CONFIDENTIAL OFFERING MEMORANDUM

This Offering Memorandum constitutes an offering of the Units only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities and to those persons to whom they may be lawfully offered for sale. ***No securities commission or similar regulatory authority in Canada has reviewed this Offering Memorandum or has in any way passed upon the merits of the Units offered hereunder.*** *No prospectus has been filed with any such authority in connection with the Units offered hereunder. This Offering Memorandum is confidential and is provided to specific prospective investors for the purpose of assisting them and their professional advisers in evaluating the Units offered hereby and is not to be construed as a prospectus or public offering of the Units.* ***By accepting a copy of this Offering Memorandum prospective purchasers agree that they shall not transmit, reproduce or make available this document or any information contained in it to any person other than their professional advisers.***

Continuous Offering **January 2, 2024**

CHESSWOOD CANADIAN ASSET-BACKED CREDIT FUND LP

Limited Partnership Units

Chesswood Canadian Asset-Backed Credit Fund LP (the "**Partnership**") is a limited partnership established under the laws of Ontario. The investment objective of the Partnership is to provide investors with an attractive risk-adjusted return with minimal volatility primarily by acquiring a diversified portfolio of Canadian-based equipment and property subject to commercial or consumer leases, and commercial and consumer loans, and related rights (the "**Receivables Portfolio**") and/or by investing in structures that provide exposure to equipment and consumer financing credit. The Receivables Portfolio will be comprised primarily of Canadian-based equipment and property subject to commercial or consumer leases, and commercial and consumer loans, that Waypoint Investment Partners Inc. (the "**Manager**") believes provides a favourable risk versus return profile, and that will be diversified in terms of industry, maturity and quality.

The Partnership was formed on September 20, 2022, and will continue until it is dissolved. Chesswood Canadian ABS GP Inc. (the "**General Partner**") is the general partner of the Partnership. **The Partnership is a related and connected issuer of the Manager and an affiliate of the General Partner.** The Manager and its affiliates will earn fees from the Partnership. See **Schedule "E" – Conflicts of Interest**. Purchasers of interests in the Partnership, in the form of limited partnership units

(the "**Units**"), become limited partners ("**Limited Partners**") of the Partnership and will be bound by the terms of a limited partnership agreement governing the Partnership (the "**Limited Partnership Agreement**").

BY INVESTING IN THE PARTNERSHIP, EACH INVESTOR CONSENTS TO THE PARTNERSHIP PURCHASING CANADIAN-BASED EQUIPMENT AND PROPERTY SUBJECT TO COMMERCIAL OR CONSUMER LEASES, AND COMMERCIAL AND CONSUMER LOANS, AND RELATED RIGHTS FROM VAULT CREDIT CORPORATION, VAULT HOME CREDIT CORPORATION, RIFCO NATIONAL AUTO FINANCE CORPORATION AND OTHER ENTITIES RELATED TO THE MANAGER FROM TIME TO TIME AND RETAINING SUCH ENTITIES TO PROVIDE SERVICES UNDER SERVICING AGREEMENTS. THIS WILL RESULT IN THESE ENTITIES EARNING PROFITS IN CONNECTION WITH SUCH PURCHASES AND RECEIVING SERVICE FEES FROM THE PARTNERSHIP (SEE "ORIGINATORS" AND SCHEDULE "E" – CONFLICTS OF INTEREST).

SUBSCRIPTION PRICE: NET ASEST VALUE PER UNIT
MINIMUM INITIAL INVESTMENT: $250,000

Three classes of Units of the Partnership, designated as **Class A Units**, **Class F Units** and **Class C Units**, have been created. The Manager may create additional classes of Units from time to time. An unlimited number of Units are being offered on a continuous basis. Initially, Units are only being distributed to investors resident in Ontario, British Columbia and Alberta, pursuant to available prospectus exemptions under the securities laws of such provinces. Prospective investors must be "accredited investors" as defined under applicable securities laws unless another exemption from the prospectus requirements can be relied on. See "The Offering". On the first closing, Units of each class will be issued at a subscription price of $10 per Unit. Thereafter, Units will be issued at their net asset value ("**Net Asset Value**") per Unit of the applicable class as at the relevant Subscription Date. Subscriptions will be processed on the last business day of each month and such other days as the Manager may permit (each a "**Subscription Date**"). For investors subscribing for Units directly through the Manager, a fully completed subscription agreement ("**Subscription Agreement**") and subscription monies must be received by the Manager by 4:00 pm (Toronto time) on the previous business day; otherwise the subscription will be processed as at the next Subscription Date. For investors subscribing for Units through their dealer via Fundserv, subscription instructions must be received by the Manager no later than 4:00 p.m. (Toronto time) on the relevant Subscription Date, and subscription monies and a fully completed Subscription Agreement must be received within two business days of that Subscription Date (T+2), in order for the subscription to be accepted as at that date; otherwise the subscription will be processed as at the next Subscription Date. All subscriptions for Units are subject to acceptance or rejection by the Manager. If a subscription is accepted, Units will be deemed to be issued as at the business day immediately following the relevant Subscription Date.

This offering is not subject to any minimum aggregate subscription level, and therefore any funds invested are available to the Partnership and need not be refunded to the subscriber.

The Partnership will conduct monthly repurchase offers of Units (which are effectively similar to redemptions) as of the last business day of each month (a "**Repurchase Pricing Date**") at their Net Asset Value on the Repurchase Pricing Date. If a Class A or Class F Unit is tendered for repurchase within one year of its purchase, there shall be deducted from repurchase proceeds otherwise payable, and retained by the Partnership, an amount equal to 5% of the Net Asset Value of such Unit (the "**Early Repurchase Deduction**") (although the Manager may in its discretion waive all or a portion of the Early Redemption Deduction from time to time). Repurchase offers on any Repurchase Pricing Date will be subject to a limit of 2% of the Net Asset Value of the Partnership (the "**Repurchase Limit**"). In its discretion, the Manager reserves the right make additional repurchase offers or raise the Repurchase Limit although no additional repurchase offers or changes to the Repurchase Limit are currently contemplated. Limited Partners wishing to tender their Units to a repurchase offer must deliver a repurchase tender form ("**Repurchase Tender Form**") to the Partnership by no later than the first business day of a calendar month preceding a Repurchase Pricing Date (the "**Repurchase Request Deadline Date**").

The Manager may defer a single repurchase offer or suspend repurchase offers and/or pay repurchase proceeds partly in cash and partly in kind if there is insufficient liquidity in the Partnership or the liquidation of assets would be to the detriment of the Partnership generally. There are certain additional risk factors associated with investing in the Units.

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 Partnership. There is no market through which the Units may be sold and none is expected to develop. The Units are also subject to resale restrictions under the Partnership's Limited Partnership Agreement and applicable securities legislation. Investors should consult their own professional advisers to assess the income tax, legal and other aspects of the investment. See **Schedule "D" – Risk Factors** and **Schedule "F" – Legal Matters.**

No person is authorized to provide any information or to make any representation not contained in this Offering Memorandum and any information or representation, other than that contained in this Offering Memorandum, must not be relied upon. This Offering Memorandum is a confidential document furnished solely for the use of prospective purchasers who, by acceptance hereof, agree that they shall not transmit, reproduce or make available this document or any information contained in it.

Persons who receive this Offering Memorandum must inform themselves of, and observe, all applicable restrictions with respect to the acquisition and disposition of Units under applicable securities legislation.

Subscribers are urged to consult with an independent legal adviser prior to signing the Subscription Agreement for the Units and to carefully review the Limited Partnership Agreement delivered with this Offering Memorandum.

DETAILS OF THE OFFERING

The following disclosure of the details of the offering is not a complete statement of an investor's rights and obligations. Prospective investors are encouraged to read the Limited Partnership Agreement and to consult their own professional advisers as to the tax and legal consequences of investing in Chesswood Canadian Asset-Backed Credit Fund LP. Capitalized terms used but not defined in the following disclosure are defined elsewhere in this Offering Memorandum.

The Partnership

The Partnership:

Chesswood Canadian Asset-Backed Credit Fund LP (the "**Partnership**"), a limited partnership established by the filing of a Declaration of an Ontario Limited Partnership under the *Limited Partnerships Act* (Ontario) (the "**LP Act**") on September 20, 2022, and by the execution of the Limited Partnership Agreement. All Limited Partners are bound by the terms of the Limited Partnership Agreement.

The Partnership, for the benefit of its Limited Partners, will engage in making investments in accordance with investment objectives and restrictions as determined by the Manager, all as disclosed in this Offering Memorandum. The activities of the Partnership shall include all things necessary or advisable to give effect to the Partnership's investment objectives.

The General Partner:

Chesswood Canadian ABS GP Inc. (the "**General Partner**"), a corporation incorporated under the laws of Ontario. The General Partner was instrumental in the formation of the Partnership and is responsible for approving and monitoring the Partnership's various service providers, including the Manager. The General Partner has a 0.001% interest in the Partnership.

The Manager:

Waypoint Investment Partners Inc. (the "**Manager**"), a corporation incorporated under the laws of Ontario, is the Partnership's manager. The Manager has been engaged to direct the day-to-day business, operations and affairs of the Partnership under the terms of a management agreement (the "**Management Agreement**") dated January 3, 2023, as amended from time to time. In addition to managing the day-to-day business of the Partnership, it is the responsibility of the Manager to make investment decisions on behalf of the Partnership, to assist in the marketing of the Partnership and to act as a distributor of Units not otherwise sold through another registered dealer. See **Schedule "A" – Management of the Partnership and Material Agreements**.

The Manager will receive fees for its services, as set out in this Offering Memorandum. See "Management Fees" and "Partnership Expenses" below.

Investment Objective of the Partnership:

The investment objective of the Partnership is to provide investors with an attractive risk-adjusted return with minimal volatility primarily by

acquiring a diversified portfolio of Canadian-based equipment and property subject to commercial or consumer leases, and commercial and consumer loans, and related rights (the "**Receivables Portfolio**") and/or by investing in structures that provide exposure to equipment and consumer financing credit.

Investment Strategies of the Partnership:

The Receivables Portfolio will be comprised primarily of Canadian-based equipment and property subject to commercial or consumer leases, and commercial and consumer loans, that the Manager believes provides a favourable risk versus return profile, and that will be diversified in terms of industry, maturity and quality.

The Partnership may invest up to 25% of its assets, calculated at the time of investment, in publicly traded Canadian and U.S fixed income securities, including, but not limited to, money market instruments, preferred shares, credit default swaps, credit derivatives and equity derivatives for risk management (the "**Public Portfolio**"). The Partnership may also use derivatives, such as options and forwards, to hedge against the risks of currency fluctuations, specific securities, stock markets and interest rates.

The Partnership may hold a portion of its assets in cash, cash equivalents or short-term debt instruments pending investment or in anticipation of repurchases or if determined to be advisable by the Manager given certain loan conditions.

The above-described investment strategies, which may be pursued by the Partnership, are not intended to be exhaustive and other strategies may also be employed. The actual strategies utilized by the Manager will depend upon its assessment of market conditions and the relative attractiveness of the available opportunities. The Manager may, in its discretion, use strategies other than those described above or discontinue the use of any strategy without advance notice to Limited Partners.

The Partnership will not make or permit a change to the above investment objective that the Manager determines in good faith to be a material change, unless the Limited Partners are given not less than 60 days' written notice prior to the effective date of the change (together with an explanation of the reasons for the change), and each Limited Partner is given the opportunity to redeem all of such Limited Partner's Units prior to the effective date of such change (in such event the Manager agrees to waive any lock-up, notice period or redemption deductions).

There can be no assurances that the Partnership will achieve its investment objective.

Leverage:

The Partnership may use leverage to enhance returns and manage risk. The Partnership may also borrow, including by way of loan facility, for

the following purposes (and secure these borrowings with liens or other security interests in its assets):

(i) **For investment purposes.**

(ii) **To provide liquidity to satisfy the tender of Units for repurchase by Limited Partners**.

(iii) **To smooth the timing difference between the closing of potential new investments (including the Receivables Portfolio) and cash availability in the Partnership**. The Partnership's portfolio is constructed over time and with various maturities and repayment schedules. However, there may be times when a new investment opportunity is available when the Partnership does not have sufficient available cash to invest in such opportunity at the time. The loan facilities could enable the Partnership to draw upon such facilities to invest in the new opportunity with a view to repaying the advance as cash flow within the Partnership permits or as new Units are issued.

(iv) **To maintain liquidity in accordance with the investment objective and investment strategies of the Partnership.**

The Partnership expects that the terms, conditions, interest rate, fees and expenses of the loan facilities will be typical for loans of this nature.

The Partnership may not, at any point in time, incur a level of borrowing (including any short-term borrowings) in excess of eight times the Net Asset Value of the Partnership, calculated at the time of borrowing.

Originators:

The Partnership will acquire the equipment and property underlying leases and commercial and consumer loans (and related rights) that are originated by third parties (the "**Originators**"). The Manager expects that at least 50% and up to 100% of the Originators will be parties that are related to the Manager ("**Related Originators**"). It is expected that the Partnership will initially acquire the Receivables Portfolio from the following Related Originators:

- Vault Credit Corporation ("**Vault Credit**"), which provides commercial equipment financing and loans to small and medium-sized businesses across Canada;
- Vault Home Credit Corporation ("**Vault Home**"), which provides home improvement and other consumer financing solutions in Canada; and
- Rifco National Auto Finance Corporation ("**Rifco**"), which provides consumer financing for motor vehicle purchasers across Canada except for Quebec.

Each of Vault Credit, Vault Home and Rifco are controlled by Chesswood Group Limited ("**Chesswood**"), a TSX-listed company formed under the laws of Ontario that indirectly wholly owns the Manager. The Receivables Portfolio will be acquired by the Partnership at net present value pursuant to master purchase agreements (the "**Purchase Agreements**").

From time to time, the Partnership may also purchase a portion of the Receivables Portfolio from unrelated parties.

The Originators will manage, service, administer, enforce and make collections on the Receivables Portfolio held by the Partnership pursuant to separate servicing agreements (the "**Servicing Agreements**"). The Originators will receive service fees (the "**Service Fees**") from the Partnership for the services provided under the Servicing Agreements.

BY INVESTING IN THE PARTNERSHIP, EACH INVESTOR CONSENTS TO THE PARTNERSHIP PURCHASING CANADIAN-BASED EQUIPMENT AND PROPERTY SUBJECT TO COMMERCIAL OR CONSUMER LEASES, AND COMMERCIAL AND CONSUMER LOANS, AND RELATED RIGHTS FROM VAULT CREDIT, VAULT HOME, RIFCO AND OTHER ENTITIES RELATED TO THE MANAGER FROM TIME TO TIME AND RETAINING SUCH ENTITIES TO PROVIDE SERVICES UNDER SERVICING AGREEMENTS. THIS WILL RESULT IN THESE ENTITIES EARNING PROFITS IN CONNECTION WITH SUCH PURCHASES AND RECEIVING SERVICE FEES FROM THE PARTNERSHIP (SEE SCHEDULE "E" – CONFLICTS OF INTEREST).

Forward Looking Information:

The disclosure in this Offering Memorandum or in materials deemed to be incorporated into this Offering Memorandum regarding the investment strategies and intentions of the Partnership may constitute "forward-looking information" for the purpose of applicable securities legislation, as it may contain statements of the Manager's intended course of conduct and future operations of the Partnership. These statements are based on assumptions made by the Manager of the success of its investment strategies in certain market conditions, relying on the experience of the Manager's officers and employees and their knowledge of historical economic and market trends. Investors are cautioned that the assumptions made by the Manager and the success of its investment strategies are subject to a number of mitigating factors. Economic and market conditions may change, which may materially impact the success of the Manager's intended strategies as well as its actual course of conduct. Investors are urged to read **Schedule "D" – Risk Factors** for a discussion of other factors that may impact the

operations and success of the Partnership.

The Units and Terms of the Offering

The Units:

Limited partnership interests in the form of units (the "**Units**") are being offered pursuant to available prospectus exemptions in Ontario, British Columbia and Alberta to investors who are accredited investors under National Instrument 45-106 *Prospectus Exemptions* ("**NI 45-106**") or to whom Units may otherwise be sold without a prospectus under applicable securities legislation (however Units will not be distributed under the "minimum investment amount" prospectus exemption in Alberta). The offering is restricted to persons who have the capacity and competence to enter into and be bound by the limited partnership agreement governing the Partnership (the "**Limited Partnership Agreement**"). Unless an investor can establish to the Manager's satisfaction that another exemption is available, this will generally require that each investor is investing as principal (and not for or on behalf of any other persons) and is an "accredited investor" as defined in NI 45-106. Investors (other than individuals) that are accredited investors solely on the basis that they have net assets of at least $5,000,000, must also represent to the Manager (and may be required to provide additional evidence at the request of the Manager to establish) that such investor was not formed solely in order to make private placement investments that may not have otherwise been available to any persons holding an interest in such investor.

Units may be purchased directly from the Manager or through other registered dealers.

The Offering:

Three classes of Units is currently offered:

Class A Units are available to all investors who meet the minimum investment criteria. Class A Units are subject to a 2.5% management fee. A trailing commission is payable to the dealer with respect to Class A Units. See "Sales/Trailer Commissions" below.

