisors about their individual circumstances.**

The Fund currently qualifies and is expected to continue to qualify as a "mutual fund trust" and "registered investment" under the Tax Act. This summary is based on the assumption that the Fund will so qualify at all times. If the Fund were to fail to so qualify at any time, the tax consequences to the Fund and its unitholders could be materially different in some respects from that described herein.

### **Taxation of the Fund**

The Fund is subject to tax under Part I of the Tax Act on its net income, including net taxable capital gains, as calculated under the Tax Act for a taxation year (after deducting available loss carryforwards) to the extent that it is not paid or payable to unitholders. A fund that is a mutual fund trust throughout its taxation year is entitled to a refund (the "**Capital Gains Refund**") of its tax liability on its net realized capital gains equal to an amount determined by formula under the Tax Act based on the redemption of units during the year and accrued gains on the Fund's assets. The Declaration of Trust requires the Fund to distribute a sufficient amount of its net income and net realized capital gains, if any, for each taxation year to unitholders so that the Fund will not be liable in any taxation year for income tax under Part I of the Tax Act after taking into account applicable losses and any entitlement to a Capital Gains Refund.

The Fund is required to calculate its net income, including net taxable capital gains, in Canadian dollars, for each taxation year according to the rules in the Tax Act. Net income, including net taxable capital gains, is affected by fluctuations in the value of the Canadian dollar relative to foreign currency where amounts of income, expense, cost or proceeds of disposition are denominated in foreign currency. Also, where the Fund accepts subscriptions or makes payments for redemptions or distributions in U.S. dollars, it may experience a foreign exchange gain or loss as a result of changes in the value of the U.S. dollar relative to the Canadian dollar between the date the order is accepted or the distribution is calculated and the date the Fund receives or makes payment.

Foreign source income received directly by a fund is generally received net of any taxes withheld in the foreign jurisdiction. Some capital gains received or earned by the Fund may also be subject to foreign taxes. The foreign taxes so withheld are included in the calculation of the Fund's income, but may, within certain limits, be claimed as a

deduction by the Fund in the calculation of its income or, if the Fund makes designations in respect of the foreign source income, as a foreign tax credit by unitholders.

Gains or losses realized by the Fund on the disposition of securities held by it constitute capital gains or capital losses unless the Fund is considered to be trading or dealing in securities, or otherwise carrying on a business of buying and selling securities, or has acquired the securities in a transaction or transactions considered to be an adventure in the nature of trade. The Fund purchases securities (other than derivative instruments) with the objective of earning income thereon and takes the position that gains and losses realized on the disposition of these securities are capital gains and capital losses. The tax treatment of derivatives varies depending on the type of derivative instrument and purpose for using the derivative.

A premium received by the Fund on a covered call option or a cash secured put option written by the Fund will constitute a capital gain in the year received unless the option is exercised before the year end and unless the premium is received as income from a business of buying and selling securities or is received in connection with a transaction or transactions considered to be an adventure in the nature of trade. The Fund will write covered call options to lower the overall volatility of the return on the portfolio and increase the yield on portfolio securities beyond that attributable to distributions received by the Fund on the portfolio securities. The Fund will write cash secured put options to increase returns and to reduce the net cost of purchasing securities upon the exercise of the cash secured put options. In accordance with the CRA's published administrative practices, subject to the discussion relating to the DFA Rules below, premiums received and gains and losses realized on these option transactions should be treated on capital account. Premiums received by the Fund on covered call (or cash secured put) options that are subsequently exercised will be added in computing the proceeds of disposition (or deducted in computing the adjusted cost base) to the fund of securities disposed of (or acquired) by the Fund upon the exercise of such call (or put) options. If the premium was received in a prior year, the capital gain reported in that prior year will be reversed.

