

Financial Statements
(Expressed in Canadian dollars)

**WAYPOINT ALL WEATHER
ALTERNATIVE FUND**
(FORMERLY ALL WEATHER FUND)

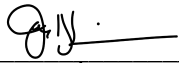
June 30, 2020 (Unaudited)

MANAGEMENT RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited interim financial statements have been prepared by **Waypoint Investment Partners Inc** in its capacity as the Trustee of the Fund. The Fund's Trustee is responsible for the information and representations contained in these financial statements.

The Trustee maintains appropriate processes to ensure that relevant and reliable financial information is produced. The unaudited interim financial statements have been prepared in accordance with International Financial Reporting Standards and include certain amounts that are based on estimates and judgements made by the Trustee. The significant accounting policies which the Trustee believes are appropriate for the Fund are described in Note 3 to the unaudited interim financial statements.

On behalf of the Trustee



August 28, 2020

Date

NOTICE TO UNITHOLDERS

The Auditors of the Trust have not reviewed these financial statements.

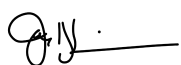
Waypoint Investment Partners Inc, the Trustee of the Trust, appoints an independent auditor to audit the Fund's annual financial statements. Applicable securities laws require that if an auditor has not reviewed the Fund's interim financial statements, this must be disclosed in an accompanying notice

WAYPOINT ALL WEATHER ALTERNATIVE FUND (FORMERLY, ALL WEATHER FUND)

Statement of Financial Position As at June 30, 2020 (Unaudited)

	June 30, 2020	December 31, 2019
ASSETS		
Current assets		
Cash (note 3)	\$ 25,826,676	\$ 3,614,388
Investments owned, at fair value through profit or loss (notes 3 and 7)	12,114,518	7,729,722
Dividends receivable	23,229	38,633
Expense reimbursement receivable (note 8)	37,733	28,439
Subscriptions receivable	332,970	-
Receivable for investments sold	4,268	-
	<u>38,339,394</u>	<u>11,411,182</u>
LIABILITIES		
Current liabilities		
Investments sold short, at fair value through profit or loss (notes 3 and 7)	543,734	23,100
Accounts payable and accrued liabilities	83,542	47,782
Management fees payable (note 5)	25,715	14,114
Distributions payable	-	317
Performance fees payable (note 5)	22,108	-
	<u>675,099</u>	<u>85,313</u>
Net assets attributable to holders of redeemable units	<u>\$ 37,664,295</u>	<u>\$ 11,325,869</u>
Net assets attributable to holders of redeemable units per series		
Series A-OM	\$ 2,017,818	\$ 2,127,016
Series A	615,755	-
Series F-OM	2,259,289	3,186,545
Series F	24,654,493	-
Series I	2,561,526	-
Series W-OM	5,555,414	6,012,308
	<u>\$ 37,664,295</u>	<u>\$ 11,325,869</u>
Number of redeemable units outstanding (note 6)		
Series A-OM	197,318	225,496
Series A	58,243	-
Series F-OM	220,858	337,710
Series F	2,325,463	-
Series I	237,761	-
Series W-OM	538,298	635,126
Net assets attributable to holders of redeemable units per unit		
Series A-OM	\$ 10.23	\$ 9.43
Series A	10.57	-
Series F-OM	10.23	9.44
Series F	10.60	-
Series I	10.77	-
Series W-OM	10.32	9.47

Approved on behalf of the Manager


..... Waypoint Investment Partners Inc., Manager

WAYPOINT ALL WEATHER ALTERNATIVE FUND (FORMERLY, ALL WEATHER FUND)

Statement of Comprehensive Income For the period ended June 30, 2020 (Unaudited)

	2020	2019*
Income		
Interest income for distribution purposes	\$ 36,539	\$ 7,379
Dividends	152,376	48,701
Net change in unrealized depreciation in value of investments	(156,120)	(71,859)
Net realized gain on sale of investments, including foreign exchange adjustments	1,262,133	7,329
Other income	88	-
	<u>1,295,016</u>	<u>(8,450)</u>
Expenses		
Management fees (note 5)	72,895	8,622
Commissions and other transaction costs	68,757	6,096
Operating costs	35,133	21,898
Performance fees (note 5)	22,108	-
Interest and bank charges	8,942	982
Custodian fees	3,300	635
Withholding taxes	353	2,072
	<u>211,488</u>	<u>40,305</u>
Expense reimbursement (note 8)	<u>(9,293)</u>	<u>(16,911)</u>
	<u>202,195</u>	<u>23,394</u>
Increase (decrease) in net assets attributable to holders of redeemable units	<u>\$ 1,092,821</u>	<u>\$ (31,844)</u>
Increase (decrease) in net assets attributable to holders of redeemable units per series		
Series A-OM	\$ 178,517	\$ (8,735)
Series A	(156)	-
Series F-OM	227,161	(8,555)
Series F	106,885	-
Series I	48,476	-
Series W-OM	531,938	(14,554)
	<u>\$ 1,092,821</u>	<u>\$ (31,844)</u>
Increase (decrease) in net assets attributable to holders of redeemable units per unit (note 9)		
Series A-OM	\$ 0.81	\$ (0.09)
Series A	(0.01)	-
Series F-OM	0.87	(0.06)
Series F	0.12	-
Series I	0.44	-
Series W-OM	0.94	(0.04)