Class F Units are available to all investors who meet the minimum investment criteria and who purchase Units either directly from the Manager as dealer, through a fee-based account with their own dealer or otherwise as approved by the Manager. Class F Units are charged a 1.5% management fee. No trailing commission is payable with respect to Class F Units.

Class C Units will be issued at the Manager's discretion to investors who meet the minimum investment criteria and who purchase their Units directly from the Manager, generally who are other pooled investment vehicles managed by the Manager that pay fees directly to the Manager. Class C Units are not charged a management fee. No

	trailing commission is payable with respect to Class C Units. **The so-called "Offering Memorandum Exemption" is not being relied on and investors do not have the benefit of certain additional protections that applicable securities laws give to investors when an issuer relies on the Offering Memorandum Exemption.** No subscription will be accepted unless the Manager is satisfied that the subscription is in compliance with applicable securities laws. This offering may be suspended by the Manager at any time and from time to time.
Eligibility for Investment:	Units are not qualified investments under the *Income Tax Act* (Canada) (the "**Tax Act**") for first home savings accounts, registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered education savings plans, registered disability savings plans or tax free savings accounts.
Price per Unit:	On the first closing, Units of each class will be issued at a subscription price of $10 per Unit. Thereafter, Units will be issued at the Net Asset Value per Unit of the applicable class as at the relevant Subscription Date. The Net Asset Value per Unit of each class will generally be available within 30 days following each month-end.
Minimum Individual Investment:	The minimum initial investment is $250,000 but may be reduced to a lesser amount in the discretion of the Manager at any time. Each subsequent investment must be not less than $100,000 or such lesser amount as the Manager may permit. The above minimums are exclusive of any commissions paid directly by an investor to his, her, their or its dealer. At the time of making each additional investment, unless a new completed subscription agreement (the "**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 the initial investment. See "Subscription Procedure" below.
Subscription Procedure:	Subscriptions for Units must be made by completing and executing the subscription and power of attorney form provided and by forwarding to the Manager such form together with evidence of bank wire instructions, via electronic order system such as Fundserv or such other form of payment acceptable to the Manager representing payment of the subscription price. Subscriptions will be processed on the last business day of each month and such other days as the Manager may permit (each a "**Subscription Date**"). The acceptance of a subscription is subject to the Manager's

discretion to refuse the subscription in whole or in part. For investors subscribing for Units directly through the Manager, a fully completed Subscription Agreement together with payment (or evidence of payment) of subscription proceeds must be received by the Manager no later than 4:00 p.m. (Toronto time) on the business day prior to a Subscription Date in order for the subscription to be accepted as at that Subscription Date; otherwise the subscription will be processed as at the next Subscription Date. For investors subscribing for Units through their dealer via Fundserv, subscription instructions must be received by the Manager no later than 4:00 p.m. (Toronto time) on the relevant Subscription Date, and subscription monies and a fully completed subscription agreement must be received within two business days of that Subscription Date (T+2), in order for the subscription to be accepted as at that date; otherwise the subscription will be processed as at the next Subscription Date.

Subscription funds provided prior to a Subscription Date will be kept in a segregated account. Subscriptions for Units are subject to acceptance or rejection in whole or in part by the Manager in its sole discretion. In the event a subscription is rejected, any subscription funds forwarded by the subscriber will be returned without interest or deduction.

The Limited Partnership Agreement and the Subscription Agreement (required to be executed by an investor) include an irrevocable power of attorney authorizing the General Partner on behalf of each Limited Partner to execute any amendments to the Limited Partnership Agreement and all instruments necessary to reflect the dissolution of the Partnership as well as any elections, determinations or designations under the Tax Act or other taxation legislation or laws of like import with respect to the affairs of the Partnership or a Limited Partner's interest in the Partnership.

Accredited Investors: A list of accredited investors is set out in the Subscription Agreement delivered with this Offering Memorandum, but generally includes individuals who have net investment assets of at least $1,000,000, personal income of at least $200,000 or combined spousal income of at least $300,000 (in the previous two years with reasonable prospects of same in the current year). NI 45-106 requires that individuals who invest on the basis that they are accredited investors (other than certain high net worth individuals) must sign a Risk Acknowledgement form, which is included in the Subscription Agreement delivered with this Offering Memorandum.

Restricted Investors: The following persons and entities <u>may not</u> invest in this Partnership:

(a) a "non-resident," a partnership other than a "Canadian partnership," a "tax shelter," a "tax shelter investment," or any entity an interest in which is a "tax shelter investment" or in which a "tax shelter investment" has

an interest, within the meaning of the Tax Act; and

(b) a partnership that does not have a prohibition against investment by the foregoing persons.

By purchasing Units, a Limited Partner represents and warrants that he, she, they or it is not one of the above and shall indemnify and hold harmless the Partnership and each other Limited Partner for any costs, damages, liabilities, expenses or losses suffered or incurred by the Partnership or such other Limited Partner, as the case may be, that result from or arise out of a breach of such representation and warranty. Any Limited Partner who fails to provide evidence satisfactory to the Manager of such status when requested to do so from time to time may be removed as a Limited Partner by the redemption of his, her, their or its Units in accordance with the Limited Partnership Agreement.

Any Limited Partner purchasing pursuant to this Offering Memorandum whose status changes in regard to the above shall be deemed to have ceased to be a Limited Partner (for all purposes other than taxation and liability) immediately prior to the date on which such status changes and shall thereafter only be entitled to receive from the Partnership an amount equal to the lesser of the Net Asset Value of such Limited Partner's Units as at the date on which he or she ceases to be a Limited Partner and the Net Asset Value of such Units as at the date the Manager learns that such Limited Partner's status has changed, less all such deductions as provided in the Limited Partnership Agreement, as if such Limited Partner voluntarily redeemed his, her, their or its Units.

In addition, any Limited Partner purchasing pursuant to this Offering Memorandum that is or becomes a "financial institution" within the meaning of section 142.2 of the Tax Act (as same may be amended or replaced from time to time) shall disclose such status to the Manager at the time of subscription (or when such status changes) and the Manager may (if the Manager determines that it is in the best interest of the Partnership and the other Limited Partners to do so) restrict the participation of any such Limited Partner or require any such Limited Partner at any time to redeem all or some of such Limited Partner's Units. A Limited Partner that fails to identify itself as a financial institution shall indemnify and hold harmless the Partnership and each other Limited Partner for any costs, damages, liabilities, expenses or losses suffered or incurred by the Partnership or such other Limited Partner, as the case may be, that result from or arise out of such failure. Any Limited Partner who is or who becomes a financial institution after becoming a Limited Partner shall (if the Manager determines it would be prejudicial to the Partnership and the other Limited Partners not to) be deemed to have, immediately prior to the date on which it becomes a financial institution (or the date of issue of Units to such financial institution, whichever is later), redeemed (or rescinded its subscription for) some or all of such Limited Partner's Units to the extent necessary to result in financial institutions owning in the aggregate Units having a

Net Asset Value that is less than one-half of the Net Asset Value of all of the Units, and shall be entitled to receive from the Partnership as redemption proceeds an amount equal to the lesser of the Net Asset Value of such redeemed Units as at the date on which it is deemed to have redeemed such Units and the Net Asset Value of such Units as at the date the Manager learns that such Limited Partner is a financial institution, less all such deductions as provided in the Limited Partnership Agreement as if such Limited Partner voluntarily redeemed its Units.

Repurchases:

The Partnership will conduct monthly repurchase offers of Units (which are effectively similar to redemptions) as of the last business day of each month (a "**Repurchase Pricing Date**") at their Net Asset Value on the Repurchase Pricing Date. If a Class A or Class F Unit is tendered for repurchase within one year of its purchase, there shall be deducted from repurchase proceeds otherwise payable, and retained by the Partnership, an amount equal to 5% of the Net Asset Value of such Unit (the "**Early Repurchase Deduction**") (although the Manager may in its discretion waive all or a portion of the Early Redemption Deduction from time to time). Class C Units are not subject to the Early Repurchase Deduction. However, units of the pooled investment vehicles that hold Class C Units may be subject to a similar early repurchase or redemption deduction.

Repurchase offers on any Repurchase Pricing Date will be subject to a limit of 2% of the Net Asset Value of the Partnership (the "**Repurchase Limit**"). Repurchase offers will be available in accordance with the following:

- Limited Partners wishing to tender their Units to a repurchase offer must deliver a repurchase tender form in the form determined by the Manager (a "**Repurchase Tender Form**") to the Partnership by no later than the first business day of the calendar month preceding a Repurchase Pricing Date (the "**Repurchase Request Deadline Date**"). The Manager reserves the right, but shall not be obligated to, change the Repurchase Request Deadline Date to a date that is later than the first business day of the calendar month preceding a Repurchase Pricing Date in circumstances where it would not be to the detriment of the Partnership to do so.

- Following the Repurchase Request Deadline Date, the Manager will determine repurchase allocations for Limited Partners up to the Repurchase Limit.

- The Net Asset Value applicable to all repurchase tenders that have been accepted by the Partnership will be calculated no later than 30 days following each applicable Repurchase Pricing Date.

- The Partnership will pay repurchase proceeds to Limited Partners no later than 30 days (the "**Repurchase Payment Deadline**") following the Repurchase Pricing Date.

If a repurchase offer is oversubscribed (ie. the Manager receives requests to surrender Units for repurchase representing more than the Repurchase Limit) and the Manager determines not to repurchase additional Units beyond the Repurchase Limit, the repurchase requests in excess of such amount shall be rolled forward pro rata amongst all Limited Partners seeking to surrender Units for repurchase on the applicable Repurchase Pricing Date to the Repurchase Pricing Date next following such Repurchase Pricing Date. The original repurchase request will roll forward to the next Repurchase Pricing Date and Limited Partners will not need to submit another Repurchase Tender Form. Limited Partners will be subject to the risk of fluctuations in Net Asset Value during that period.

If on such subsequent Repurchase Pricing Date, repurchase requests again represent more than the Repurchase Limit, then the original repurchase request shall continue to roll forward to subsequent Repurchase Pricing Dates in a similar manner until the request is fulfilled. Tenders for repurchase that have been rolled forward will not have priority over repurchase requests in respect of any other Units that have been received in respect of that or any previous Repurchase Pricing Date.

Tenders of Units for repurchase offers are irrevocable by the Limited Partner, except with the consent of the Manager (in its absolute discretion), unless they are not processed by the Manager on the designated Repurchase Pricing Date and are rolled forward as described above, in which case they may be withdrawn by the Limited Partner upon written notice to the Manager prior to the Repurchase Request Deadline Date in respect of the subsequent Repurchase Pricing Date.

The repurchase price shall equal the Net Asset Value per Unit, determined as of the close of business on the relevant Repurchase Pricing Date, less applicable deductions.

The Manager may defer a single repurchase offer or suspend repurchase offers (either in whole or in part) and/or may elect to pay repurchase proceeds partly in cash and partly in kind, or wholly in kind, at any time where the Manager is of the opinion, in its sole discretion, that there are insufficient liquid assets in the Partnership to fund such repurchases entirely in cash or that the liquidation of assets would be to the detriment of the Partnership generally. In the event that repurchases are deferred or suspended, all pending Repurchase Tender Forms will be rescinded, and no additional Repurchase Tender Forms will be accepted until the deferral or suspension has ended.

When repurchase offers are resumed after a deferral or suspension, no

repurchase tenders will have any priority over any other repurchase tenders (i.e., if a Limited Partner submitted a Repurchase Tender Form prior to a suspension or deferral of a repurchase offer and such request was rescinded, such Limited Partner must re-submit their Repurchase Tender Form request when the suspension or deferral has ended). The Partnership's ordinary repurchase protocol will resume as if no suspension had occurred.

The Manager has the right to require a Limited Partner to redeem some or all of the Units owned by such Limited Partner on a Valuation Date at the Net Asset Value per Unit thereof, by notice in writing to the Limited Partner given at least 14 days before the designated Valuation Date, which right may be exercised by the Manager in its absolute discretion.

Without limiting the generality of the foregoing, the Manager may cause the Partnership to redeem some of all of a Limited Partner's Units if their participation has the potential to cause adverse regulatory or tax consequences for the Partnership or the other Limited Partners. For example, if a Limited Partner does not provide a valid taxpayer identification number or self-certification for purposes of the Partnership's compliance with 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 (collectively known as "**FATCA**"), or The Organization for Economic Co-operation and Development's Common Reporting Standard ("**CRS**") as implemented in Canada by Part XIX of the Tax Act, which could result in non-compliance penalty obligations to the Partnership, the Manager may cause the Partnership to redeem some of the Limited Partner's Units to satisfy the payment of penalties for which the Partnership may become liable under the Tax Act.

Transfer or Resale:

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 Units by investors is subject to restrictions. An investor should refer to the applicable provisions in consultation with a legal adviser. Furthermore, Units may only be transferred with the consent of the Manager in its sole discretion, and transfers will generally not be permitted. 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. Accordingly, the tender of Units for repurchase in accordance with the provisions set out herein is likely to be the only means of liquidating an investment in the Partnership.

Subscribers are advised to consult with their advisers 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 Limited Partnership

Agreement.

Calculation of Net Asset Value:	The methodology employed to calculate the net asset value ("**Net Asset Value**") of the Units is set out in **Schedule "B" – Net Asset Value.**

Fees Arrangements Affecting the Partnership

Management Fees:

The Manager will be entitled to receive a monthly management fee (the "**Management Fee**"), on the last business day of each month in an amount that is equal to 1/12 of:

- 2.5% of the Net Asset Value of the **Class A Units**, and
- 1.5% of the Net Asset Value of the **Class F Units**,

on such date (determined before any repurchase deductions, if any, allocable to such Units).

No Management Fee is payable in respect of the Class C Units.

Management Fees payable by the Partnership to the Manager are subject to applicable taxes, including HST, and will be deducted as an expense of the applicable class of Units in the calculation of the Net Asset Value of such class of Units. See **Schedule "A" – Management of the Partnership and Material Agreements** and **Schedule "B" – Net Asset Value**.

Up-Front Fees:

Up-front fees ("**Up-Front Fees**") will be payable by the Partnership in connection with structuring services related to the acquisition of the Receivables Portfolio. With respect to the Receivables Portfolio acquired from the Related Originators, the Up-Front Fees will be paid to Chesswood Capital Management Inc. ("**CCM**"), the direct shareholder of the Manager, and/or other entities related to the Manager. With respect to the Receivables Portfolio acquired from parties that are unrelated to the Manager and Chesswood, it is expected that the Up-Front Fees will be paid to the Originator(s).

Service Fees:

Service Fees will be payable by the Partnership to the Originators for managing, servicing, administering, enforcing and making collections on the Receivables Portfolio held by the Partnership pursuant to the Servicing Agreements.

Partnership Expenses:

The Partnership is responsible for all costs and operating expenses, and the General Partner and the Manager are entitled to reimbursement from the Partnership for all costs and operating expenses actually incurred by them in connection with the formation and organization of the General Partner and the Partnership and the ongoing activities of the Partnership, including, but not limited to:

(i) fees and expenses of the Partnership, which include

Management Fees, Up-Front Fees, Service Fees, fund administrator's fees, fees and expenses payable to members of an independent review committee of the Partnership (if any), accounting, valuation, audit and legal costs, insurance premiums, custodial fees, administration fees, registrar and transfer agency fees and expenses, bookkeeping and recordkeeping costs, Limited Partner communication expenses, mailing and printing expenses, organizational and set-up expenses, the cost of maintaining the Partnership's existence, regulatory fees and expenses and all reasonable extraordinary or non-recurring expenses; and

(ii) fees and expenses relating to the Partnership's portfolio investments, including the costs of securities, interest on borrowings and commitment fees and related expenses payable to lenders and counterparties, brokerage fees, commissions and expenses, banking fees and interest expenses.

Expenses attributable to a particular class of Units (including any management and other fees) will be deducted from the Net Asset Value of such class.

The Manager may bear some of the Partnership's expenses (including waiving some or all of the Management Fees) from time to time, at its option. If the Manager does absorb such expenses (including waiving some or all of the Management Fees) at any time, it may discontinue such practice at any time in its discretion without notice to Limited Partners. See **Schedule "A" – Management of the Partnership and Material Agreements – Limited Partnership Agreement – Expenses**.

Other Information

Allocations for Tax Purposes:

Net income, dividends and taxable capital gains of the Partnership for taxation purposes in each fiscal year will be allocated as at the last day of such year to Limited Partners who hold Units at any time during such year (and in certain cases to Limited Partners who held Units at any time in the previous fiscal year) generally based on distributions (if any) paid to the Limited Partners during the year, the number and class of Units held by such Limited Partners, the dates of purchase, redemption and/or repurchase of Units, the respective Net Asset Values of each class of Units, the fees paid or payable in respect of each class of Units, distributions, if any, paid to the General Partner in respect of each class of Units, income, gain and loss attributable to currency hedging investment techniques allocable to certain classes of Units, and the date of realization of each such item of income, gain or loss, as the case may be. The Limited Partners will be allocated 99.999% of net gains or net losses; the remaining 0.001% shall be allocated to the General Partner.