The derivative forward agreement rules in the Tax Act (the “**DFA Rules**”) target certain financial arrangements (described in the DFA Rules as “derivative forward agreements”) that seek to reduce tax by converting, through the use of derivative contracts, the return on investments that would have the character of ordinary income to capital gains. The DFA Rules are broadly drafted and could apply to other agreements or transactions (including certain options contracts and other derivatives). If the DFA Rules were to apply in respect of certain derivatives utilized by the Fund, gains realized in respect of such derivatives could be treated as ordinary income rather than capital gains. However, provided that the covered call options and secured put options are written by the Fund in the manner described above, the writing of such options should generally not be subject to the DFA Rules.

Capital gains realized during a taxation year are reduced by capital losses realized during the year. In certain circumstances, a capital loss realized by the Fund may be denied or suspended and, therefore, may not be available to offset capital gains. For example, a capital loss realized by the Fund will be suspended if, during the period that begins 30 days before and ends 30 days after the date on which the capital loss was realized, the Fund (or a person affiliated with the Fund for the purposes of the Tax Act) acquires a property that is the same as or is identical to the particular property on which the loss was realized and owns that property at the end of the period.

## **Taxation of Investors Other than Registered Plans**

### ***Distributions***

A unitholder is required to include in the calculation of income for tax purposes, the amount of any income and the taxable portion of any capital gains of the Fund that is paid or made payable to the unitholder in the year, whether or not such amounts are paid in cash or reinvested in additional units. The non-taxable portion of any capital gains of the Fund that is paid or made payable to the unitholder in the year is not included in the unitholder's income and, provided the Fund makes the appropriate designation on its tax return, does not reduce the adjusted cost base of the unitholder's units of that Fund. Any other non-taxable distribution, such as a return of capital, reduces the unitholder's adjusted cost base. A unitholder is deemed to realize a capital gain to the extent that the adjusted cost base of the unitholder's units would otherwise become a negative amount and the adjusted cost base is nil immediately thereafter.

The Fund may, and is expected to, designate, to the extent permitted by the Tax Act, the portion of the net income of the Fund distributed to unitholders that may reasonably be considered to consist of: (i) taxable dividends (including

eligible dividends) received or considered to be received by the Fund on shares of taxable Canadian corporations; and (ii) net taxable capital gains realized or considered to be realized by the Fund. Any amount so designated is deemed for tax purposes to be received or realized by unitholders in the year as a taxable dividend and as a taxable capital gain, respectively. The dividend gross-up and tax credit treatment normally applicable to taxable dividends (including eligible dividends) paid by a taxable Canadian corporation applies to amounts designated as taxable dividends. Capital gains so designated are subject to the general rules relating to the taxation of capital gains described below. In addition, the Fund may make designations in respect of its foreign source income, if any, so that unitholders may be able to claim a foreign tax credit (in accordance with and subject to the general limitations under the Tax Act) for foreign taxes paid or deemed to be paid by the Fund and not deducted by it. A loss realized by the Fund may not be allocated to, and may not be treated as a loss of the unitholders of the Fund.

Management fees paid directly by unitholders will not be deductible for tax purposes.

### ***Disposition of Units***

Generally, a unitholder realizes a capital gain (or loss) on the sale, redemption, exchange or other disposition of a unit to the extent that the proceeds of disposition for the unit exceed (or are less than) the total of the adjusted cost base to the unitholder of the unit and any reasonable costs of disposition. In general, the adjusted cost base of all units of a particular Fund held by the unitholder at a particular time is the total amount paid for all units of the Fund currently and previously held by the unitholder (including brokerage commissions paid and the amount of reinvested distributions) less any distributions of capital and less the adjusted cost base of any units of the Fund previously disposed of by the unitholder. The adjusted cost base to a unitholder of one unit is the average adjusted cost base of all identical units owned by the unitholder as capital property at that time.

### ***Taxation of Capital Gains and Capital Losses***

One-half of any capital gain realized by a unitholder and the amount of any net taxable capital gains realized or considered to be realized by the Fund and designated by the Fund in respect of the unitholder is included in the unitholder's income as a taxable capital gain. One-half of a capital loss may be deducted from taxable capital gains subject to and in accordance with detailed rules in the Tax Act.