* For the period from commencement of operations on March 5, 2019 to June 30, 2019

WAYPOINT ALL WEATHER ALTERNATIVE FUND (FORMERLY, ALL WEATHER FUND)
(formerly ALL WEATHER FUND)

Statement of Changes in Net Assets Attributable to Holders of Redeemable Units
For the period ended June 30, 2020 (Unaudited)

	Net assets attributable to holders of redeemable units, beginning of period	Proceeds from redeemable units issued ⁽¹⁾	Redemption of redeemable units ⁽¹⁾	Increase (decrease) in net assets attributable to holders of redeemable units	Net assets attributable to holders of redeemable units, end of period
June 30, 2020					
Series A-OM	\$ 2,127,016	\$ –	\$ (287,715)	\$ 178,517	\$ 2,017,818
Series A	–	622,944	(7,033)	(156)	615,755
Series F-OM	3,186,545	–	(1,154,417)	227,161	2,259,289
Series F	–	24,560,860	(13,252)	106,885	24,654,493
Series I	–	2,529,050	(16,000)	48,476	2,561,526
Series W-OM	6,012,308	689,999	(1,678,831)	531,938	5,555,414
	<u>\$ 11,325,869</u>	<u>\$ 28,402,853</u>	<u>\$ (3,157,248)</u>	<u>\$ 1,092,821</u>	<u>\$ 37,664,295</u>

⁽¹⁾Total proceeds from redeemable units relating to switch-in and redemptions of redeemable units relating to switch-out for the year ended June 30, 2020 were \$398,205 and \$(398,205), respectively.

	Net assets attributable to holders of redeemable units, beginning of period	Proceeds from redeemable units issued	Redemption of redeemable units	Decrease in net assets attributable to holders of redeemable units	Net assets attributable to holders of redeemable units, end of period
June 30, 2019*					
Series A-OM	\$ –	\$ 1,972,289	\$ –	\$ (8,735)	\$ 1,963,554
Series F-OM	–	2,346,000	–	(8,555)	2,337,445
Series W-OM	–	5,573,980	(451,499)	(14,554)	5,107,927
	<u>\$ –</u>	<u>\$ 9,892,269</u>	<u>\$ (451,499)</u>	<u>\$ (31,844)</u>	<u>\$ 9,408,926</u>

* For the period from commencement of operations on March 5, 2019 to June 30, 2019

WAYPOINT ALL WEATHER ALTERNATIVE FUND (FORMERLY, ALL WEATHER FUND)

Statement of Cash Flows For the period ended June 30, 2020 (Unaudited)

	2020	2019*
Cash provided by (used in):		
Operating Activities		
Increase (decrease) in net assets attributable to holders of redeemable units	\$ 1,092,821	\$ (31,844)
Adjustments for non-cash items		
Commissions and other transaction costs	68,757	6,096
Net change in unrealized depreciation in value of investments	156,120	71,859
Net realized gain on sale of investments, including foreign exchange adjustments	(1,262,133)	(7,329)
Change in non-cash balances		
Decrease (increase) in dividends receivable	15,404	(18,268)
Increase in expense reimbursement receivable	(9,294)	(16,911)
Increase in receivable for investments sold	(4,268)	–
Increase in accounts payable and accrued liabilities	35,760	22,077
Increase in management fees payable	11,601	5,703
Increase in payable for investments purchased	–	545,718
Increase in performance fees payable	22,108	–
Proceeds from sale of investments	24,548,316	844,856
Purchase of investments	(27,337,291)	(7,817,888)
Cash used in operating activities	<u>(2,662,099)</u>	<u>(6,395,931)</u>
Financing Activities		
Proceeds from issue of redeemable units	27,671,678	9,892,269
Payment on redemption of redeemable units	(2,759,043)	(451,499)
Distributions to holders of redeemable units	(317)	–
Cash provided by financing activities	<u>24,912,318</u>	<u>9,440,770</u>
Increase in cash during the period	22,250,219	3,044,839
Foreign exchange loss on cash	(37,931)	(4,470)
Cash, beginning of period	3,614,388	–
Cash, end of period	<u>\$ 25,826,676</u>	<u>\$ 3,040,369</u>
Supplemental information**		
Interest paid	\$ 3,521	\$ 158
Interest received	36,539	7,379
Dividends received, net of withholding taxes	167,427	19,301

* For the period from commencement of operations on March 5, 2019 to June 30, 2019

**Included as a part of cash flows from operating activities

WAYPOINT ALL WEATHER ALTERNATIVE FUND (FORMERLY, ALL WEATHER FUND)

Schedule of Investment Portfolio As at June 30, 2020 (Unaudited)