	See **Schedule "A" – Management of the Partnership and Material Agreements – Limited Partnership Agreement – Allocation of Income and Loss**. Limited Partners should be aware that net income and capital gains of the Partnership, if any, will still be allocated to them for tax purposes even if no distributions of cash are received by them.
Distributions to Limited Partners:	It is the intention of the Manager that quarterly distributions of allocated income will be paid in cash in an amount determined by the Manager from time to time. Limited Partners may reinvest such cash distributions in additional Units of the Partnership at the relevant quarterly Net Asset Value per Unit by notifying the Manager in writing. There can be no assurance that the Partnership will make any distributions in a particular quarter.
Power of Attorney:	The Limited Partnership Agreement contains a limited power of attorney in favour of the General Partner in connection with all matters related to the operation of the Partnership, and authorizes the General Partner to, for example, execute documents on behalf of each Limited Partner (including tax elections and amendments to the Limited Partnership Agreement).
Fiscal Year End of the Partnership:	December 31 in each year
Term:	The Partnership has no fixed term. Dissolution may only occur on 30 days' written notice by the Manager to each Limited Partner, or 60 days following the removal of the General Partner (unless a new General Partner is appointed prior to such date).
Anti-Terrorism and Anti-Money Laundering Legislation:	The Manager is required to comply with all applicable laws, regulations and administrative pronouncements concerning money laundering and other criminal activities ("**Anti-Money Laundering Laws**"). In furtherance of those efforts, a subscriber for Units will be required to provide certain information and documentation and make a number of representations to the Manager regarding the source of subscription monies and other matters. 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. A Limited Partner will be required to promptly notify the Manager if, to the knowledge of the Limited Partner, any of its representations with respect to Anti-Money Laundering Laws cease to be true and accurate. A Limited Partner must agree to provide to the Manager, promptly upon receipt of the Manager's written request therefor, any additional information regarding the Limited Partner or their beneficial owner(s) that the Manager deems necessary or advisable to ensure compliance with all Anti-Money Laundering Laws. If at any time it is discovered

that a Limited Partner's representations with respect to Anti-Money Laundering Laws are incorrect, or if otherwise required by Anti-Money Laundering Laws, the Manager may undertake appropriate actions to ensure that the Manager is in compliance with all such Anti-Money Laundering Laws.

Financial and Limited Partner Reporting:

Within 120 days after the end of each fiscal year, the Manager will prepare and make available to each Limited Partner, unless the Limited Partner has elected otherwise, audited financial statements for such fiscal year together with a report of the auditors on such financial statements. Within 90 days after the end of each fiscal year, the Manager will prepare and make available to each Limited Partner tax information to enable each Limited Partner to properly complete and file his, her, their or its tax returns in Canada in relation to an investment in Units. The General Partner will also file a tax information return in prescribed form in respect of the activities of the Partnership on or before the last day of March in the year following each fiscal year of the Partnership. In the event that the Partnership dissolves, the General Partner will file such tax information return within 90 days of the dissolution of the Partnership. See **Schedule "A" – Management of the Partnership and Material Agreements – Limited Partnership Agreement – Reports to Limited Partners**.

The Manager will prepare and make available to each Limited Partner, unless the Limited Partner has elected otherwise, unaudited interim financial statements for the first six months of each fiscal year within 60 days after the end of such period. The Partnership is not a reporting issuer for the purpose of applicable securities legislation and Limited Partners will receive only those reports required by the Limited Partnership Agreement. See **Schedule "A" – Management of the Partnership and Material Agreements – Limited Partnership Agreement – Reports to Limited Partners**.

The Manager will prepare and make available to each Limited Partner monthly information respecting the Net Asset Value per Unit of Units held by such Limited Partner, plus such other financial reports as may be required by applicable law, within 30 days after the end of each month. **Schedule "A" – Management of the Partnership and Material Agreements – Limited Partnership Agreement – Reports to Limited Partners**.

The Manager will forward such other reports to each Limited Partner as are from time to time required by applicable law. For example, if the Manager is the dealer through whom Units are purchased, the Manager must provide:

- a written confirmation of the purchase indicating, among other things, the number and class of Units issued as well as the purchase price thereof and any charges applicable to the purchase;
- a written confirmation of any redemption or repurchase of Units, indicating, among other things, the number and class of Units

redeemed or repurchased as well as the redemption or repurchase proceeds therefrom and any charges applicable to the redemption or repurchase;

- a statement to the Limited Partner at the end of each quarter (or month, if the Limited Partner requests monthly reporting) showing, for each purchase, redemption, repurchase or transfer made by the Limited Partner during the period (i) the date of the transaction, (ii) whether the transaction was a purchase, redemption, repurchase or transfer, (iii) the number and class of Units purchased, redeemed, repurchased or transferred, (iv) the price per Unit paid or received by the Limited Partner and (v) the total value of the transaction, as well as the number, class and Net Asset Value of Units held by the Limited Partner at the end of the period (if there is no dealer of record for a Limited Partner, the Manager will provide this information to the Limited Partner on an annual basis); and
- an annual statement on certain charges and other compensation charged to the Limited Partner during the year (if applicable), as well as an annual report on investment performance on the Limited Partner's Units.

Tax Considerations:

Persons investing in a limited partnership such as the Partnership should be aware of the tax consequences of investing in, holding and/or tendering Units for repurchase. Investors are urged to consult with their tax advisers to determine the tax consequences of an investment in the Partnership. Further information is contained in **Schedule "C" – Income Tax Considerations**.

Limited Liability:

Unless the Limited Partner takes part in the control of the business of the Partnership, the liability of each Limited Partner for the debts, liabilities, obligations and losses of the Partnership will be limited to the amount of capital contributed by the Limited Partner. See **Schedule "A" – Management of the Partnership and Material Agreements – Limited Partnership Agreement – Liability** and **Schedule "D" – Risk Factors**.

Release of Confidential Information:

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

If, as a result of any information or other matter that comes to the General Partner, the Manager and/or the Administrator's attention, any director, officer or employee of the General Partner, the Manager and/or the Administrator or their professional advisers knows or suspects that an investor is engaged in money laundering or terrorist financing, 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. Also, the names and investment amounts of Limited Partners may be available to the public under limited partnership legislation in certain provinces.
Risk Factors:	Investors should consider a number of factors in assessing the risks associated with investing in Units including those generally associated with the investment techniques used by the Manager. See **Schedule "D" – Risk Factors**.
Conflicts of Interest and Interest of Management and Others in Material Transactions:	There are a number of potential conflicts of interest related to the Offering and the ongoing management of the Partnership. In particular, the Partnership purchases equipment and property underlying commercial and consumer leases and commercial and consumer loans (and related rights) from the Related Originators and retains the Related Originators to provide services under Servicing Agreements. This will result in the Related Originators earning profits in connection with such purchases and receiving Service Fees from the Partnership. In addition, CCM, and/or other entities related to the Manager, will be entitled to receive Up-Front Fees from the Partnership in connection with structuring services related to the acquisition of such portion of the Receivables Portfolio by the Partnership from the Related Originators. The arrangements entered into with related parties are customary and consistent with arrangements with unrelated parties and fees are paid at commercially reasonable rates. Attached as **Schedule "E"** – **Conflicts of Interest** is a description of the conflicts of interest that have been identified by the Manager, as well as a summary of the Manager's policies and procedures designed to address those conflicts.
Legal Matters:	**Schedule "F" – Legal Matters** describes investor rights and other legal matters applicable to an investment in the Partnership.
Sales /Trailer Commissions:	There is no commission payable by a purchaser to the General Partner or the Manager upon the purchase of the Units. Subscribers may pay negotiated commissions to their dealers (minimum investment requirements are net of any such fees). The Manager pays an annual trailing commission to participating dealers in respect of the distribution of Class A Units in an amount equal to 1% of the net asset value of the Class A Units distributed by such dealers. The Manager may discontinue or change such fees at any time.
Statutory Rights of Action:	Investors may be entitled under provincial securities legislation to certain rights of action in the event of a misrepresentation in this Offering Memorandum. See **Schedule "F" – Legal Matters** for a description of rights, if any, in the Offering Jurisdictions.
Administrator:	SGGG Fund Services Inc., Toronto, Ontario

Prime Broker:	TD Securities Inc.
Legal Counsel:	Borden Ladner Gervais LLP, Toronto, Ontario
Auditor:	KPMG LLP, Toronto, Ontario

SCHEDULE "A"

MANAGEMENT OF THE PARTNERSHIP AND MATERIAL AGREEMENTS

The Partnership

Chesswood Canadian Asset-Backed Credit Fund LP (the "**Partnership**") was formed under the laws of Ontario and became a limited partnership by filing a Declaration of an Ontario Limited Partnership under the *Limited Partnerships Act* (Ontario) (the "**LP Act**") on September 20, 2022. The Partnership is governed by a limited partnership agreement first dated as of September 20, 2022, as amended and restated as of January 3, 2023, and January 2, 2024 (the "**Limited Partnership Agreement**"), made between Chesswood Canadian ABS GP Inc. (the "**General Partner**") and Axis Holdings Ltd. (the "**Initial Limited Partner**"), as may be further amended from time to time. The principal place of business of the Partnership and of the General Partner is 1133 Yonge Street, Suite 603, Toronto, Ontario, M4T 2Y7. See "Limited Partnership Agreement".

Investors become limited partners of the Partnership (the "**Limited Partners**") by acquiring interests in the Partnership designated as limited partnership units (the "**Units**").

The General Partner

Maxwell Torokvei and David Hodgson are directors and/or officers of both the General Partner and of the Manager. The General Partner is wholly owned by Chesswood Capital Management Inc. ("**CCM**"), which in turn is wholly owned by Chesswood Group Limited ("**Chesswood**").

The Manager

The Manager has been engaged to direct the day-to-day business, operations and affairs of the Partnership under the terms of the Management Agreement dated January 3, 2023, as amended from time to time. In addition to managing the day-to-day business of the Partnership, it is the responsibility of the Manager to make investment decisions on behalf of the Partnership, to assist in the marketing of the Partnership and to act as a distributor of Units not otherwise sold through another registered dealer. The Manager may delegate certain of these duties from time to time. See "Management Agreement" below.

The Manager was incorporated under the *Business Corporations Act* (Ontario) on July 30, 2014. The principal place of business of the Manager is 1133 Yonge Street, Suite 603, Toronto, Ontario, M4T 2Y7. The Manager is wholly owned by CCM, which in turn is wholly owned by Chesswood. The name and municipality of residence of each of the directors, senior officers and portfolio managers of the Manager involved with the management of the Partnership, and the positions held by them, are as follows:

Name and Municipality of Residence	Position with the Manager
C. Maxwell (Max) Torokvei Toronto, Ontario	Chief Executive Officer, Ultimate Designated Person, Director and Portfolio Manager
David Hodgson Oakville, Ontario	President, Director
Chris Wallbank Toronto, Ontario	Portfolio Manager

Name and Municipality of Residence	Position with the Manager
Leon Knight Toronto, Ontario	Portfolio Manager
Amy Aubin Oakville, Ontario	Chief Compliance Officer

C. Maxwell (Max) Torokvei is the Chief Executive Officer, Ultimate Designated Person, Director and Portfolio Manager for the Manager. Max is responsible for portfolio management and investment research, and also contributes to investor relationships and general operations. Prior to his current role with the Manager, Max was Vice President Operations at Scepter Corporation, and led the sale of the business to Myers Industries in 2014. Prior to his role at Scepter Corporation, Max was a Portfolio Analyst at Dynamic Funds. Max holds an Honours Bachelor of Arts in Business Administration from the University of Western Ontario and earned his Chartered Financial Analyst ("**CFA**") designation in 2013.

David Hodgson is President and Director for the Manager and is Executive Vice-President for Chesswood Group. Prior to his role with the Manager, David held the position of Managing Director, Portfolio Manager – Alternative Funds and Head of Equity Research at Gluskin Sheff. Prior thereto, David was a Partner, Head of Equity Research and Senior Technology Analyst at Genuity Capital Markets, a Toronto-based investment boutique. David was acknowledged by his peers in the Brendan Woods buy-side surveys as the country's top Technology analyst for several years. David is a CFA charterholder and holds an Honours Bachelor of Commerce and Bachelor of Arts – Economics from the University of Windsor. He also holds an Executive Certificate in Strategy & Innovation from the Massachusetts Institute of Technology's Sloan School of Management.

Chris Wallbank is a Portfolio Manager for the Manager and is Executive Vice-President for Chesswood Group. Chris is responsible for portfolio management, investment research and funding within fixed income portfolios. Chris is also the Executive Vice President of Funding and Risk Management for Chesswood, the parent company of the Manager. Prior to his current role with the Manager, Chris held the position of Vice-President and Portfolio Manager with Gluskin Sheff. In this role, he managed and co-managed absolute-return global fixed income portfolios across interest rate, corporate credit and preferred share markets. Chris joined Gluskin Sheff following its acquisition of Blair Franklin Asset Management, which he joined in 2010. He began his career with CIBC Capital Partners, the merchant banking group of CIBC. Chris is a CFA charterholder and experienced derivatives trader having previously been registered as a commodity trading manager. His experience includes executing risk management strategies involving global interest rate and credit derivatives and fixed income futures. Chris holds an Honours Bachelor of Arts degree with distinction in Economic and Financial Management from Wilfrid Laurier University.

Leon Knight is a Portfolio Manager for the Manager and is Vice President, Finance for Chesswood Group. Prior to his role with the Manager, Leon held the position of Vice-President and Portfolio Manager with Gluskin Sheff. In addition to managing the firm's Resource fund, Leon spent seven years working across fixed income and equity investment teams managing a variety of products including leveraged investment grade credit, high yield fixed income and leveraged loans. Prior thereto, Leon spent five years as Chief Operating Officer and Portfolio Manager of Kootenay Capital Management, a Calgary-based energy hedge fund, and was responsible for portfolio management activities and overseeing operations of the firm. Leon began his career as part of the institutional equity research group for seven years with Tristone Capital, an energy-focused investment boutique, and was a publishing Analyst for Macquarie Capital Markets, which acquired Tristone in 2009. Leon holds a BComm from the Haskayne School of Business and is a CFA charterholder.

Amy Aubin is the Chief Compliance Officer for the Manager. Amy is a Chartered Professional Accountant (CPA, CA) with over 20 years of senior management experience in the investment industry. Amy has also earned her Chartered Financial Analyst (CFA) and Certified Anti-Money Laundering Specialist (CAMS) designations. Prior to her current role with the Manager, Amy held the position of Chief Compliance Officer of Gluskin Sheff. Over the course of her career, she has spent more than 15 years as Chief Compliance Officer for both securities and deposit taking organizations. Amy is also the Chief Compliance Officer of True Exposure Investments, Inc.

Management Agreement

In order to set out the duties of the Manager, the Partnership has entered into a management agreement (the "**Management Agreement**") with the Manager dated January 3, 2023, as amended from time to time. The Manager will be entitled to receive management fees from the Partnership as set out under the heading "Details of the Offering – Management Fees" above.

Powers and Duties of the Manager

Pursuant to the Management Agreement, the Manager shall direct the day-to-day business, operations and affairs of the Partnership on a continuing basis, including management of the Partnership's portfolio on a discretionary basis, distribution of the Units of the Partnership and such other services as may be required from time to time. The Manager may delegate certain of these duties from time to time.

Reimbursement of Expenses

The Manager is entitled to reimbursement for any expenses of the Partnership incurred by the Manager, but may choose to bear some of the Partnership's expenses from time to time.

Standard of Care of the Manager and Indemnification

The Manager must exercise the powers and discharge its duties under the Management Agreement honestly, in good faith and in a manner believed to be in the best interests of the Partnership and must exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances. Provided that it has fulfilled its standard of care obligation, the Manager will not be liable for any error in judgment or for any loss sustained by reason of any action taken or omitted to be taken, including but not limited to the adoption or implementation of any investment program or the purchase, sale or retention of any portfolio investment by it on behalf of the Partnership.

Pursuant to the Management Agreement, the Manager and its affiliates, principals, shareholders, officers, directors, agents and employees will be indemnified and saved harmless by the Partnership from and against all actions, proceedings, claims, costs, charges, demands, losses, damages and expenses (including legal costs on a solicitor and own client basis, judgements and amounts paid in settlement, provided that the General Partner has approved such settlement), brought, commenced or prosecuted against them for or in respect of any act, deed, matter or thing whatsoever made, done, acquiesced in or omitted in or about or in relation to the execution of the Manager's duties under the Management Agreement, provided such action or inaction was done in good faith and in a manner reasonably believed to be in the best interests of the Partnership. No such person or company will be indemnified by the Partnership where (i) there has been negligence, wilful misconduct or dishonesty on the part of such person, or (ii) the Manager has failed to fulfil its standard of care to the Partnership as set forth in the Management Agreement.

Termination of Manager

The Management Agreement may be terminated by either the Partnership or the Manager on 30 days' notice to the other, or immediately in the event of the dissolution or insolvency or bankruptcy of the other party or the termination of the Limited Partnership Agreement.