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

In general terms, net income of the Fund paid or payable to a unitholder that is designated as taxable dividends from taxable Canadian corporations or as net realized taxable capital gains as well as taxable capital gains realized on the disposition of units may give rise to liability for alternative minimum tax to the unitholder.

### **Taxation of Registered Plans**

A Registered Plan that holds units of the Fund and the holder/annuitant/subscriber of that Registered Plan will generally not be subject to tax on the value of the units or the income or capital gains distributed by the Fund or a gain realized on the disposition of the units provided the units are qualified investments for the Registered Plans and, in the case of the Registered Plans (other than deferred profit sharing plans), not prohibited investments for the Registered Plan. However, most withdrawals from a Registered Plan (other than a withdrawal from a tax-free savings account and certain permitted withdrawals from registered education savings plans and registered disability savings plans) are generally taxable.

## **MATERIAL CONTRACTS**

The only material contracts that have been entered into by the Fund are as follows:

- Declaration of Trust by the Manager, in its capacity as trustee, in respect of the Fund dated as of February 1, 2019, as amended and restated as of October 10, 2019, as described under "Responsibility for Mutual Fund Operations";

- Management Agreement between the Manager and the Fund dated as of October 10, 2019, as described under “Responsibility for Mutual Fund Operations”; and
- Custodian Agreement (including the Margin Annex) between the Manager as trustee and manager of the Fund and National Bank Financial Inc. (through its National Bank Independent Network division) dated February 1, 2019, as amended, as described under “Responsibility for Mutual Fund Operations”.

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

#### **LEGAL AND ADMINISTRATIVE PROCEEDINGS**

The Fund is not involved in any legal proceedings, nor is the Manager aware of existing or pending legal or arbitration proceedings involving the Fund.

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

**Waypoint All Weather Alternative Fund**

**(the “Fund”)**

This annual information form, together with the simplified prospectus and the documents incorporated by reference into the simplified prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the simplified prospectus, as required by the securities legislation of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador, and do not contain any misrepresentations.

DATED the 23<sup>rd</sup> day of August, 2021.

**WAYPOINT INVESTMENT PARTNERS INC.,  
as Trustee and Manager of the Fund**

*(signed) “C. Maxwell Torokvei”*

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C. MAXWELL TOROKVEI  
Chief Executive Officer

*(signed) “Amy Aubin”*

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AMY AUBIN, signing in the capacity of  
Chief Financial Officer

**On behalf of the Board of Directors of Waypoint Investment Partners Inc.,  
as Trustee and Manager of the Fund**

*(signed) “William Webb”*

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WILLIAM WEBB  
Director

*(signed) “Ryan Marr”*

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RYAN MARR  
Director

**WAYPOINT INVESTMENT PARTNERS INC.,  
as Promoter of the Fund**

*(signed) “C. Maxwell Torokvei”*

\_\_\_\_\_  
C. MAXWELL TOROKVEI  
Chief Executive Officer



**ANNUAL INFORMATION FORM**  
**ALTERNATIVE MUTUAL FUND**  
**WAYPOINT ALL WEATHER ALTERNATIVE FUND**

**Waypoint Investment Partners Inc.**

1133 Yonge Street, Suite 603, Toronto, Ontario M4T 2Y7  
Telephone: 416-960-7682  
[www.waypointinvestmentpartners.com](http://www.waypointinvestmentpartners.com)

You can find more information about the Fund in the Fund's Simplified Prospectus, Fund Facts Documents, management report of fund performance and financial statements. For a free copy of these documents, call us at 416-960-7682 or ask your advisor. You may find these documents and other information about the Fund, such as information circulars and material contracts, at [www.waypointinvestmentpartners.com](http://www.waypointinvestmentpartners.com) or at [sedar.com](http://sedar.com).