Number of shares/units	Investments owned	Average cost	Fair value	% of net asset value
Canadian equities				
87,457	AirBoss of America Corp.	\$ 825,886	\$ 1,596,091	4.24
240,000	Alcanna Inc.	720,000	844,800	2.24
35,900	Algonquin Power & Utilities Corp.	693,968	630,045	1.67
7,840	Allied Properties Real Estate Investment Trust	338,088	321,126	0.85
951	Bird Construction Inc.	5,071	5,658	0.02
34,675	Chartwell Retirement Residences	347,371	324,905	0.86
214,550	Chesswood Group Ltd.	1,283,182	849,618	2.26
18,247	Corby Spirit and Wine Ltd.	309,540	296,514	0.79
17,002	Evertz Technologies Ltd.	233,326	190,762	0.51
1,872,960	Fronsac Real Estate Investment Trust	1,046,227	1,011,398	2.69
35,364	iShares S&P/TSX Global Gold Index ETF	713,808	762,801	2.03
13,700	Loblaw Cos Ltd.	948,077	905,707	2.40
107,118	Mav Beauty Brands Inc.	232,621	260,297	0.69
16,160	Metro Inc.	942,632	904,960	2.40
99,105	Orla Mining Ltd.	334,761	378,581	1.01
124,024	Sangoma Technologies Corp.	278,757	296,417	0.79
29,910	Sienna Senior Living Inc.	331,720	276,668	0.73
18,762	SIR Royalty Income Fund	199,177	62,853	0.17
48,455	Sylogist Ltd.	492,421	539,789	1.43
161,236	The Westaim Corp.	424,544	333,759	0.89
46,247	VersaBank	335,274	293,668	0.78
		<u>11,036,451</u>	<u>11,086,417</u>	<u>29.45</u>
Canadian options				
345,000	BMO Equal Weight Banks Index ETF Call \$24.50 21AUG20	139,725	198,375	0.53
851,000	iShares S&P/TSX 60 Index ETF Put \$20 17JUL20	577,715	55,315	0.15
877,200	iShares S&P/TSX 60 Index ETF Put \$22.50 18SEP20	909,462	723,690	1.92
95,700	National Bank of Canada Call \$74 16OCT20	64,588	32,538	0.09
191,400	The Bank of Nova Scotia Call \$68 18SEP20	79,431	18,183	0.05
		<u>1,770,921</u>	<u>1,028,101</u>	<u>2.74</u>
	Total investments owned	12,807,372	12,114,518	32.19
Number of shares/units	Investments sold short	Proceeds on short sale	Fair value	% of net asset value
Canadian options				
(345,000)	BMO Equal Weight Banks Index ETF Call \$25.25 21AUG20	\$ (170,775)	\$ (112,125)	(0.30)
(345,000)	BMO Equal Weight Banks Index ETF Put \$19.50 21AUG20	(136,275)	(69,000)	(0.18)
(851,000)	iShares S&P/TSX 60 Index ETF Put \$16 17JUL20	(139,735)	(59,570)	(0.16)
(877,200)	iShares S&P/TSX 60 Index ETF Put \$18 18SEP20	(221,610)	(192,984)	(0.51)
(95,700)	National Bank of Canada Put \$40 16OCT20	(64,598)	(42,108)	(0.11)
(191,400)	The Bank of Nova Scotia Put \$40 18SEP20	(69,861)	(67,947)	(0.18)
		<u>(802,854)</u>	<u>(543,734)</u>	<u>(1.44)</u>

WAYPOINT ALL WEATHER ALTERNATIVE FUND (FORMERLY, ALL WEATHER FUND)

Schedule of Investment Portfolio (continued)

As at June 30, 2020 (Unaudited)

Number of shares/units	Investments owned	Average cost	Fair value	% of net asset value
	Total investments sold short	\$ (802,854)	\$ (543,734)	(1.44)
	Commissions and other portfolio transaction costs	<u>(14,534)</u>	<u>—</u>	<u>—</u>
	Net investments owned	<u>\$ 11,989,984</u>	11,570,784	30.75
	Other assets, net		<u>26,093,511</u>	<u>69.25</u>
	Net Assets Attributable to Holders of Redeemable Units		<u>\$ 37,664,295</u>	<u>100.00</u>

WAYPOINT ALL WEATHER ALTERNATIVE FUND

(FORMERLY ALL WEATHER FUND)

Notes to Financial Statements
(Expressed in Canadian dollars)

June 30, 2020 (Unaudited)

1. Establishment of Fund:

Waypoint All Weather Alternative Fund (formerly All Weather Fund) (the "Fund") is an open-ended trust established on February 1, 2019 under the laws of the Province of Ontario and is governed by a declaration of trust, as amended, restated or supplemented from time to time (the "Declaration of Trust"). The Fund commenced active operations on March 5, 2019. Prior to October 10, 2019, the Fund was named "All Weather Fund". Effective October 10, 2019, the Declaration of Trust was amended to change the name of the Fund to Waypoint All Weather Alternative Fund and the Fund filed a simplified prospectus with the provincial regulatory authority to become a mutual fund subject to the requirements of National Instrument 81-102 Investments Funds ("NI 81-102").