Purchase Agreements

The Receivables Portfolio will be acquired by the Partnership at net present value pursuant to the Purchase Agreements.

Under each Purchase Agreement, the applicable Originator, or CCM and/or other entities related to the Manager in the case of the Related Originators, will receive Up-Front Fees from the Partnership in connection with structuring services related to the acquisition of the equipment underlying commercial and consumer leases and commercial and consumer loans (and related rights) being purchased. Such Up-Front Fees will be in line with market standard fees for such services and will typically range between 1 and 5% of the notional value of the equipment and property underlying the commercial and consumer leases and the commercial and consumer loans (and related rights). The Up-Front Fees will vary based on the interest rate and tenor of the equipment and property underlying the commercial and consumer leases and the commercial and consumer loans (and related rights) being purchased.

Servicing Agreements

The Originators, including the Related Originators, have been appointed by the Manager to administer the Receivables Portfolio on behalf of the Partnership pursuant to separate Servicing Agreements and will receive Service Fees from the Partnership in line with market standard servicing fees that typically range between 0.5% and 2.0%, calculated monthly, on the average monthly balance of lease and loan receivables. In the event the Partnership terminates a servicing agreement with an Originator, the Partnership has the right to appoint back-up servicers as they see fit.

Administration Agreement

SGGG Fund Services Inc. (the "**Administrator**") has been appointed by the Manager to provide administrative and valuation services to the Partnership (among other funds) pursuant to a valuation and recordkeeping services agreement (the "**Administration Agreement**"). The Administrator has its principal place of business in Toronto, Ontario.

Pursuant to the Administration Agreement, the Administrator is responsible for computing the net asset value of the Partnership, maintaining the books and records of the Partnership, providing unitholder recordkeeping and administration services, establishing and maintaining accounts on behalf of the Partnership with financial institutions, and any other matters necessary for the administration of the Partnership. The Administrator may delegate certain functions under the Administration Agreement to affiliated companies.

Pursuant to the Administration Agreement, the Manager has agreed to indemnify the Administrator, and its directors, officers, employees and agents harmless from and against all liabilities, claims, damages, costs, expenses or losses that may arise out of the Administrator providing the services under the Administration Agreement, other than those arising out of the Administrator's own gross negligence or wilful misconduct. The Administrator has agreed to indemnify and save each of the Manager and the Partnership, and their respective directors, officers, employes agents and representatives harmless of and

from, and will pay for, any losses, liabilities, damages or out-of-pocket expenses suffered by, imposed upon or asserted against it as a result of, in respect of, connected with, or arising out of, under, or pursuant to the Administrator's gross negligence or wilful misconduct; provided that the Administrator's total liabilities shall not exceed the fees actually paid to the Administrator by the Partnership under the Administration Agreement during the 12-month period immediately preceding receipt by the Administrator of notice of such liability.

Under the Administration Agreement, the Partnership pays the Administrator an administration fee. The Partnership is also responsible for out-of-pocket expenses (such as copying and mailing of reports) incurred by the Administrator on behalf of the Partnership. Either party may terminate the Administration Agreement upon three (3) months' prior written notice (or immediately in certain circumstances, such as if the Administrator is in material breach of the Administration Agreement, and the Administrator has not remedied the breach within 10 business days of receipt of notice of such breach by the Manager).

Prime Broker Agreement

The Manager, on behalf of the Partnership, has appointed TD Securities Inc. (the "**Prime Broker**") as prime broker in respect of the Partnership's public securities portfolio transactions pursuant to the terms of an institutional prime brokerage account agreement (the "**Prime Broker Agreement**"). These services include the provision to the Partnership of trade execution, settlement and/or holding of investments and cash, at the discretion of the Prime Broker. The Partnership may utilise other brokers and dealers for the purposes of executing transactions for the Partnership. The Prime Broker assumes possession of and a security interest in the assets as part of its prime brokerage function in accordance with the terms of the Prime Broker Agreement. Assets not required as margin on borrowings are required to be segregated (from the Prime Broker's own assets) under the rules of the Canadian Investment Regulatory Organization ("**CIRO**"), which regulates the Prime Broker, but the Partnership's assets may be commingled with the assets of other clients of the Prime Broker. However, the Partnership's cash and credit balances on account with the Prime Broker are not segregated and may be used by the Prime Broker in the ordinary conduct of its business, and the Partnership is an unsecured creditor in respect of those assets. The Partnership may request delivery of any assets not required by the Prime Broker for margin or borrowing purposes.

Pursuant to the Prime Broker Agreement, neither the Prime Broker nor its affiliates nor any of their respective directors, officers, employees or agents shall be liable to the Partnership for any act or failure to act by the Prime Broker or partial or non-performance of its obligations under the Prime Broker Agreement by reason of any cause beyond its reasonable control, or for any reason, absent bad faith, negligence, wilful default or fraud on the part of the party seeking to avoid liability. The Partnership has agreed to indemnify the Prime Broker for losses it may incur in providing services under the Prime Broker Agreement, unless such losses result primarily from any act of bad faith, wilful default, fraud or gross negligence of the Prime Broker, nor will it apply to the extent that it would infringe applicable law or regulation. Neither the Prime Broker nor any brokers appointed has or will have investment discretion in relation to the Partnership and no responsibility will be taken by the Prime Broker for any of the assets of the Partnership held by other brokers.

Pursuant to the Prime Broker Agreement, the Partnership pays the Prime Broker commissions and fees. The Partnership is also responsible for out-of-pocket expenses incurred by the Prime Broker in the performance of its services under the Agreement. Either party may terminate the Prime Broker Agreement if certain events of default occur or upon 30 business days' prior written notice by either party to the other party.

The Partnership may enter into one or more additional prime brokerage agreements with other brokerage firms from time to time, in addition to or in lieu of the Prime Broker Agreement, on substantially similar terms.

Limited Partnership Agreement

The rights and obligations of the Limited Partners and of the General Partner are governed by the LP Act and by the Limited Partnership Agreement, as may be amended from time to time. The following is a summary of the Limited Partnership Agreement entered into by the General Partner and the Initial Limited Partner (taking into account the assignment of certain powers of the General Partner to the Manager). **This summary is not intended to be complete and each investor should carefully review the Limited Partnership Agreement itself for full details of these provisions.**

The Units

The Partnership may issue an unlimited number of Units. Units may be designated by the Manager as being Units of a series. Three classes of Units, designated as Class A Units, Class F Units and Class C Units, issuable in series has initially been created. Each issued and outstanding Unit of a series shall be equal to each other Unit of the same series with respect to all matters. The respective rights of the holders of Units of each series will be proportionate to the Net Asset Value of such series relative to the Net Asset Value of each other series. Each Unit carries with it a right to vote, with one vote for each $1.00 of Net Asset Value attributed to such Unit (the Net Asset Value of all Units held by a Limited Partner shall be aggregated for the purpose of determining voting rights). Fractional Units may be issued. A person wishing to become a Limited Partner shall subscribe for Units by means of a subscription form and power of attorney. The acceptance of any such subscription in whole or in part shall be subject to the Manager's sole discretion. See Article 3 - The Units in the Limited Partnership Agreement.

On the first closing, Units of each series of each class will be issued at a Net Asset Value per Unit of $10. Thereafter, Units of each new series will be issued at the Net Asset Value per Unit of the first series of Units of the same class as at the relevant Subscription Date. All changes in Net Asset Value (i.e., all income and expenses and all unrealized gains and losses) of the Partnership shall be borne proportionately by each class and series of Units based on their respective Net Asset Values, except as follows: (i) subscription proceeds received by the Partnership in respect of a series of Units shall accrue to the Net Asset Value of such series; (ii) all redemption and repurchase proceeds paid out by the Partnership in respect of a Unit of a series shall be deducted from the Net Asset Value of such series; and (iii) fees payable to the Manager and all other fees and expenses incurred in respect of a Unit of a series shall be deducted from the Net Asset Value of such series. The Net Asset Value per Unit of series shall be calculated by dividing the Net Asset Value of such respective series by the number of Units of such series then outstanding.

The Manager may in its discretion create different classes of Units. Each class may be subject to different fees, may have a different profit-sharing arrangement with the General Partner, and may have such other features as the Manager may determine. The Manager may redesignate a Limited Partner's Units from one class to another (and amend the number of such Units so that the Net Asset Value of the Limited Partner's aggregate holdings remains unchanged) and will do so in accordance with the Limited Partnership Agreement. The Manager also has the discretion to rename a series or convert a series of Units into another series without otherwise affecting the attributes of such series. The Manager may also subdivide or consolidate Units of one or more series from time to time, in a manner different than other series, provided that the Net Asset Value per Unit for such series is adjusted such that the aggregate Net Asset Value for such series is unchanged. (The Manager intends to exercise this discretion at the end of

each year to reduce the number of outstanding series of each class.) See Article 3 - The Units in the Limited Partnership Agreement.

Allocation of Income and Loss

Net income or loss for taxation purposes, ordinary income or loss, dividends and taxable capital gains or losses of the Partnership in each fiscal year will be allocated as at the last day of such year to Limited Partners who held Units at any time during such year (and in certain cases to Limited Partners who held Units at any time in the previous fiscal year) based on the number, class and series held by such Limited Partners, the dates of purchase, redemption and/or repurchase, the respective Net Asset Values of each class and series of Units, the fees paid or payable in respect of each class and series of Units, distributions made to the Limited Partners in respect of each class and series of Units, income, gain and loss attributable to currency hedging investment techniques allocable to certain classes and/or series of Units, and the date of realization of each such item of income, gain or loss, as the case may be. The Limited Partners will be allocated 99.999% of net gains and losses; the remaining 0.001% shall be allocated to the General Partner.

The Manager may adopt and amend an allocation policy from time to time intended to fairly and equitably allocate income or loss given the particular circumstances. See Section 4.7 – Allocations in the Limited Partnership Agreement.

Distributions

Distributions of allocated income may be made to Limited Partners from time to time at the discretion of the Manager. It is the intention of the Manager that quarterly distributions of allocated income will be paid in cash in an amount determined by the Manager from time to time. Limited Partners may reinvest such cash distributions in additional Units of the Partnership at the relevant quarterly Net Asset Value per Unit by notifying the Manager in writing. No payment may be made to a Limited Partner from the assets of the Partnership if the payment would reduce the assets of the Partnership to an insufficient amount to discharge the liabilities of the Partnership to persons who are not the General Partner or a Limited Partner. See Section 4.8 – Distributions in the Limited Partnership Agreement.

Authority and Duties of the General Partner

The General Partner has the full power and authority to do such acts and things and to execute and deliver such documents as it considers necessary or desirable in connection with the offering and sale of the Units and for carrying on the activities of the Partnership for the purposes summarized herein and described more fully in the Limited Partnership Agreement.

The General Partner shall exercise the powers and discharge its duties honestly, in good faith, and with a view to the best interests of the Partnership and in connection therewith shall exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. See Article 6 – Management of Limited Partnership in the Limited Partnership Agreement.

Expenses

The Partnership is responsible for all costs and operating expenses incurred in connection with the formation and organization of the General Partner and of Partnership and the ongoing activities of the Partnership, including but not limited to:

(i) fees and expenses of the Partnership, which include Management Fees, Up-Front Fees, Service Fees, fund administrator's fees, fees and expenses payable to members of an independent review committee of the Partnership (if any), accounting, valuation, audit and legal costs, insurance premiums, custodial fees, administration fees, registrar and transfer agency fees and expenses, bookkeeping and recordkeeping costs, Limited Partner communication expenses, mailing and printing expenses, organizational and set-up expenses, the cost of maintaining the Partnership's existence, regulatory fees and expenses and all reasonable extraordinary or non-recurring expenses; and

(ii) fees and expenses relating to the Partnership's portfolio investments, including the costs of securities, fees payable under the Servicing Agreements, interest on borrowings and commitment fees and related expenses payable to lenders and counterparties, brokerage fees, commissions and expenses, banking fees and interest expenses.

To the extent that such expenses are borne by the General Partner or Manager, the General Partner or Manager, as the case may be, shall be reimbursed by the Partnership from time to time. If there is more than one class of Units, expenses attributable to a particular class of Units (including any management, performance and other fees and the costs of currency hedging) will be deducted from the Net Asset Value of such class. See Section 6.2 – Expenses in the Limited Partnership Agreement.

The Manager may bear some of the Partnership's expenses (including waiving some or all of the Management Fees) from time to time, at its option. If the Manager does absorb such expenses (including waiving some or all of the Management Fees) at any time, it may discontinue such practice at any time in its discretion without notice to Limited Partners.

Power of Attorney

The Limited Partnership Agreement contains a limited power of attorney in favour of the General Partner in connection with all matters related to the operation of the Partnership, and authorizes the General Partner to, for example, execute documents on behalf of each Limited Partner (including tax elections and amendments to the Limited Partnership Agreement). See Section 6.4 – Power of Attorney in the Limited Partnership Agreement.

Management Fees

The Limited Partnership Agreement permits the Partnership to pay to the Manager an ongoing management fee calculated and payable as a percentage of the Net Asset Value of the Partnership or of any class of Units, as the General Partner may determine (and as the Manager may agree). Such fees are described above under "Details of the Offering – Management Fees". The Manager must give to affected Limited Partners not less than 60 days' notice of any proposed change to the method of calculation or amount of management fees, if such change could result in increased management fees being paid by the Partnership in respect of Units held by such Limited Partners, and each such Limited Partner is given the opportunity to redeem all of such Limited Partner's Units prior to the effective date of such change to the method of calculation or amount of management fees (in such event the General Partner shall be deemed to have waived, to the extent necessary, any lock-up and notice periods, and to have waived any redemption deductions for Units that are redeemed in the specified period). See Section 7.2 – Fees in the Limited Partnership Agreement.

Liability

Subject to the provisions of the LP Act, the liability of each Limited Partner for the liabilities and obligations of the Partnership is limited to the amount the Limited Partner contributes or agrees in writing to contribute to the Partnership, less any such amounts properly returned to the Limited Partner. A Limited Partner may lose his, her, their or its status as a limited partner and the benefit of limited liability if such Limited Partner takes part in the control of the business of the Partnership or if certain other provisions of the LP Act are contravened. Where a Limited Partner has received the return of all or part of the Limited Partner's contributed capital, the Limited Partner is nevertheless liable to the Partnership or, following the dissolution of the Partnership, to its creditors for any amount, not in excess of the amount returned with interest (calculated at a rate per annum equal to the prime commercial lending rate of the Partnership's bankers), necessary to discharge the liabilities of the Partnership to all creditors who extended credit or whose claims otherwise arose before the return of the contributed capital. See Section 8.2 - Limited Liability of Limited Partners in the Limited Partnership Agreement.

Furthermore, if after a distribution, redemption or repurchase payment the Manager determines that a Limited Partner was not entitled to all or some of such distribution, redemption or repurchase payment, the Limited Partner shall be liable to the Partnership to return the portion improperly distributed or paid, together with interest at a rate per annum equal to the prime commercial lending rate of the Partnership's bankers if repayment of such excess amount is not made by the Limited Partner within 15 days of receiving notice of such overpayment. The Manager may set off and apply any sums otherwise payable to a Limited Partner against such amounts due from such Limited Partner, provided that there shall be no right of set-off against a Limited Partner in respect of amounts owed to the Partnership by a predecessor of such Limited Partner. See Section 4.12 – Repayments and Section 8.2 - Limited Liability of Limited Partners in the Limited Partnership Agreement.

The General Partner shall be liable for the debts, obligations and any other liabilities of the Partnership in the manner and to the extent required by the LP Act and as set forth in the Limited Partnership Agreement to the extent that Partnership assets are insufficient to pay such liabilities.

The General Partner will indemnify and hold harmless each Limited Partner for any costs, damages, liabilities, expenses or losses suffered or incurred by such Limited Partner that result from or arise out of such Limited Partner not having unlimited liability as set out in the Limited Partnership Agreement, other than any liability caused by or arising out of any act or omission of such Limited Partners. See Article 8 - Liabilities of Partners in the Limited Partnership Agreement.

Reports to Limited Partners

Within 120 days after the end of each fiscal year, the Manager will prepare and make available to each Limited Partner, unless the Limited Partner has elected otherwise, audited financial statements for such fiscal year together with a report of the auditors on such financial statements. Within 90 days after the end of each fiscal year, the Manager will prepare and make available to each Limited Partner tax information to enable each Limited Partner to properly complete and file his, her, their or its tax returns in Canada in relation to an investment in Units. The General Partner will also file a tax information return in prescribed form in respect of the activities of the Partnership on or before the last day of March in the year following each fiscal year of the Partnership. In the event that the Partnership dissolves, the General Partner will file such tax information return within 90 days of the dissolution of the Partnership.

The Manager will prepare and make available to each Limited Partner, unless the Limited Partner has elected otherwise, unaudited interim financial statements for the first six months of each fiscal year within

60 days after the end of such period. The Partnership is not a reporting issuer for the purpose of applicable securities legislation and Limited Partners will receive only those reports required by the Limited Partnership Agreement.