Waypoint Investment Partners Inc. (the "Manager" and "Trustee"), a corporation existing under the laws of the Province of Ontario, acts as the investment fund manager and the trustee of the Fund pursuant to the Declaration of Trust. The Manager has the exclusive authority to manage and direct the affairs of the Fund. The Manager's responsibilities include providing or causing to be provided to all investment advisory, accounting, legal, custodial and distribution services required by the Fund from time to time for its operation. The Manager may delegate any part of its powers to third parties where, in the discretion of the Manager, it would be in the best interests of the Fund to do so.

SGGG Fund Services Inc. (the "Administrator") acts as the administrator of the Fund. National Bank Independent Network, a division of National Bank Financial Inc., acts as the custodian (the "Custodian") of the Fund.

The address of the Fund's registered office is 1133 Yonge St, Suite 603, Toronto, Ontario, M4T 2Y7, Canada.

The Fund seeks to provide investors with attractive risk-adjusted investment returns over the long term by investing in, or obtaining exposure to, issuers that the Manager believes are not typically included in institutional investment mandates. The Fund may use alternative investment strategies including borrowing for investment purposes and the use of derivatives including options trading to seek to manage market volatility. The Fund's aggregate exposure to leverage through these strategies will not exceed three times its Net Asset Value ("NAV"), measured on a daily basis. The Fund is subject to certain standard investment restrictions and practices contained in securities legislation, including NI 81-102.

WAYPOINT ALL WEATHER ALTERNATIVE FUND

(FORMERLY ALL WEATHER FUND)

Notes to Financial Statements (continued)

(Expressed in Canadian dollars)

June 30, 2020 (Unaudited)

1. Establishment of Fund (continued):

To achieve its investment objective, the Fund will invest primarily in equity securities which may, among other things, consist of common shares, partly-paid shares (installment receipts), equity and balanced mutual funds and ETFs, royalty trusts, real estate investment trusts ("REITs"), warrants and limited partnerships. The Fund focuses its investment portfolio on companies that the Manager believes are on the far edges of the investment spectrum such as companies that distribute a significant percentage of their free cash flow to shareholders and those that regularly access capital markets to accelerate their growth.

2. Basis of presentation:

These interim financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS") as published by the International Accounting Standards Board ("IASB") and International Accounting Standard 34, Interim Financial Reporting. The Fund reports under this basis of accounting as required by Canadian Securities Legislation and Canadian Accounting Standards Board.

The policies applied in these interim financial statements are based on IFRS issued and outstanding as of August 28, 2020 which is the date on which the interim financial statements were authorized for issue by the Manager.

The financial statements of the Fund are expressed in Canadian dollars.

3. Significant accounting policies:

The following is a summary of the significant accounting policies applied by the Fund:

(a) Classification of financial instruments:

The Fund classifies its investments as financial assets and financial liabilities at fair value through profit or loss ("FVTPL").

WAYPOINT ALL WEATHER ALTERNATIVE FUND

(FORMERLY ALL WEATHER FUND)

Notes to Financial Statements (continued)
(Expressed in Canadian dollars)

June 30, 2020 (Unaudited)

3. Significant accounting policies (continued):

The Fund classifies its investments at FVTPL based on the Fund's business model for managing those financial assets in accordance with the Fund's documented investment strategy. The portfolio of investments is managed and performance is evaluated on a fair value basis and the portfolio of investments is neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions.

The Fund recognizes financial instruments at fair value upon initial recognition, plus transaction costs in the case of financial instruments measured at amortized cost. Regular way purchases and sales of financial assets are recognized at their trade date. The Fund's investments have been designated at FVTPL. The Fund's obligation for net assets attributable to holders of redeemable units is presented at the redemption amount.

All other financial assets and financial liabilities classified as subsequently measured at amortized cost and recorded at cost or amortized cost. Under this method, financial assets and financial liabilities reflect the amount required to be received or paid, discounted, when appropriate, at the contract's effective interest rate, minus any reduction for impairment. A financial asset is classified as subsequently measured at amortized cost only if both of the following criteria are met:

- (i) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows, and
- (ii) the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

The Fund's accounting policies for measuring the fair value of its investments and derivatives are identical to those used in measuring its net asset value ("Trading NAV") for transactions with unitholders.

WAYPOINT ALL WEATHER ALTERNATIVE FUND

(FORMERLY ALL WEATHER FUND)

Notes to Financial Statements (continued)

(Expressed in Canadian dollars)

June 30, 2020 (Unaudited)

3. Significant accounting policies (continued):

(b) Offsetting financial instruments:

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. In the normal course of business, the Fund enters into various master netting agreements or similar agreements that do not meet the criteria for offsetting in the statement of financial position but still allow for the related amounts to be offset in certain circumstances, such as bankruptcy or termination of the contracts.

(c) Impairment of financial assets:

The Fund's other assets measured at amortized costs including interest and dividends receivable and expense reimbursement receivable are subject to IFRS 9, Financial Instruments ("IFRS 9"), expected credit loss model. The Fund applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which requires the use of the lifetime expected credit loss provision for all other assets. Impairment losses on financial assets at amortized cost, if any, are recognized in the statement of comprehensive loss.

(d) Recognition/derecognition:

The Fund recognizes financial assets and financial liabilities on the trade date - the date it commits to purchase or sell short the instruments. From this date, any gains and losses arising from changes in fair value of the assets or liabilities are recognized in the statement of comprehensive loss.

Other financial assets are derecognized and only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The Fund derecognizes financial liabilities when, and only when, the Fund's obligations are discharged, cancelled or they expire.

WAYPOINT ALL WEATHER ALTERNATIVE FUND

(FORMERLY ALL WEATHER FUND)

Notes to Financial Statements (continued)
(Expressed in Canadian dollars)

June 30, 2020 (Unaudited)

3. Significant accounting policies (continued):

(e) Net assets attributable to holders of redeemable units per unit:

The net assets attributable to holders of redeemable units per unit is calculated by dividing the net assets attributable to holders of redeemable units of a particular series of units by the total number of units of that particular series outstanding at the end of the period.

(f) Increase (decrease) in net assets attributable to holders of redeemable units per unit:

Increase (decrease) in net assets attributable to holders of redeemable units per unit is based on the increase (decrease) in net assets attributable to holders of redeemable units attributed to each series of units, divided by the weighted average number of units outstanding of that series during the period. Refer to note 9 for the calculation.

(g) Use of estimates:

The preparation of financial statements in accordance with IFRS requires management to use accounting estimates. It also requires management to exercise its judgment in the process of applying the Fund's accounting policies. Estimates are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from those estimates.

WAYPOINT ALL WEATHER ALTERNATIVE FUND

(FORMERLY ALL WEATHER FUND)

Notes to Financial Statements (continued)

(Expressed in Canadian dollars)

June 30, 2020 (Unaudited)

3. Significant accounting policies (continued):

(h) Valuation of investments:

The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) is based on quoted market prices. In accordance with the provisions of the Fund's Offering Memorandum and Simplified Prospectus, investment positions are valued based on the last traded market price for the purpose of determining the net asset per unit for subscriptions and redemptions. For financial reporting purposes, the Fund uses the last traded market price for both financial assets and financial liabilities where the last traded price falls within that day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. When the Fund holds derivatives with offsetting market risks, it uses mid-market prices as a basis for establishing fair values for the offsetting risk positions and applies this bid or asking price to the net open position, as appropriate.

The fair value of financial assets and financial liabilities that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each statement of financial position date. Valuation techniques used include the use of comparable recent arm's length transactions, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants.

(i) Investment entity:

The Fund has determined that it is an investment entity as defined by IFRS 10, Consolidated Financial Statements ("IFRS 10") and the amendments to IFRS 10, as the following conditions exist:

- (i) The Fund has obtained funds from one or more investors for the purpose of providing those investors with investment management services;

WAYPOINT ALL WEATHER ALTERNATIVE FUND

(FORMERLY ALL WEATHER FUND)

Notes to Financial Statements (continued)
(Expressed in Canadian dollars)

June 30, 2020 (Unaudited)

3. Significant accounting policies (continued):

- (ii) The Fund has committed to its investors that its business purpose is to invest funds solely for returns from capital appreciation and investment income; and
- (iii) The Fund measures and evaluates the performance of substantially all of its investments on a fair value basis.

As an investment entity, the Fund is exempted from consolidating or applying IFRS 3, Business Combination, for the measurement of its investments in trusts and instead is required to measure such investments at FVTPL.

- (j) Investment transactions and revenue recognition:

Investment transactions are accounted for on the trade date. Interest income is accrued daily and dividend income is recognized on the ex-dividend date. Realized gain on sale of investments and unrealized depreciation in investments are determined on an average cost basis. Average cost does not include amortization of premiums or discounts on fixed income securities with the exception of zero coupon bonds.

The interest income for distribution purposes shown on the statement of comprehensive loss represents the coupon interest received by the Fund accounted for on an accrual basis. The Fund does not amortize premiums paid or discounts received on the of fixed income securities except for zero coupon bonds which are amortized on a straight- line basis.

- (k) Translation of foreign currency:

The functional and presentation currency of the Fund is the Canadian dollar. The fair value of foreign investments and other assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rates prevailing at 4:00 pm Toronto Time (the "closing rate") on each Valuation Date (each day that the Toronto Stock Exchange is open for trading, or such other day(s) as the Manager may determine). Purchases and sales of foreign securities denominated in foreign currencies and the related income are translated into Canadian dollars at rates of exchange prevailing on the respective dates of such transactions.