The Manager will prepare and make available to each Limited Partner monthly information respecting the Net Asset Value per Unit of Units held by such Limited Partner, plus such other financial reports as may be required by applicable law, within 30 days after the end of each calendar month.

The Manager will forward such other reports to each Limited Partner as are from time to time required by applicable law. For example, if the Manager is the dealer through whom Units are purchased, the Manager must provide:

- a written confirmation of the purchase indicating, among other things, the number and class of Units issued as well as the purchase price thereof and any charges applicable to the purchase;
- a written confirmation of any redemption or repurchase of Units, indicating, among other things, the number and class of Units redeemed or repurchased as well as the redemption or repurchase proceeds therefrom and any charges applicable to the redemption or repurchase;
- a statement to the Limited Partner at the end of each quarter (or month, if the Limited Partner requests monthly reporting or if there was a subscription for or redemption or repurchase of Units by the Limited Partner during the month) showing, for each purchase, redemption, repurchase or transfer made by the Limited Partner during the period (i) the date of the transaction, (ii) whether the transaction was a purchase, redemption, repurchase or transfer, (iii) the number and class of Units purchased, redeemed, repurchased or transferred, (iv) the price per Unit paid or received by the Limited Partner and (v) the total value of the transaction, as well as the number, class and Net Asset Value of Units held by the Limited Partner at the end of the period (if there is no dealer of record for a Limited Partner, the Manager will provide this information to the Limited Partner on an annual basis); and
- an annual statement on certain charges and other compensation charged to the Limited Partner during the year, as well as a report on investment performance on the Limited Partner's Units. See Article 11 - Books, Records and Financial Information in the Limited Partnership Agreement.

Amendments and Fundamental Changes

The General Partner may, without prior notice to or consent from any Limited Partner, amend the Partnership Agreement (i) to create additional classes of Units and set the terms thereof, (ii) to protect the interests of the Limited Partners, if necessary, (iii) to cure any ambiguity or clerical error or to correct or supplement any provision contained therein that may be defective or inconsistent with any other provision if such amendment does not and shall not in any manner adversely affect the interests of any Limited Partner as a Limited Partner, (iv) to reflect any changes to any applicable legislation, or (v) in any other manner provided that such amendment does not and shall not adversely affect the interests of any existing Limited Partner as a Limited Partner in any material manner.

The Partnership Agreement may be amended for any other reason other than the foregoing, the Partnership may be dissolved or the sale of all or substantially all of the property and assets of the Partnership may be effected at any time by (i) the General Partner with the consent of the Limited Partners given by Resolution, or (ii) the General Partner without the consent of the Limited Partners provided the Limited Partners are given not less than 60 days' written notice prior to the effective date of the amendment, dissolution or sale (together with details of such amendment, dissolution or sale), and

each Limited Partner is given the opportunity to redeem all of such Limited Partner's Units prior to the effective date of such amendment, dissolution or sale (in such event the General Partner shall be deemed to have waived, to the extent necessary, any lock-up and notice periods, and to have waived any redemption deductions for Units that are redeemed in the specified period). The General Partner may in its sole discretion determine not to proceed with any amendment, dissolution or sale following any such approval or notice if it determines that proceeding with such amendment, dissolution or sale is not longer in the best interests of the Partnership. See Article 13 - Amendment of Agreement in the Limited Partnership Agreement.

Term

The Partnership has no fixed term. Dissolution may only occur (i) at any time on 30 days' written notice by the Manager to each Limited Partner, or (ii) on the date which is 60 days following the removal of the General Partner, unless a new General Partner is appointed prior to such date. See Article 12 – Duration and Termination of Partnership in the Limited Partnership Agreement.

SCHEDULE "B"

NET ASSET VALUE

The Net Asset Value of the Partnership and the Net Asset Value per Unit of each class will be determined as of 4:00 p.m. (Toronto time) on each Subscription Date, on each Repurchase Pricing Date, and on such other day(s) as the Manager may approve (each, a "**Valuation Date**") by SGGG Fund Services Inc. (the "**Administrator**") in accordance with the Limited Partnership Agreement. Due to the private, non-traded nature of the Receivables Portfolio, the Net Asset Value of the Partnership and the Net Asset Value per Unit will generally be available within 30 days after the applicable Valuation Date.

The Net Asset Value of each class will generally increase or decrease proportionately with the increase or decrease in the Net Asset Value of the Partnership (before deduction of class-specific fees, expenses and other deductions) and the Net Asset Value per Unit of each class shall be determined (after deduction of class-specific fees, expenses and other deductions) by dividing the Net Asset Value of each class by the number of Units of such class outstanding.

Valuation Principles

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

(i) 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 of the Partnership 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.

(ii) The value of short-term investments including notes and money market instruments shall be valued at cost plus accrued interest unless the Administrator believes that such amount does not represent the fair value thereof in which case the Administrator, in consultation with the Manager, shall value such investments at an amount that they believe approximates fair value.

(iii) 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. 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 that, in the opinion of the Administrator, in consultation with the Manager, most closely reflects their fair market value.

(iv) The value of any bond or other debt security, other than a short-term security, shall be determined by using prices supplied by the Administrator. If it is not possible to value a particular debt security pursuant to these valuation methods, then the value of such security shall be the most recent bid quotation supplied by a suitable dealer in such securities, as determined by the Administrator, in consultation with the Manager.

(v) The value of any security that is traded over-the-counter will be priced at the average of the last bid and asked prices quoted by a major dealer or recognized information provider in such securities (unless in the opinion of the Administrator, in consultation with the Manager, such value does not reflect the value thereof and in which case, the latest offer price, bid price or other price as best reflects the value thereof should be used), as at the Valuation Date.

(vi) Commercial and consumer receivables (including, but not limited to, receivables payable on leased equipment and property, and loans) (collectively "**finance receivables**") do not trade in the actively quoted markets. The Manager, or third party engaged by the Manager, may use certain valuation techniques, including, but not limited to, discounted cash flows, in estimating the fair value of such private commercial receivables. The process of valuing investments for which no published market exists will inevitably be based on inherent uncertainties and the resulting values may differ from values that would have been used had a ready market existed for the investment. Determination of fair value will take into consideration a variety of factors including, but not limited to, the term to maturity of the loan or lease, the market interest rate of similar loans or leases, the value of any participation rights, whether it has a fixed or floating rate, any known impairment, the creditworthiness and status of a borrower or lessor, including its payment history and the value of any property securing the loans or leases, overall economic conditions and other conditions specific to the underlying holding.

(vii) Private commercial loans (including, but not limited to, first and second lien senior loans, term mezzanine debt and bridge loans consisting of senior and subordinated debentures plus participation rights) (collectively "**long term loans**") do not trade in the actively quoted markets. The Manager, or third party engaged by the Manager, may use certain valuation techniques, including, but not limited to, discounted cash flows, in estimating the fair value of such long term loans. The process of valuing investments for which no published market exists will inevitably be based on inherent uncertainties and the resulting values may differ from values that would have been used had a ready market existed for the investment. Determination of fair value will take into consideration a variety of factors including, but not limited to, the term to maturity of the loan, the market interest rate of similar loans, the value of any participation rights, whether it has a fixed or floating rate, any known impairment, the creditworthiness and status of a borrower, including its payment history and the value of any property securing the long term loans, overall economic conditions and other conditions specific to the underlying holding.

(viii) The value of a futures contract or a forward contract shall be the gain or loss with respect thereto that would be realized if, at 4:00 p.m. (Eastern Time), the position in the futures contract, or the forward contract, as the case may be, were to be closed out unless daily limits are in effect in which case fair value shall be based on the current market value of the underlying interest.

(ix) Each transaction of purchase or sale of portfolio securities effected by the Partnership will be reflected in the computation of the Net Asset Value of the Partnership on the trade date.

(x) 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.

(xi) 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.

(xii) All other liabilities shall include only those expenses paid or payable by the Partnership, including accrued contingent liabilities; however (A) organizational and start up expenses may both be amortized by the Partnership over a 60-month period; and (B) if there is more than one class of Units, expenses and fees allocable only to a class of Units (including any management and other fees and any costs of currency hedging) shall not be deducted from the Net Asset Value of the Partnership prior to determining the Net Asset Value of each class, but shall thereafter be deducted from the Net Asset Value so determined for each such class.

The liabilities of the Partnership shall be deemed to include:

(i) all bills, notes and accounts payable;

(ii) all expenses incurred or payable by the Partnership;

(iii) all short positions;

(iv) all contractual obligations for the payment of money or property, including the amount of any declared but unpaid distributions;

(v) all allowances and reserves applicable to the valuation of the Receivables Portfolio in consideration of overall credit worthiness of said pool, including potential or known default, as determined by the Administrator in consultation with the Manager from time to time;

(vi) all allowances authorized or approved by the Manager for taxes or contingencies; and

(vii) all other liabilities of the Partnership of whatsoever kind and nature, except liabilities represented by outstanding Units and the balance of any undistributed net income or capital gains.

Common expenses of the Partnership will be borne by all classes of Units in a manner deemed fair by the Manager. Expenses of the Partnership that are specific to one or more classes of Units will be allocated only to those classes (generally in proportion to their Net Asset Value).

All valuations will be binding on all persons and in no event shall the Manager incur any individual liability or responsibility for any determination made or other action taken or omitted by them in the

absence of manifest error, bad faith, fraud or negligence. Prospective investors should be aware that situations involving uncertainties as to the valuation of positions could have an adverse effect on the Partnership's Net Asset Value if the Manager's judgements regarding appropriate valuations should prove incorrect.

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. Such Net Asset Value will be used to determine the subscription price and repurchase value of Units. For the purposes of financial reporting, the Partnership is required to calculate Net Asset Value in accordance with IFRS. To the extent that such calculations are not in accordance with IFRS, the financial statements of the Partnership will include a reconciliation note explaining any difference between such published Net Asset Value and Net Asset Value for financial statement reporting purposes.

SCHEDULE "C"

INCOME TAX CONSIDERATIONS

Certain Canadian Federal Income Tax Considerations

The following is a summary of the principal Canadian federal income tax considerations under the Tax Act generally applicable to a corporate or individual Limited Partner who acquires Units pursuant to the Offering and who, for purposes of the Tax Act and at all relevant times, is resident in Canada, deals at arm's length with the Partnership, the General Partner and the Manager, is not affiliated with the Partnership, the General Partner or the Manager and holds the Units as capital property. Generally, Units will be considered to be capital property to a Limited Partner provided such Units are not held in the course of carrying on a business and have not been acquired in one or more transactions considered to be an adventure or concern in the nature of trade. The Units are not "Canadian securities" for the purpose of the one-time election under subsection 39(4) of the Tax Act to treat all "Canadian securities", as defined in the Tax Act, owned by the Limited Partner as capital property, and therefore no such election will apply to the Units. Limited Partners who do not hold their Units as capital property should consult with their own tax advisors regarding their particular circumstances.

This summary is not applicable to a Limited Partner (i) that is a "financial institution" as defined in subsection 142.2(1) of the Tax Act, (ii) that reports its "Canadian tax results," as defined in the Tax Act, in a currency other than Canadian currency, (iii) an interest in which would be a "tax shelter investment" as defined in the Tax Act, (iv) that has at any relevant time, directly or indirectly, a "significant interest" as defined in subsection 34.2(1) of the Tax Act in the Partnership, (v) that has entered into or will enter into, with respect to the Units, a "derivative forward agreement" or a "synthetic disposition arrangement" as those terms are defined in the Tax Act. Such Limited Partners are urged to consult their own tax advisors. In addition, this summary does not address the deductibility of interest expense or other expenses incurred by a Limited Partner in connection with debt incurred in connection with the acquisition or holding of Units.

This summary assumes that: (i) the Partnership (and each Unit) is not a "tax shelter" or "tax shelter investment," each as defined in the Tax Act, (ii) Units that represent more than 50% of the fair market value of all interests in the Partnership are held at all relevant times by Limited Partners that are not "financial institutions" as defined in the Tax Act, and (iii) no interest in any Limited Partner is a "tax shelter investment" as defined in the Tax Act. However, no assurances can be given in this regard. This summary also assumes that Units will not at any material time be listed or traded on a "stock exchange" or other "public market" within the meaning of the Tax Act, and that there will not be at any material time, any other right that is so listed or traded and which may reasonably be considered to replicate a return on, or the value of, a Unit.

This summary is of a general nature only and is based upon the facts and assumptions set out in this Offering Memorandum. This summary is based on the current provisions of the Tax Act, the regulations made thereunder (the "**Regulations**"), all specific proposals to amend the Tax Act and the Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Tax Proposals**") and the current administrative policies and assessing practices of the CRA made publicly available prior to the date hereof. This summary assumes that the Tax Proposals will be enacted as proposed, but no assurance can be given that this will be the case. Modification or amendment of the Tax Act, the Regulations or the Tax Proposals could significantly alter the tax status of the Partnership and the tax consequences of holding Units.

This summary is not exhaustive of all possible Canadian federal income tax consequences and, except for the Tax Proposals, does not take into account or anticipate any changes in law, whether by legislative, governmental, administrative or judicial action or decision, nor does it take into account provincial or foreign tax legislation or considerations, which may differ materially from the Canadian federal income tax considerations described herein. This summary is not intended to be, nor should it be construed to be, legal or tax advice to any prospective Limited Partner. Accordingly, prospective Limited Partners should consult their own tax advisors with respect to the tax consequences to them having regard to their own particular circumstances.

Taxation of the Partnership

The Partnership is not generally subject to tax under the Tax Act. However, the Tax Act contains rules that impose an income tax on certain publicly-traded partnerships. Based on the assumptions above, the Partnership should not be subject to those rules.

The Partnership is required to compute its income (or loss) in accordance with the provisions of the Tax Act for each of its fiscal periods as if it were a separate person resident in Canada, and such income (or loss) will be allocated to the partners based on their respective shares of that income or loss as provided for in the Limited Partnership Agreement. The fiscal period of the Partnership ends on December 31 of each year. In computing the income or loss of the Partnership, the Partnership is generally entitled to deduct its reasonable administrative and other expenses incurred by it to earn income. In addition, the Partnership will generally be entitled to deduct reasonable costs and expenses incurred by the Partnership and not reimbursed in connection with the issuance of Units on a five-year basis at a rate of 20% per taxation year, subject to pro-ration for short taxation years.

Taxation of Limited Partners

For purposes of the Tax Act, all amounts expressed in a currency other than Canadian dollars relating to the acquisition, holding or disposition of Units must be converted into Canadian dollars based on the applicable exchange rate quoted by the Bank of Canada for the relevant day or such other rate of exchange that is acceptable to the CRA.

Allocation of Income or Loss

In computing its income for each taxation year, each Limited Partner will be required to include (or entitled to deduct) in computing its income for a particular taxation year, its share of the income (or loss) of the Partnership (subject, in the case of a loss, to the application of the "at risk rules" described below), computed in Canadian dollars, for the fiscal period of the Partnership ending in, or coincidentally with, such taxation year, whether or not such Limited Partner has received any distributions from the Partnership in the year. For this purpose, the Partnership will provide each Limited Partner with the necessary tax information relating to the Units of the Limited Partner, but the Partnership will not prepare or file income tax returns on behalf of any Limited Partner. Each Limited Partner is required to file an information return in prescribed form on or before the last day of March in the following year in respect of the activities of the Partnership, or where the Partnership is dissolved, within 90 days after dissolution. The General Partner is obliged to file such information return under the Limited Partnership Agreement and, when filed, each Limited Partner is deemed to have made this filing. The fiscal year of the Partnership generally ends on December 31 in each calendar year, and will end on the dissolution of the Partnership.

In general, a Limited Partner's share of any income or loss of the Partnership from a particular source will be treated as if it were income or loss of the Limited Partner from that source, and any provisions of the Tax Act applicable to that type of income or loss will apply to the Limited Partner with respect thereto. The source and character of an amount included in or deducted from the income of a Limited Partner will generally be determined by reference to the source and character of such amount when earned by the Partnership.

Subject to the "at-risk" rules, a Limited Partner's share of the business losses of the Partnership for any fiscal year may be applied against his, her, their or its income from any other source to reduce net income for the relevant taxation year and, to the extent it exceeds other income for that year, generally may be carried back three years and forward twenty years and applied against taxable income of such other years.

The Tax Act contains rules (the "**at-risk rules**") which, in general, will limit the ability of a Limited Partner of the Partnership to deduct in a taxation year its share of any loss of the Partnership for a fiscal period ending in that taxation year to its "at-risk amount" in respect of such Partnership at the end of that fiscal period. In general, the "at risk amount" of a Limited Partner will be equal to the adjusted cost base to the Limited Partner of their Units at the end of the Partnership's fiscal period plus the amount of Partnership income (including the full amount of any capital gains) allocated to the Limited Partner for the fiscal period, less any amount owing by the Limited Partner (or a person or partnership that does not deal at arm's length with the partner for the purposes of the Tax Act) to the Partnership (or a person or partnership that does not deal at arm's length with the Partnership for the purposes of the Tax Act), and less the amount of the Limited Partner's investment in the Partnership that may reasonably be regarded as protected against loss.