WAYPOINT ALL WEATHER ALTERNATIVE FUND

(FORMERLY ALL WEATHER FUND)

Notes to Financial Statements (continued)
(Expressed in Canadian dollars)

June 30, 2020 (Unaudited)

3. Significant accounting policies (continued):

(l) Transaction costs:

Transaction costs related to financial assets and liabilities are expensed as incurred.

(m) Purchase and redemption of redeemable units:

The value at which units are listed or redeemed is determined by dividing the net assets attributable to holders of redeemable units at fair value of the Fund by the total number of units outstanding on the Valuation Date. Units of the Fund are valued daily on the Valuation Date, with the exception of the OM Series of units which are valued weekly on the Valuation Date. Amounts received on the issuance of redeemable units and amounts paid on the redemption of redeemable units are added to or deducted from the statement of changes in net assets attributable to holders of redeemable units.

(n) Cash:

Cash is comprised of cash on deposit.

(o) Derivative transactions:

The Fund may use derivative contracts to manage risks associated with the investments. The derivatives are classified as FVTPL and, as a result, the contracts are measured at fair value on the Valuation Date and the resulting gains and losses, both realized and unrealized, are recognized in the statement of comprehensive income (loss).

(p) Other assets and liabilities:

Dividends receivable, expense reimbursement receivable, subscription receivable, and receivable for investments sold are classified as subsequently measured at amortized cost and recorded at cost or amortized cost. Accounts payable and accrued liabilities, management fees payable, performance fees payable and distributions payable are classified as financial liabilities and reported at amortized cost. Financial liabilities are generally settled within three months of being incurred. Other assets and liabilities are short term in nature, and are carried at amortized cost which approximates fair value.

WAYPOINT ALL WEATHER ALTERNATIVE FUND

(FORMERLY ALL WEATHER FUND)

Notes to Financial Statements (continued)

(Expressed in Canadian dollars)

June 30, 2020 (Unaudited)

4. Critical accounting estimates and judgments:

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. The following discusses the most significant accounting judgments and estimates that the Fund has made in preparing the financial statements.

In classifying and measuring financial instruments held by the Fund, the Manager is required to make significant judgments about whether or not the business of the Fund is to manage its portfolio of investments and evaluate performance on a fair value basis and that the portfolio of investments is neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets. The most significant judgments made include assessing and determining the appropriate business model that enables the decision that the Fund's investments are classified as FVTPL, per IFRS 9.

5. Related party transactions:

(a) Management fees:

The Fund pays the Manager a monthly management fee for providing its services to the Fund. Redeemable units of the Fund, other than Series I units and Series I-OM, are charged annual management fees equal to the following percentages of the Series NAV of the said series of the Fund, calculated and accrued on each Valuation Date and payable monthly:

Series A	1.75%
Series A-OM	1.00%
Series F	1.00%
Series F-OM	1.00%
Series F (US)-OM	1.00%
Series I	Nil
Series W-OM	Nil

For Series I units and Series I-OM units, no management fee is charged to the Fund as each investor negotiates a separate management fee with the Manager and pays it directly to the Manager. Management fees are subject to applicable taxes, including GST or HST.

WAYPOINT ALL WEATHER ALTERNATIVE FUND

(FORMERLY ALL WEATHER FUND)

Notes to Financial Statements (continued)
(Expressed in Canadian dollars)

June 30, 2020 (Unaudited)

5. Related party transactions (continued):

(b) Performance fees:

The Manager receives performance fees from the Fund equal to 10% of any positive net returns (before sales tax) in excess of 10% for each calendar year attributable to each Series A-OM, Series F-OM and Series F (US)-OM units. The performance fees are accrued daily on each Valuation Date and are payable monthly. The performance fee resets at the start of each calendar year. Performance fees are subject to applicable taxes, including QST, GST or HST.

In the case of Series I units and Series I-OM units, performance fees, if any, are negotiated with each unitholder and paid directly to the Manager. No performance fee is charged to the Fund in respect of Series W-OM units.

The Manager receives a performance fee in respect of Series A and Series F units of the Fund, which is calculated and accrued for each such Series each business day during the relevant Performance Fee Determination Period (as defined below). The Fund will pay the Manager a performance fee plus HST and any other applicable taxes for each Performance Fee Determination Period equal to 15% of the Net Profit (as defined below) of each of the applicable series of units, subject to the High Watermark (as defined below).

The "Performance Fee Determination Period" means (i) each calendar quarter for those investors that remain in the Fund at the end of the calendar quarter and (ii) the period from the beginning of a calendar quarter until the redemption date for those investors that redeem prior to the end of the calendar quarter. "Net Profit" means, in respect of each series of units of the Fund for any Performance Fee Determination Period, the amount calculated by deducting the relevant Series NAV per unit on the first business day of that Performance Fee Determination Period from the Series NAV per unit on the last business day of that Performance Fee Determination Period and multiplying the resulting amount by the total number of units of such series outstanding at the close of business on the last business day in that Performance Fee Determination Period. "High Watermark" means, in respect of each series of units of the Fund, the highest Series NAV per unit in respect of which a performance fee has been previously paid for that Series, or the initial offering price of the units of such series if no performance fee has yet been paid in respect of such series.