A Limited Partner's share of any loss of the Partnership that is not deductible by the Limited Partner as a result of the application of the "at-risk" rules will be considered to be a "limited partnership loss" in respect of the Partnership for that year. A limited partnership loss of a Limited Partner in respect of the Partnership may generally be carried forward and deducted by the Limited Partner in a subsequent taxation year against income for that year to the extent that the Limited Partner's at-risk amount at the end of the Partnership's last fiscal period ending in that year exceeds the Limited Partner's share of any loss of the Partnership for that fiscal period, subject to and in accordance with the provisions of the Tax Act.

The adjusted cost base of the Units held by a Limited Partner will be increased at a particular time by the pro rata share of the income (including the full amount of any capital gain) of the Partnership allocated to the Limited Partner for fiscal periods of the Partnership ending before that time, and will be reduced by the aggregate pro rata share of losses (including the full amount of any capital losses) of the Partnership allocated to the Limited Partner (other than losses the deductibility of which was denied by the at-risk rules) for fiscal periods of the Partnership ending before that time and by all distributions of cash or other property made by the Partnership to such Limited Partner on the Units before that time. If at the end of any fiscal period of the Partnership, the adjusted cost base of the Units held by a Limited Partner would otherwise be a negative amount, the Limited Partner will be deemed to have realized a capital gain equal to such negative amount and the adjusted cost base of the Units held by such Limited Partner will be increased by the amount of such deemed capital gain.

Disposition of Units

Upon the disposition or deemed disposition of Units by a Limited Partner, the Limited Partner generally will realize a capital gain (or a capital loss) equal to the amount by which the proceeds of disposition are greater (or less) than the aggregate of the Limited Partner's adjusted cost base of the Units immediately before such disposition and any reasonable costs of disposition. Generally, one-half of any capital gain

(the "**taxable capital gain**") realized upon a disposition by a Limited Partner of his, her, their or its Units in the Partnership will be included in the Limited Partner's income for the year of disposition, and one-half of any capital loss so realized (the "**allowable capital loss**") must be deducted by the Limited Partner against taxable capital gains for the year of disposition. Subject to the detailed rules in the Tax Act, any excess of allowable capital losses over taxable capital gains of the Limited Partner may be carried back up to three taxation years and forward indefinitely and deducted against net taxable capital gains in those other years.

The adjusted cost base to a Limited Partner of a Unit acquired pursuant to this Offering generally will include (i) all amounts paid by the Limited Partner for the Unit (excluding any portion thereof financed with limited recourse indebtedness); plus (ii) the pro rata share of the income (including the full amount of any capital gain) of the Partnership allocated to the Limited Partner pursuant to the terms of the Limited Partnership Agreement for fiscal periods of the Partnership ending before the relevant time; less (iii) the aggregate pro rata share of losses (including the full amount of any capital losses) of the Partnership allocated to the Limited Partner (other than losses the deductibility of which was denied by the at-risk rules) for the fiscal periods of the Partnership ending before the relevant time; and less (iv) distributions from the Partnership received by the Limited Partner before the relevant time. For purposes of determining the adjusted cost base to a Limited Partner, when a Unit is acquired, the cost of the newly acquired Unit will be averaged with the adjusted cost base immediately before that time of all Units owned by such Limited Partner as capital property.

A Limited Partner who is considering disposing of Units should obtain tax advice before doing so since ceasing to be a Limited Partner before the end of the Partnership's fiscal period may result in certain adjustments to his, her, their or its adjusted cost base, and may adversely affect his, her, their or its entitlement to a share of the Partnership's income and loss.

Termination of the Partnership

Upon the termination of the Partnership, generally, Partnership property that is distributed to a Limited Partner will be deemed to have been disposed of by the Partnership for its fair market value and acquired by the Limited Partner at a cost equal to the same amount. Generally, each Limited Partner will be deemed to dispose of his, her, their or its Units at that time for proceeds of disposition equal to the fair market value of the property received from the Partnership in respect of those Units.

A capital gain (or capital loss) will be realized by a Limited Partner on the disposition of such Units to the extent that such proceeds, net of reasonable disposition costs, exceed (or are less than) the adjusted cost base of the Limited Partner's Units, calculated as described above. In addition, the amount, if any, by which the adjusted cost base to a Limited Partner of his, her, their or its Units is negative, will be deemed to be a capital gain of the Limited Partner from a disposition of those Units. Any income, capital gain or loss realized by the Partnership on the disposition of property in the fiscal period ending as a result of the termination of the Partnership will be included in calculating the income, gain or loss of the Partnership for that fiscal period and allocated to the partners in accordance with the Limited Partnership Agreement.

Following a dissolution of the Partnership, certain costs incurred by the Partnership in marketing the Units, including expenses of issue and the Agents' fees that were deductible by the Partnership at a rate of 20% per annum, subject to proration for a short taxation year will, to the extent they remain undeducted by the Partnership at the time of its dissolution, be deductible by the Limited Partners (based on their proportionate interest in the Partnership), on the same basis as they were deductible by the Partnership. A Limited Partner's adjusted cost base in his, her, their or its Units will be reduced by the aggregate of such undeducted expenses allocated to the Limited Partner.

Refundable Tax

A Limited Partner that is a Canadian-controlled private corporation (as defined in the Tax Act) or a "substantive CCPC" (as defined in Tax Proposals to be implemented by draft legislation released November 21, 2023) may be liable to pay an additional refundable tax in respect of certain investment income including amounts in respect of interest and taxable capital gains.

Alternative Minimum Tax

A Limited Partner who is an individual or trust (except for certain trusts) may have an increased liability for alternative minimum tax as a result of capital gains realized on a disposition of Units or the allocation of income or capital gains by the Partnership.

Eligibility for Investment

The Units are not "qualified investments" for first home saving accounts, registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered education savings plans, registered disability savings plans or tax-free savings accounts for purposes of the Tax Act and, to avoid adverse consequences under the Tax Act, the Units should not be purchased by or held in such plans, funds or accounts.

Enhanced Tax Information Reporting

The Partnership has due diligence and reporting obligations under FATCA and CRS. Generally, Limited Partners (or in the case of certain Limited Partners that are entities, the "controlling persons" thereof) will be required by law to provide the General Partner, the Manager or registered dealers through whom Units are distributed, with information related to their citizenship and tax residence, and, if applicable, their foreign taxpayer identification number. If a Limited Partner (or, if applicable, any of its controlling persons) does not provide the information or, for FATCA purposes, is identified as a U.S. resident or U.S. citizen (including a U.S. citizen living in Canada) or, for CRS purposes, is identified as a tax resident of a country other than Canada or the U.S., information about the Limited Partner (or, if applicable, its controlling persons) and their investment in the Partnership will generally be reported to the CRA. The CRA will provide that information to, in the case of FATCA, the U.S. Internal Revenue Service and in the case of CRS, the relevant tax authority of any country that is a signatory of the Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information or that has otherwise agreed to a bilateral information exchange with Canada under CRS.

U.S. Federal Income Tax Considerations

U.S. source interest income allocated to investors in the Partnership would normally be subject to U.S. withholding tax at a flat 30% rate. However, there is an exemption for portfolio interest received by an investor who is a non-U.S. resident individual or non-U.S. corporation, provided the investor is not (i) a "bank" within the meaning of Section 881(c)(3)(A) of the Internal Revenue Code of 1986 (as amended, the "**Code**"), (ii) a ten percent shareholder of the borrower within the meaning of Section 871(h)(3)(B) of the Code, or (iii) a "controlled foreign corporation" related to the borrower as described in Section 881(c)(3)(C) of the Code. The interest on loans made by the Partnership to U.S. borrowers are expected to generate portfolio interest.

In the event U.S. source interest on loans made by the Partnership is not portfolio interest or an investor is not eligible to receive portfolio interest, the investor would be required to pay U.S. tax at a flat rate of 30%, unless otherwise provided by the U.S.-Canada income tax treaty. The U.S. borrower or other

applicable U.S. withholding agent would be required to withhold tax with respect to interest that does not qualify for the portfolio interest exemption or treaty exemption.

To qualify for exemption or reduction of U.S. withholding tax, investors must provide to the Partnership (1) U.S. tax certifications on IRS Form W-8BEN or W-8BEN-E (or, if the Investor is a partnership, IRS Form W-8IMY plus the IRS Form W-8BENs of its partners), as applicable, to document non-U.S. status, satisfy FATCA and claim treaty benefits if necessary, and (2) for investors relying on the portfolio interest exemption, a certificate stating that the investor does not fall into the ineligible categories above.

A gain, if any, on the Partnership's disposition of a loan allocated to a person investing in the Partnership would normally not be subject to U.S. federal income tax.

SCHEDULE "D"

RISK FACTORS

Investment in Units involves certain risk factors, including risks associated with the Partnership's investment strategies. The following risk factors do not purport to be a complete explanation of all risks involved in purchasing Units. Potential investors should read this entire Offering Memorandum and consult with their legal and other professional advisors before determining to invest in Units.

Risks Associated with an Investment in the Partnership

No Assurance of Return. Although the Manager will use its best efforts to achieve above-average rates of return for the Partnership, no assurance can be given in this regard. Although the Partnership expects to make quarterly cash distributions to Limited Partners, there can be no assurance that the Partnership will make any distributions in any particular calendar quarter. Subscribers must bear the risk of a loss on their investment.

Investment Risk. An investment in the Partnership is not intended as a complete investment program. 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 Partnership. Investors should review closely the investment objective and investment strategies to be utilized by the Partnership as outlined herein to familiarize themselves with the risks associated with an investment in the Partnership.

Marketability and Transferability of Units. There is no market for the Units and their resale is subject to restrictions imposed by the Limited Partnership Agreement, including consent by the Manager, and applicable securities legislation. See "Transfer or Resale". Repurchases are subject to lock-up and notice requirements, and repurchase offers may be deferred or suspended in certain circumstances. 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.

Reliance on Manager and Track Record. The success of the Partnership will be primarily dependent upon the skill, judgment and expertise of the Manager and its principals. Although persons involved in the management of the Partnership and the service providers to the Partnership have had experience in their respective fields of specialization, the Partnership has no operating and performing history upon which prospective investors can evaluate the Partnership's likely performance. Investors should be aware that the past performance by those involved in the investment management of the Partnership should not be considered as an indication of future results. In the event of the loss of the services of the Manager, or of a key person of the Manager, the business of the Partnership may be adversely affected.

Reliance on the Originators and the Manager. The Partnership relies on the ability of the Originators to actively acquire the equipment and property and to originate and administer the leases and loans comprising the Receivables Portfolio and the Manager's ability to negotiate and cause the Partnership to enter into the Purchase Agreements. The Originators and the Manager will make decisions upon which the success of the Partnership will depend significantly. No assurance can be given that the approaches utilized by the Originators and the Manager will prove successful. There can be no assurance that satisfactory replacements for the Originators will be available, if needed. Termination of the Purchase Agreements will not terminate the Partnership but will expose investors to the risks involved in whatever new purchase arrangements the Manager is able to negotiate for and on behalf of the Partnership. In addition, the liquidation of securities positions held by the Partnership as a result of the termination of the Purchase Agreements may cause substantial losses to the Partnership.

Potential Conflicts of Interest. The Manager is required to satisfy a standard of care in exercising its duties with respect to the Partnership. However, neither the Manager, the General Partner nor their officers, directors or employees are required to devote all or any specified portion of their time to their responsibilities relating to the Partnership. Each of the Manager or the General Partner or affiliates thereof and their respective officers, employees and affiliates may undertake financial, investment or professional activities that give rise to conflicts of interest with the Partnership.

Furthermore, the Originators, their directors and officers or their affiliates may be an affiliated or related party to the Manager, the Partnership or any of the affiliates or beneficial owners of the Manager. In particular, the Partnership purchases equipment and property underlying commercial and consumer leases and commercial and consumer loans (and related rights) from the Related Originators and retains the Related Originators to provide services under Servicing Agreements. This will result in the Related Originators earning profits in connection with such purchases and receiving Service Fees from the Partnership. In addition, CCM, and/or other entities related to the Manager, will be entitled to receive Up-Front Fees from the Partnership in connection with structuring services related to the acquisition of such portion of the Receivables Portfolio by the Partnership from the Related Originators.

Furthermore, the Manager, the Originators or CCM or their directors and officers and their affiliates, may at any time engage in promoting or managing other entities or other investments that may compete directly or indirectly with the Partnership. The Manager, the Originators or CCM may establish other investment vehicles that may involve transactions that conflict with the interests of the Partnership. Whenever a conflict of interest arises between the Partnership, on the one hand, and the Manager, the Originators or CCM on the other hand, the parties involved, in resolving that conflict or determining any action to be taken or not taken, are entitled to consider the relative interests of all of the parties involved in the conflict or that are affected by such action, any customary or accepted industry practices and such other matters as the parties deem appropriate in the circumstances. **Schedule "E" – Conflicts of Interest**.

Canadian Tax Liability. Investors may be allocated income for tax purposes and not receive any cash distributions from the Partnership. Net Asset Value of the Partnership and Net Asset Value per Unit will be marked to market and therefore calculated on the basis of both realized trading gains and losses and accrued, unrealized gains and losses. In computing each Limited Partner's share of income or loss for tax purposes, only realized gains and losses and other factors, including the date of purchase or repurchase of Units by a Limited Partner in a fiscal year, will be taken into account. Therefore, the change in Net Asset Value of a Limited Partner's Units may differ from his, her, their or its share of income and loss for tax purposes.

Possible Loss of Limited Liability. Under the LP Act, the General Partner has unlimited liability for the debts, liabilities, obligations and losses of the Partnership to the extent that they exceed the assets of the Partnership. The liability of each Limited Partner for the debts, liabilities, obligations and losses of the Partnership is limited to the value of money or other property the Limited Partner has contributed or agreed to contribute to the Partnership. In accordance with the LP Act, if a Limited Partner has received a return of all or part of the Limited Partner's contribution to the Partnership, the Limited Partner is nevertheless liable to the Partnership, or where the Partnership is dissolved, to its creditors, for any amounts not in excess of the amount returned with interest, necessary to discharge the liabilities of the Partnership to all creditors who extended credit or whose claims arose before the return of the contribution. **The limitation of liability of a Limited Partner may be lost if a Limited Partner takes part in the control of the business of the Partnership.**

Funding Deficiencies. Other than with respect to the possible loss of the limited liability as outlined above, no Limited Partner shall be obligated to pay any additional assessment on the Units held or

subscribed. However, if, as a result of a distribution by the Partnership, the Partnership's capital is reduced and the Partnership is unable to pay its debts as they become due, the Limited Partners may have to return to the Partnership any such distributions received by them to restore the capital of the Partnership. If the Partnership does not have sufficient funds to meet its requirements and must default because the deficiency is not funded, Limited Partners may lose their entire investment in the Partnership.

Not an Investment Fund. The Partnership is not an investment fund, as substantially all of its assets are invested in equipment and property underlying commercial and consumer leases and commercial and consumer loans (and related rights), and is therefore not subject to certain restrictions and reporting requirements imposed on investment funds under applicable securities legislation, nor is it subject to the restrictions placed on mutual funds under applicable securities laws to ensure diversification and liquidity of the Partnership's portfolios.

Prime Broker Risk and Securities Dealer Insolvency. The Partnership does not control the custodianship of all of its assets. The Partnership's assets may be held in one or more non-custodial accounts maintained for the Partnership by its brokers or other securities dealers. Brokers and other dealers are regulated as members of CIRO and are also subject to various other laws and regulations in the jurisdictions where they operate that are designed to protect their customers in the event of their insolvency. However, the practical effect of these laws and their application to the Partnership's assets are subject to substantial limitations and uncertainties. Because of the large number of entities and jurisdictions involved and the range of possible factual scenarios involving the insolvency of a Prime Broker or other securities dealer having custody over the Partnership's assets, or any agent or affiliate of such dealer, it is impossible to generalize about the effect of their insolvency on the Partnership and its assets. Investors should assume that the insolvency of any Prime Brokers or other dealer having custody over the Partnership's assets or any agent or affiliate of such Prime Broker or other dealer would result in the loss of all or a substantial portion of the Partnership's assets held by or through such Prime Broker or other dealer and/or the delay in the payment of withdrawal proceeds.

No Custodian for the Receivables Portfolio. As the equipment and property underlying the commercial and consumer leases and commercial and consumer loans (and related rights) in the Receivables Portfolio are not "securities" under applicable securities laws, there is no external custodian in respect of the Receivables Portfolio. As a significant amount of the assets of the Partnership are not held in a formal custody arrangement, there is the potential risk of loss if the documentation evidencing the ownership by the Partnership is not properly drafted or maintained or is challenged on a bankruptcy of the relevant originator.

Changes in Investment Strategies. The Manager may alter its strategies without prior approval by the Limited Partners if the Manager determines that such change is in the best interest of the Partnership.

Valuation of the Partnership's Investments. Valuation of the Partnership'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 Partnership could be adversely affected. Independent pricing information may not at times be available regarding certain of the Partnership's securities and other investments. Valuation determinations will be made in good faith in accordance with the Limited Partnership Agreement.