WAYPOINT ALL WEATHER ALTERNATIVE FUND

(FORMERLY ALL WEATHER FUND)

Notes to Financial Statements (continued)
(Expressed in Canadian dollars)

June 30, 2020 (Unaudited)

5. Related party transactions (continued):

No performance fee shall be paid in respect of a Series unless the Series NAV per unit exceeds the High Watermark for that Series and, in such circumstances, a performance fee shall only be paid on that portion of the Net Profit that exceeds the High Watermark. The Manager may make such adjustments to the NAV and/or the calculation of the performance fee as may be determined by the Manager to be necessary to account for the payment of any distributions on units, any unit splits or consolidations or any other event or matter that would, in the opinion of the Manager, impact upon the calculation of the performance fees.

(c) Management fee distribution:

The Manager reserves the right to offer a reduced management fee to selected investors in Series A and Series F units who (among other considerations) hold large investments in the Fund. This is achieved by reducing the management fee charged by the Manager to the Fund based on the aggregate NAV of the units held by such investor and the Fund distributing an amount equal to the reduction (a "Management Fee Distribution") to the investor. Management fee distributions are automatically reinvested in additional units of the same series of the Fund.

A management fee distribution results in the distribution of additional income, capital gains and/or capital to an investor. Management fee distributions are paid first out of income and capital gains of the Fund, and, thereafter, out of capital.

6. Redeemable units of the Fund:

An investment in the Fund is represented by units. The Fund is authorized to issue an unlimited number of series (each, a "Series"). The Fund is authorized to issue an unlimited number of units within each Series. The Fund may offer new Series at any time. Holders of the units of a Series are unitholders (the "Unitholders"). The Manager has the power to determine the terms and conditions of each Series. Each unit of a Series represents an undivided ownership interest in the assets attributable to that Series of units of the Fund.

WAYPOINT ALL WEATHER ALTERNATIVE FUND

(FORMERLY ALL WEATHER FUND)

Notes to Financial Statements (continued)
(Expressed in Canadian dollars)

June 30, 2020 (Unaudited)

6. Redeemable units of the Fund (continued):

All units of the same Series have equal rights and privileges. Each whole unit of a particular Series is entitled to one vote at meetings of Unitholders of the Fund where all Series vote together, or to one vote at meetings of Unitholders where that particular Series of Unitholders votes separately as a Series. The Trustee, in its discretion, determines the number of Series of units and establishes the attributes of each Series. The Trustee may add additional Series of units at any time without the prior approval of Unitholders, which may have the same or different rights from those of the existing Series. The Trustee may also, upon providing a Unitholder with thirty (30) days' prior written notice, re-designate units of a Series issued to the Unitholder as units of another Series having an aggregate equivalent Series Net Asset Value.

All units of the same Series are entitled to participate pro rata: (i) in any payments or distributions made by the Fund to the Unitholders of the same Series; and (ii) upon liquidation of the Fund, in any distributions to Unitholders of the same Series of net assets of the Fund remaining after satisfaction of outstanding liabilities of such Series.

All units are fully paid and non-assessable when issued. There are no pre-emptive rights attaching to units. Units are transferable on the register of the Fund only by a registered Unitholder or his or her legal representative, subject to compliance with securities laws and the Declaration of Trust. Fractional units carry the same rights and are subject to the same conditions as whole units (other than with respect to voting rights) in the proportion which they bear to a whole unit. As of June 30, 2020, Series A-OM, Series A, Series F-OM, Series F, Series I and Series W-OM units have been issued.

Units may be purchased as of the close of business on each Valuation Date or on any other day as determined by the Manager, in its discretion.

WAYPOINT ALL WEATHER ALTERNATIVE FUND

(FORMERLY ALL WEATHER FUND)

Notes to Financial Statements (continued)

(Expressed in Canadian dollars)

June 30, 2020 (Unaudited)

6. Redeemable units of the Fund (continued):

A Unitholder may redeem units at the applicable Series or Series Net Asset Value per unit on the Valuation Date. A notice of redemption must be delivered to the Manager or entered into FundSERV by 4:00pm on the Valuation Date on which the Unitholder wishes to redeem units, or such time as permitted by the Manager in its sole discretion. Redemption requests received or FundSERV redemption orders entered after that time will be effective for redemption following the next Valuation Date. The redemption proceeds less any short-term trading fee charges, are typically paid to a Unitholder within two business days of the applicable Valuation Date.

Investors in Series A and Series F units of the Fund must keep at least \$1,000 in their accounts. If the account falls below \$1,000, the Manager may notify the Unitholder and give 30 days to make another investment. If the account stays below \$1,000 after the end of the 30 days' notice period, the Manager may redeem all of the units in the said account and send the proceeds to that Unitholder. In addition, the Manager reserves the right to redeem, without notice to the Unitholder, all of the Series I units if the investment in Series I units of the Fund falls below the negotiated minimum investment.