The Partnership will have some of its assets in investments that by their very nature may be extremely difficult to value accurately. To the extent that the value assigned by the Partnership to any such investment differs from the actual value, the Net Asset Value per Unit may be understated or overstated, as the case may be. In light of the foregoing, there is a risk that a Limited Partner who surrenders for

repurchase all or part of its Units while the Partnership holds such investments will be paid an amount less than such Limited Partner would otherwise be paid if the actual value of such investments is higher than the value designated by the Partnership. Similarly, there is a risk that such Limited Partner might, in effect, be overpaid if the actual value of such investments is lower than the value designated by the Manager in respect of a repurchase. In addition, there is risk that an investment in the Partnership by a new Limited Partner (or an additional investment by an existing Limited Partner) could dilute the value of such investments for the other Limited Partners if the actual value of such investments is higher than the value designated by the Manager. Further, there is risk that a new Limited Partner (or an existing Limited Partner that makes an additional investment) could pay more than it might otherwise if the actual value of such investments is lower than the value designated by the Manager. The Partnership does not intend to adjust the Net Asset Value of the Partnership retroactively.

Potential Indemnification Obligations. Under certain circumstances, the Partnership might be subject to significant indemnification obligations in favour of the General Partner, the Manager, other service providers to the Partnership or certain persons related to them in accordance with the respective agreement between the Partnership and each such service provider. The Partnership will not carry any insurance to cover such potential obligations and, to the Manager's knowledge, none of the foregoing parties will be insured for losses for which the Partnership has agreed to indemnify them. Any indemnification paid by the Partnership would reduce the Partnership's Net Asset Value.

Possible Effect of Repurchases. Substantial repurchases of Units could require the Partnership to liquidate positions more rapidly than otherwise desirable to raise the necessary cash to fund repurchases and achieve a market position appropriately reflecting a smaller asset base. Such factors could adversely affect the value of the Units repurchased and of the Units remaining outstanding. Substantial repurchases could also lead to a deferral or suspension of repurchases or the payment of repurchases in kind or by way of unsecured subordinated notes. See "Repurchase".

Charges to the Partnership. The Partnership is obligated to pay its expenses, including fees payable to the Manager, fees payable under the Servicing Agreements, administration fees, brokerage commissions and legal, accounting, filing and other expenses regardless of whether the Partnership realizes profits.

Lack of Independent Experts Representing Limited Partners. Each of the Partnership, the General Partner and the Manager have consulted with a single legal counsel regarding the formation and terms of the Partnership and the offering of Units. The Limited Partners have not, however, been independently represented. Therefore, to the extent that the Partnership, the Limited Partners or this offering could benefit by further independent review, such benefit will not be available. Each prospective investor should consult his, her, their or its own legal, tax and financial advisers regarding the desirability of purchasing Units and the suitability of investing in the Partnership.

No Involvement of Unaffiliated Selling Agent. The General Partner and Manager are under common control and ownership. Consequently, no outside selling agent unaffiliated with such parties has made any review or investigation of the terms of this offering, the structure of the Partnership or the background of the General Partner and Manager.

Possible Negative Impact of Regulation of Private Funds. The regulatory environment for private funds is evolving and changes to it may adversely affect the Partnership. To the extent that regulators adopt practices of regulatory oversight in the area of private funds that create additional compliance, transaction, disclosure or other costs for private funds, returns of the Partnership may be negatively affected. In addition, the regulatory or tax environment for the Receivables Portfolio 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 Partnership. The effect of any future regulatory or tax change on the portfolio of the Partnership is impossible to predict.

Concentration. Although the Partnership is subject to certain investment restrictions, the Manager may take more concentrated positions than a typical investment fund or concentrate its assets in specialized industries, market sectors or countries, and in particular, the Canadian-based equipment and property lease and commercial and consumer finance markets. Investment in the Partnership involves greater risk and volatility since the performance of one particular industry, market sector or country could significantly and adversely affect the overall performance of the entire Partnership.

Risks Associated with the Partnership's Underlying Investments

Investment Risks in General. No guarantee or representation is made that the Partnership's investment program will be successful, and investment results may vary substantially over time. Many unforeseeable events, including actions by various government agencies and domestic and international economic and political developments, may cause sharp market fluctuations, which could adversely affect the Partnership's portfolio and performance.

Risks Associated with Reliance on Originators. As the Partnership primarily obtains exposure to the Receivables Portfolio, comprised of equipment and property underlying commercial and consumer leases and commercial and consumer loans (and related rights) through the Originators, the Partnership is exposed to adverse developments in the business and affairs of the Originators, to their management and financial strength, to their ability to operate its businesses profitably and to their ability to retain deal flow. The ability of the Partnership to make investments in accordance with its objectives and investment policies depends upon the availability of suitable investments and the amount of funds available.

The Originators must render their services honestly and in good faith and must use reasonable commercial efforts to perform their duties and responsibilities in a conscientious, reasonable and competent manner. However, the services of the Originators and the directors and officers of the Originators are not exclusive to the Partnership. The Originators, their directors and officers and their affiliates may, at any time, engage in promoting or managing other entities or investments including those that may compete directly or indirectly with the Partnership. The Originators may have sole discretion in determining which investments they will make available to the Partnership for investment.

Illiquidity of Underlying Investments. Due to the nature of the Partnership's investment strategy and portfolio, certain investments may have to be held for a substantial period of time before they can be liquidated to the Partnership's greatest advantage or, in some cases, at all. The Partnership will generally hold investments that are illiquid and for which no ready market exists. Illiquid investments carry the risk that a buyer may not be found for such investments. Also, certain of the investments owned by the Partnership may be subject to legal or contractual restrictions that may impede the Partnership's ability to dispose of its investments, which it might otherwise desire to do. To the extent that there is no liquid trading market for these investments, the Partnership may be unable to liquidate these investments or may be unable to do so at a profit.

Credit Risk. The investments of the Partnership in the Receivables Portfolio will expose the Partnership to the credit risk of the borrower or counterparty, as applicable, including the risk of default by the borrower or counterparty, as applicable, on the interest, principal and other payment amounts owing on the commercial and consumer loans or leases. Although the Manager and the Originators will seek to moderate risk through the careful selection of investments within the parameters of the investment strategy, and such loans and leases in the Receivables Portfolio will generally be secured by specific

collateral, there can be no assurance the liquidation of such collateral would satisfy a borrower's or lessor's obligation in the event of default or that such collateral could be readily liquidated under such circumstances. In the event of bankruptcy of a borrower or lessor, delays or limitations could be experienced with respect to the ability to realize the benefits of any collateral securing a loan or lease.

Interest Rate Changes. The value of the Partnership's investments may fall if market interest rates for equipment and consumer financing rise. It is anticipated that the Net Asset Value of the Units at any given time will be affected by the level of interest rates prevailing at such time. A rise in interest rates may have a negative effect on the Net Asset Value of the Units. As well, there can be no assurance that the yields on the leases currently invested in by the Originators will be representative of yields to be obtained on future investments of the Partnership.

Leverage Risk. The Partnership may use financial leverage by borrowing funds against the assets of the Partnership. The use of leverage increases the risk to the Partnership and subjects the Partnership to higher current expenses. In particular, if the Partnership's portfolio value drops to the loan value or less, Limited Partners could sustain a total loss of their investment.

The interest expense and banking fees occurring in respect of a loan facility may exceed the capital gains and income generated by the incremental investment of portfolio securities. In addition, the Partnership may not be able to negotiate a loan facility on acceptable terms. There can be no assurance that the borrowing strategy employed by the Partnership will enhance returns.

In addition, leverage may increase volatility, may impair the Partnership's liquidity and may cause the Partnership to liquidate positions at unfavourable times.

There is a possibility that some of the interest paid on an amount borrowed may not be deductible by the Partnership for tax purposes.

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

Fixed Income Securities. To the extent that the Partnership holds fixed income investments, it will be influenced by financial market conditions and the general level of interest rates. In addition, the value of certain fixed income securities can fluctuate in response to perceptions of creditworthiness, political stability or soundness of economic policies. Fixed income securities are subject to the risk of the issuer's inability to meet principal and interest payments on its obligations (i.e., credit risk) and are subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (i.e., market risk). If fixed income investments are not held to maturity, the Partnership may suffer a loss at the time of sale of such securities.

Availability of Investment Strategies. The identification and exploitation of the investment strategies pursued by the Partnership involves a high degree of uncertainty. No assurance can be given that the Manager will be able to locate suitable investment opportunities in which to deploy all of the Partnership's capital.

Events Outside the Control of the Partnership. Public health crises, such as epidemics and pandemics, including the continued worldwide spread of variants of COVID-19, acts of terrorism, war or other conflicts and other events outside of the control of the Partnership and the Manager may adversely impact the business, financial condition and results of operations of the Partnership and companies in which it invests. In addition to the direct impact that such events could have on the Partnership's operations and workforce, 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 Partnership and the companies in which it invests.

The extent to which such current events may impact the Partnership and the companies in which it invests will depend on future developments, which are highly uncertain and cannot be predicted at this time. The repercussions of these events could have a material adverse effect on the Partnership's business, financial condition and results of operations as well as those of the companies that are the borrowers or lessors of the underlying equipment and property and loans and leases of the Receivables Portfolio in which the Partnership invests (increasing the credit risk of such companies). See "Credit Risk".

Cybersecurity. The Partnership, the General Partner, the Manager and/or one or more of their respective service providers may be prone to operational, information security and related risks resulting from failures of or breaches in cybersecurity.

A failure of or breach in cybersecurity ("**cyber incidents**") refers to both intentional and unintentional events that may cause the relevant party to lose proprietary information, suffer data corruption or lose operational capacity. In general, cyber incidents can result from deliberate attacks ("**cyber attacks**") or unintentional events. Cyber attacks include, but are not limited to, gaining unauthorized access to digital systems (e.g., through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data or causing operational disruption. Cyber attacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e., efforts to make network services unavailable to intended users).

Cyber incidents may cause disruption and impact business operations, potentially resulting in financial losses, interference with the Partnership's ability to calculate its Net Asset Value, impediments to trading, the inability of securityholders to subscribe for, exchange or redeem securities, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs or additional compliance costs. In addition, substantial costs may be incurred in order to prevent any cyber incidents in the future that may adversely impact the Partnership.

While the Manager has established business continuity plans in the event of, and risk management strategies, systems, policies and procedures to seek to prevent, cyber incidents, there are inherent limitations in such plans, strategies, systems, policies and procedures, including the possibility that certain risks have not been identified. Furthermore, none of the Partnership, the General Partner, the Manager and their respective affiliates can control the cybersecurity plans, strategies, systems, policies and procedures put in place by other service providers to the Partnership, including the Administrator and the Originators and/or the borrowers or lessors of the underlying equipment and property and leases and loans of the Receivables Portfolio.

The foregoing statement of risks does not purport to be a complete explanation of all the risks involved in purchasing the Units. Potential investors should read this entire Offering Memorandum

and consult with their legal, tax and financial advisers, before making a decision to invest in the Units.

SCHEDULE "E"

CONFLICTS OF INTEREST

The following describes material conflicts of interest that arise or may arise between the Manager and the Partnership, between the Manager's registered representatives and the Partnership, or between the Partnership and other funds managed by the Manager or other clients of the Manager. Canadian securities laws require the Manager to take reasonable steps to identify and respond to existing and reasonably foreseeable material conflicts of interest in a client's best interest and tell clients about them, including how the conflicts might impact clients and how the Manager addresses them in a client's best interest.

What is a Conflict of Interest?

A conflict of interest may arise where (a) the interests the Manager or those of its representatives and those of a client may be inconsistent or different, (b) the Manager or its representatives may be influenced to put the Manager or the representative's interests ahead of those of a client, or (c) monetary or non-monetary benefits available to the Manager, or potential negative consequences for the Manager, may affect the trust a client has in the Manager.

How Does the Manager Address Conflicts of Interest?

The Manager and its representatives seek to resolve all material conflicts of interest in the Partnership's best interest. The Manager has adopted policies and procedures to assist it in identifying and controlling material conflicts of interest that the Manager and its representatives may face.

Where it is determined that the Manager cannot appropriately manage or address a material conflict of interest in the Partnership's best interest, the Manager and its representatives will avoid that conflict.

Material Conflicts of Interest

A description of the material conflicts of interest that the Manager has identified in relation its role as fund manager and portfolio manager of the Partnership, the potential impact and risk that each conflict of interest could pose, and how each conflict of interest has been or will be addressed, is set out below.

Conflicts of Interest Specific to the Partnership

Because (i) the Manager is an affiliate of the General Partner, and (ii) the Manager is manager of and earns fees from the ongoing management of the Partnership's investment portfolio, the Partnership is considered to be a related and connected issuer of the Manager. Details of these relationships and the fees earned by the Manager are fully disclosed elsewhere in this Offering Memorandum. As a result, the Manager is incented to promote the sale of Units, even if not paid a commission to do so, creating a conflict of interest for the Manager when acting as dealer in connection with the sale of Units. To manage the conflicts inherent in making investment recommendations or taking investment actions for clients for whom the Manager acts as dealer, the Manager will only permit such a client to be invested in Units of the Partnership if the Manager considers such securities to be suitable for such client and that investing in such securities are in such client's best interest.

Other Responsibilities and Devotion of Time

The Manager may engage in activities as a fund manager, portfolio manager and exempt market dealer in respect of securities of related or connected issuers but will do so only in compliance with applicable

securities legislation. The Manager is registered as (a) an adviser in the category of portfolio manager and a dealer in the category of exempt market dealer in each of the ten provinces of Canada; and (b) an investment fund manager in Ontario, Québec and Newfoundland & Labrador.

Potential conflicts of interest could arise in connection with the Manager acting in different capacities as manager and/or exempt market dealer. As an exempt market dealer, the Manager may sell securities of related and/or connected limited partnerships and other pooled funds organized by the Manager in accordance with applicable laws but will not be remunerated by such partnerships or other funds for acting in that capacity. Rather the Manager is compensated for providing management services.

The Manager and its respective principals and affiliates do not devote their time exclusively to the management or portfolio management of the Partnership. In addition, such persons may perform similar or different services for others and may sponsor or establish other funds during the same period during which they act on behalf of the Partnership. Such persons therefore may have conflicts of interest in allocating management time, services and functions to the Partnership and the other persons for which they provide similar services. Accordingly, certain opportunities to purchase or sell securities or engage in other permissible transactions may be allocated among a number of the Manager's clients. The Manager, however, will allocate available transactions among the Partnership and other clients in a manner believed by the Manager to be fair and equitable.

Allocation of Investment Opportunities

The Manager, in exercising its authority as a portfolio manager over various client accounts and funds, has a conflict of interest in determining both (i) to which accounts and funds an investment may be allocated and (ii) the price at which such allocations are made once the trade is executed. The number of securities and the prices of such securities can impact the performance of one client account over another. The Manager, in order to address this conflict, has adopted certain policies that must be followed in allocating trades.

The Manager will exercise diligence and thoroughness when taking an investment action on behalf of each of its clients, including the Partnership, and shall have a reasonable and adequate basis for such actions, supported by appropriate research and investigations. Before initiating an investment transaction for a client, the Manager will consider its appropriateness and suitability. The Manager will manage each account within the guidelines established between the Manager and the client. The Manager shall ensure that each client account is supervised separately and distinctly from other clients' accounts. The Manager owes a duty to each client and, therefore, has an obligation to treat each client fairly.

Whenever the Manager proposes to make an investment, the investment opportunity will be allocated in full on a pro rata or rotational basis to accounts for which the proposed investment would be within such account's investment objectives.

It may be determined, however, that the purchase or sale of a particular investment is appropriate for more than one client account, i.e., that particular client orders should be aggregated or "bunched", such that in placing orders for the purchase or sale of investments, the Manager may pool one client's order with that of another client or clients. Simultaneously placing a number of separate, competing orders may adversely affect the price of an investment. Therefore, where appropriate, when bunching orders and allocating block purchases and block sales, it is the Manager's policy to treat all clients fairly and to achieve an equitable distribution of bunched orders. All new issues of securities and block trades of securities will be purchased for, or allocated amongst, all applicable accounts of the Manager's clients pro rata and at average price where possible.

In the course of managing a number of discretionary accounts, there may arise occasions when the quantity of an investment opportunity available at the same price is insufficient to satisfy the requirements of every client, or the quantity of an investment to be sold is too large to be completed at the same price. Similarly, new issues of a security may be insufficient to satisfy the total requirements of all clients. Under such conditions, as a general policy, and to the extent that no client will receive preferential treatment, the Manager will ensure:

- where orders are entered simultaneously for execution at the same price, or where a block trade is entered and partially filled, fills are allocated pro rata in a fair and consistent method to client's accounts;

- where a block trade is filled at varying prices for a group of clients, fills are allocated on an average price basis;

- in the case of hot issues and IPOs, participation is split equally between clients based proportionately on the equity in each account subject to the suitability of the investment for the client account, available liquidity in the account and any other account-specific factors;

- 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, 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, and

- trading commissions for block trades 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.

In allocating bunched orders, the Manager uses several criteria to determine the order in which participating client accounts will receive an allocation thereof. Criteria for allocating bunched orders include the current concentration of holdings of the industry in question in the account, and, with respect to fixed income accounts, the mix of corporate and/or government securities in an account and the duration of such securities.

The Manager may purchase or sell securities from or to other managed accounts provided that the transaction is effected through an independent broker at the current market price of the security or at the mid-point of the current market bid/ask price.

Transactions for clients shall have priority over personal transactions so that the Manager's personal transactions do not act adversely to a client's interest.

Expense Allocation

The Manager, in exercising its authority as a fund manager and portfolio manager, has a conflict of interest in determining what expenses to allocate to the funds and accounts it manages, since the expense

would likely otherwise be payable by the Manager. In order to address this conflict, the Manager has detailed an expense allocation policy to determine which expenses would be chargeable, and how to allocate such expenses between funds and managed accounts, if applicable:

- Only expense types that have been previously disclosed to clients or included in fund disclosure documents will be chargeable. Any new expense types will require at least 60 days' notice (or the required noticed under any applicable fund document, if longer).

- Where an expense is directly invoiced to a fund by a third party, the expense will be charged to the related fund.

- Where an invoice covers more than one fund and/or managed account, the expense will be allocated to the fund/account to ensure fairness in the allocation. The allocation driver will be based on the relative size or activity of the fund or account (e.g., net asset value, number of accounts, activity volume).

- At this time, the Manager does not allocate any indirect (e.g., overhead, rent, salaries) costs to any funds or accounts.

- Third party expenses, such as custody and trading costs, are charged directly to the funds and managed accounts by the custodian or invoiced.

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, will be made by the Manager. In effecting portfolio transactions, the Manager will seek to obtain best execution of orders as required by applicable securities regulations.

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 funds. Although the brokers involved in soft dollar arrangements do not necessarily charge the lowest brokerage commissions, the Manager may 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.

To the extent that the terms offered by more than one dealer are considered by the Manager to be comparable, the Manager may, in its discretion, choose to purchase and sell portfolio securities from and to or through dealers who provide research, statistical and other services to the Manager in respect of its management of the Partnership. The Manager will only enter into such arrangements in accordance with industry standards when it is of the view that such arrangements are for the benefit of its clients, however not all brokerage arrangements will benefit all clients at all times.

Waypoint intends to limit soft dollar arrangements but will enter into such arrangements in accordance with applicable law when it is of the view that such arrangements are for the benefit of its clients. Names of the dealer(s) that provided the Manager with such research services in connection with the portfolio transactions for the Partnership during the last financial year of the Partnership will be provided on request by contacting the Manager.

Participation in Profits

The Manager may charge performance fees on certain funds and other client accounts, or an affiliate of the Manager may otherwise share in profits of such funds. Performance-based fees and profit-sharing arrangements may create potential conflicts of interest because of the incentive for portfolio managers to favour these accounts in the allocation of investment opportunities over accounts that do not pay a performance fee or share profits. The use of performance fees in a strategy may influence the Manager's decision-making as a fund manager. The portfolio manager may invest in riskier investments with the intention to increase the performance fee in the short-term. In order to mitigate this conflict, investment decisions must be backed by a thorough investment analysis. In addition, the Manager does not engage in short-term, speculative trading as part of its investment strategies.

The Manager may also have differing compensation arrangements for portfolio managers managing performance-based fee accounts as compared to non performance-based fee accounts. This may create a potential conflict of interest for portfolio managers, as the differences in the compensation arrangements may provide the portfolio manager with an incentive to favour the performance-based fee accounts or profit-sharing arrangements when, for example, placing securities transactions that the portfolio manager believes could more likely result in favourable performance.

Due to the different fee structures of various accounts, there may be a perceived incentive to favour a performance-based fee account over a non-performance-based fee account. The Manager has policies and procedures in place to ensure that over time, no client is favoured to the detriment of another.

Cross-trading and Interfund Trading

The Manager, in exercising its authority as a portfolio manager, may determine that in certain circumstances, it is appropriate for a fund or managed account for which it is acting to buy a security from the portfolio of another fund or account. While this is not a frequent occurrence, there is an inherent conflict of interest in such transactions, where the interests of one client are balanced against the interests of the other. Some cross-trades or interfund trades are prohibited under securities legislation. Waypoint has obtained an exemption from certain regulatory prohibitions to permit it to make certain cross-trades and interfund trades involving prospectus-qualified mutual funds and managed accounts (such as the Partnership), and to permit in specie transactions for subscriptions and repurchases. The regulatory relief specifies that the price used for cross-trades and interfund trades must be the last traded price of the security, where such a price is available. In specie transactions must be carried out at the value determined for the security when calculating the net asset value of the related fund. All interfund trades, cross-trades and in specie transactions require the consent of the independent review committee of the prospectus-qualified fund, the accountholder (for a managed account) and the CCO (in all cases). In addition, the portfolio manager must attest that all such trades are in the best interests of both accounts or funds and that the security is a suitable investment for the purchasing portfolio.

Investment In Underlying Funds

The Manager may implement "fund of fund" structures where it causes a fund managed by it to invest in an underlying fund managed by it (such as the Fund investing in the Partnership). The Manager will address conflicts of interest associated with such fund of fund structures by ensuring that there is no duplication of fees for the same service.

Fair Valuation of Assets

The valuation of investments held in client accounts and funds is the responsibility of the Manager. There is an inherent conflict in this position, as the Manager may have the incentive to inflate asset values in order to improve performance or increase fees payable to the Manager.

The Manager addresses this conflict by ensuring that its valuation agent values the assets of the Partnership in accordance with the Manager's fair valuation policy, which it uses for other funds and accounts it manages. Under this policy, securities and assets are valued with reference to independently established pricing sources such as stock exchange prices.

Assets that are not valued by an independent third party (i.e., the Receivables Portfolio) are valued by the Manager in accordance with its fair valuation policy. The Manager reviews its fair valuation policy on a regular basis to ensure such valuations are conducted in a manner that is consistent with valuations conducted by other managers for similar assets. The Manager has a committee that will review its fair valuation policy each quarter to ensure such policy is reasonable and in accordance with market standard.

Error Correction

The Manager makes reasonable efforts to keep trade errors to a minimum and ensure fairness to the Partnership and all other funds and accounts it manages with respect to protection from errors made within their account. A trade error is an inadvertent error in the placement, execution or settlement of a transaction. A trade error is not an intentional or reckless act of misconduct or an error of judgment. Although errors or issues are an inevitable by-product of the operational process, the Manager strives to establish controls and processes that are designed to reduce the possibility of their occurrence. Where an error has been made in a fund or client account, the Manager has policies in place to determine whether to correct the error (i.e., if the error is material) and what reporting should be conducted.

Personal Trading

Employee personal trading can create a conflict of interest because employees with knowledge of the Manager's trading decisions could use that information for their own benefit. The Manager has adopted a policy to limit, monitor and, in certain instances, restrict personal trading by the employees of the Manager in order to ensure that there is no conflict between such personal trading and the interests of the Partnership and the Manager's other clients. Each of the Manager's employees, officers and directors are required to put the interests of clients first, ahead of their own personal self-interests. In particular, any individual who has, or is able to obtain access to, non-public information concerning the portfolio holdings, the trading activities or the ongoing investment programs of the funds or other clients of the Manager is prohibited from using such information for his, her, their or its direct or indirect personal benefit or in a manner that would not be in the best interests of clients. These individuals also must not use their position to obtain special treatment or investment opportunities not generally available to the Manager's clients. The policy includes a requirement to obtain prior approval from the CCO prior to executing any personal trades. Failure to comply with this policy is cause for disciplinary action up to, and including, immediate dismissal.

Gifts and Entertainment

The giving or receiving of gifts and entertainment can compromise independence and objectivity, as it may cause individuals to act in anticipation or because of a gift instead of the best interests of the Manager's clients. While the Manager recognizes that the practice of giving and receiving gifts and

entertainment is an established part of the asset management industry, it has policies in place to limit such activity to a modest amount and to ensure that it does not affect the decision making of its representatives. The Manager keeps track of gifts and entertainment as part of its monitoring of this type of activity.

Large Unitholders

Large inflows or outflows from a fund or strategy due to large unitholder concentration could impact the fund's or strategy's ability to produce a return. Large redemptions or repurchases could cause the portfolio manager to have to liquidate assets it otherwise would not, at terms that are not as favourable. Alternatively, large inflows could result in a cash drag on a fund's or strategy's performance where appropriate investments are not immediately available. This causes a conflict of interest between different clients' interests. As the Manager has launched new funds, this risk is greater. In order to address this conflict, the Manager has, when designing each fund's strategy, determined whether redemption or repurchase limits or gates may be necessary to limit this risk, such as where a strategy is invested in illiquid securities.

Marketing Practices

Marketing materials are used in various forums to advertise the Manager's products and services. Marketing can create a conflict of interest as there may be an incentive to overstate attributes and to understate risks and weaknesses. All marketing materials are reviewed by the CCO and approved prior to distribution. Marketing policies are in place governing the preparation and dissemination of marketing materials, including prohibiting material misstatements or omissions, including required disclosures, requirements for hypotheticals and CCO approval.

Referral Arrangements

While the Manager currently has no referral arrangements with respect to this offering and nor does it receive any referral fees in connection with this offering, the Manager may in the future, in its sole discretion, enter into referral arrangements whereby it pays a fee for the referral of a client to the Manager or to one of the funds it manages. No such payment will be made unless referred investors are first advised of the arrangement and all applicable securities laws in connection with referral arrangements are complied with.

Dual Roles with the Manager and Chesswood

Various officers, directors and those involved with the portfolio management of the Partnership are also officers, directors or employees of Chesswood, the parent company of the Manager, and other affiliates that are subsidiaries of Chesswood. There are potential conflicts of interest associated with dual roles with the Manager and Chesswood. This includes potential time commitments, conflicts related to investments in Chesswood, transactions between Chesswood and a portfolio managed by the Manager and these individuals' access to material non-public information about Chesswood, which is a public issuer. These conflicts will be managed and mitigated by implementing the following controls:

- Investments in Chesswood shares by a fund managed by the Manager are prohibited. In addition, any transactions with Chesswood as a counterparty are prohibited in a fund sold through a prospectus, unless approved by the fund's independent review committee.

- Investments may be made in Chesswood through a separately managed account if the client has consented and certain other conditions are met, including that an individual who is an officer,

director or employee of Chesswood is not the recommending portfolio manager, and that neither such individuals nor the Manager are in possession of material non-public information about Chesswood.

- If a fund managed by the Manager that is sold through an offering memorandum or similar document (a "**Private Fund**") will enter into a transaction with Chesswood or an affiliate of Chesswood, this fact, and the related conflicts, must be disclosed in the offering document of the Private Fund. Any such transactions will be conducted on market terms. The Manager and individuals with dual roles will at all times act in the best interest of the related Private Fund.

Services Provided by Related Parties

The Originators, their directors and officers, or their affiliates may be an affiliated or related party to the Manager, the Partnership or any of the affiliates or beneficial owners of the Manager. The Partnership is expected to enter into Purchase Agreements with the Related Originators, which are related to the Manager since each of the Manager and the Related Originators are controlled by Chesswood. In particular, the Partnership will purchase equipment and property underlying commercial and consumer leases and commercial and consumer loans (and related rights) from the Related Originators and retain the Related Originators to provide services under Servicing Agreements. This will result in the Related Originators earning profits in connection with such purchases and receiving Service Fees from the Partnership.

In addition, with respect to the portion of the Receivables Portfolio acquired from the Related Originators, the Partnership will pay Up-Front Fees to CCM, the direct shareholder of the Manager, and/or other entities related to the Manager, in connection with structuring services related to the acquisition of such portion of the Receivables Portfolio by the Partnership from the Related Originators.

There are conflicts of interest associated with the Manager hiring related parties to provide services to the Partnership. The services provided by such related parties may raise a perception that the Manager favours the business interests of its affiliates rather than the Partnership and its investors' bests interests. In addition, a reasonable person may consider that the Manager may not be able to objectively hire a related party to provide services to the Partnership and be objective in monitoring the performance of the related party.

The Manager addresses and controls these conflicts by implementing the following measures: (i) the business of the Manager is separate from its related parties; (ii) the Manager provides clear disclosure to clients regarding the services provided by related parties to the Partnership; and (iii) all business conducted by, and fees paid to, the related parties is conducted on commercially reasonably market terms and the Manager conducts ongoing due diligence on the performance of the services provided by related parties.

Related and Connected Issuers

Securities laws require securities dealers and advisers, when they trade in or advise with respect to their own securities or securities in certain other issuers to which they, or certain other parties related to them, are related or connected, to do so only in accordance with particular disclosure and other rules. These rules require dealers and advisers, prior to trading with or advising their customers or clients, to inform them of the relevant relationship 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.

The Manager may from time to time be deemed to be related or connected to one or more issuers for purposes of the disclosure and other rules of the securities laws referred to above. The Manager is prepared to act as an adviser and as a dealer in the ordinary course of its business to and in respect of securities of any such related or connected issuer. In any such case, these services shall be carried out by the Manager in the ordinary course of its business as an adviser and a dealer in accordance with its usual practices and procedures and in accordance with all applicable disclosure and other regulatory requirements.

Any fund managed by the Manager is a related and/or connected issuer of the Manager. (See "*Conflicts of Interest Specific to the Partnership*" above.) The Manager acts as the manager of such funds and earns fees for managing the funds. The Manager acts as an exempt market dealer in connection with the marketing and sale of units of the funds to some clients. However, no commissions are paid to the Manager in connection with the sale of units of the funds. Where funds are organized as limited partnerships, an affiliate or subsidiary of the Manager may act as the general partner of the fund.

SCHEDULE "F"

LEGAL MATTERS

Purchase and Resale Restrictions

The Units are being offered on a private placement basis in reliance upon prospectus exemptions under applicable securities legislation in each of the offering jurisdictions. Resale of the Units will be subject to restrictions under applicable securities legislation, which will vary depending upon the relevant jurisdiction. Generally, the Units may be resold only pursuant to an exemption from the prospectus requirements of applicable securities legislation, pursuant to an exemption order granted by appropriate securities regulatory authorities or after the expiry of a hold period following the date on which the Partnership becomes a reporting issuer under applicable securities legislation. It is not anticipated that the Partnership will become a reporting issuer. In addition, Limited Partners reselling Units may have reporting and other obligations. Accordingly, Limited Partners are advised to seek legal advice with respect to such restrictions. Resale of Units is also restricted under the terms of the Limited Partnership Agreement. Transfers will generally only be permitted in exceptional circumstances. Accordingly, each prospective investor must be prepared to bear the economic risk of the investment for an indefinite period.

Each purchaser of Units will be required to deliver to the Partnership a subscription agreement in which such purchaser will represent to the Partnership that such purchaser is entitled under applicable provincial securities laws to purchase such Units without the benefit of a prospectus qualified under such securities laws.

Cooling-Off Period

Securities legislation in certain provinces 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 and Rescission

In addition to and without derogation from any right or remedy that a purchaser of the Units may have at law, securities legislation in certain jurisdictions of Canada provides that a purchaser has or must be granted rights of rescission or damages, or both, where the offering memorandum and any amendment thereto contains a misrepresentation. However, such rights and remedies, or notice with respect thereto, must be exercised by the purchaser within the time limits prescribed by the applicable securities legislation.

As used herein, "**Misrepresentation**" means an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make any statement in this Offering Memorandum or any amendment hereto not misleading in light of the circumstances in which it was made. A "**material fact**" means a fact that would reasonably be expected to have a significant effect on, the market price or value of the Units.

The following is a summary of the rights of rescission or damages, or both, available to investors under applicable securities legislation. Purchasers should refer to the applicable provisions of the securities legislation in their province for the particulars of the statutory rights available to them in their province or consult with a legal adviser.

Rights for Purchasers in Ontario

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

(a) the Partnership shall not be held liable pursuant to either right of action if the Partnership proves the purchaser purchased the Units with knowledge of the Misrepresentation;

(b) in an action for damages, the Partnership is not liable for all or any portion of such damages that it proves do not represent the depreciation in value of the Units acquired by the purchaser as a result of the Misrepresentation relied upon;

(c) the Partnership will not be liable for a Misrepresentation in forward-looking information if the Partnership proves that:

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

  (ii) the Partnership has a reasonable basis for drawing the conclusion or making the forecasts and projections set out in the forward-looking information;

(d) in no case shall the amount recoverable pursuant to such right of action exceed the purchase price of the Units acquired; and

(e) no action may be commenced to enforce such right of action more than:

  (i) in the case of an action for rescission, 180 days after the date of the acceptance of the purchaser's Subscription Agreement by the Manager; or

  (ii) in the case of an action for damages, the earlier of:

    (1) 180 days after the purchaser first had knowledge of the facts giving rise to the cause of action, or

    (2) three years after the date of the acceptance of the purchaser's Subscription Agreement by the Manager.

The foregoing rights do not apply if the purchaser purchased Units under the "accredited investor" exemption and is:

(a) a Canadian financial institution (as defined in National Instrument 14-101 *Definitions*) or a Schedule III bank;

(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) above, 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.

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