If a Unitholder redeems within 30 days of purchase of units, the Manager may charge and deduct from the redemption proceeds a short-term trading fee of up to 2% of the redemption amount on behalf of the Fund in circumstances where the Manager determines that the trading activity may represent market timing and/or excessive short-term trading.

The unit activity from the period ended June 30, 2020 and 2019 is as follows:

	Redeemable Units, beginning of period	Redeemable Units Issued	Redemption of Redeemable Units	Redeemable Units, end of period
June 30, 2020				
Series A-OM	225,496	–	(28,178)	197,318
Series A	–	58,905	(662)	58,243
Series F-OM	337,710	–	(116,852)	220,858
Series F	–	2,326,718	(1,255)	2,325,463
Series I	–	239,267	(1,506)	237,761
Series W-OM	635,126	67,116	(163,944)	538,298

WAYPOINT ALL WEATHER ALTERNATIVE FUND

(FORMERLY ALL WEATHER FUND)

Notes to Financial Statements (continued)

(Expressed in Canadian dollars)

June 30, 2020 (Unaudited)

6. Redeemable units of the Fund (continued):

	Redeemable Units, beginning of period	Redeemable Units Issued	Redemption of Redeemable Units	Redeemable Units, end of period
June 30, 2019				
Series A-OM	–	196,818	–	196,818
Series F-OM	–	234,715	–	234,715
Series W-OM	–	556,100	(45,095)	511,005

Distributions

For each taxation year, the Fund ensures that its income and net realized capital gains, if any, have been paid or made payable on or before December 31 to Unitholders to such an extent that the Fund will not be liable for ordinary income tax thereon. To the extent that the Fund has not distributed the full amount of its net income and capital gains for any year, the difference between such amount and the amount actually paid or made payable by the Fund will be paid in units. Any such units will be issued at a price equal to the NAV per unit of the relevant Series of the Fund and the units will be automatically consolidated such that the number of outstanding units of a Series held by each Unitholder following the distribution will equal the number of units of that Series held by such Unitholder prior to the distribution.

Capital disclosure

The capital of the Fund is represented by issued and redeemable units. The units are entitled to distributions, if any, and to payment of a proportionate share based on the Fund's net asset attributable to holders of redeemable units per unit upon redemption. The Fund has no restrictions or specific capital requirements on the subscriptions and redemptions of units. The Fund endeavors to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions.

WAYPOINT ALL WEATHER ALTERNATIVE FUND

(FORMERLY ALL WEATHER FUND)

Notes to Financial Statements (continued)
(Expressed in Canadian dollars)

June 30, 2020 (Unaudited)

7. Financial instruments:

(a) Management of financial instrument risks:

In the normal course of business, the Fund is exposed to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate risk, currency risk and other price risk). The value of investments within the Fund's portfolio can fluctuate on a daily basis as a result of changes in interest rates, economic conditions, the market and company news related to specific securities within the Fund. The level of risk depends on the Fund's investment objective and the type of securities in which it invests.

(b) Liquidity risk:

Liquidity risk is defined as the risk that the Fund may not be able to settle or meet its obligation on time or at a reasonable price.

The Fund's exposure to liquidity risk is concentrated in the periodic cash redemptions of units. The Fund primarily invests in securities that are traded in active markets and can be readily disposed of. In addition, the Fund generally retains sufficient cash and cash equivalent positions to maintain liquidity. As at June 30, 2020 and December 31, 2019, all financial liabilities of the Fund are due between one and three months.

(c) Interest rate risk:

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or fair values of financial instruments.

Interest rate risk arises when the Fund invests in interest-bearing financial instruments. The Fund is exposed to the risk that the value of such financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. There is minimal sensitivity to interest rate fluctuations on any cash and cash equivalents invested at short-term market interest rates. As at June 30, 2020 and December 31, 2019, the Fund did not have significant exposure to interest rate risk.

WAYPOINT ALL WEATHER ALTERNATIVE FUND

(FORMERLY ALL WEATHER FUND)

Notes to Financial Statements (continued)
(Expressed in Canadian dollars)

June 30, 2020 (Unaudited)

7. Financial instruments (continued):

(d) Other price risk:

Other price risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk).

All investments represent a risk of loss of capital. The Manager aims to moderate this risk through careful selection and diversification of securities and other financial instruments in accordance with the Fund's investment objective and strategy. Possible losses from short positions can be unlimited. The Fund's overall market positions are monitored on a regular basis by the Manager

Financial instruments held by the Fund are susceptible to market price risk arising from uncertainties about future prices of the instruments. A 10% movement in stock prices could result in a \$1,157,078 (December 31, 2019 - \$770,662) change in net assets attributable to holders of redeemable units.

(e) Credit risk:

Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund.

Where the Fund invests in debt instruments and derivatives, this represents the main concentration of credit risk. The fair value of debt instruments and derivatives includes consideration of the credit worthiness of the issuer, and accordingly, represents the maximum credit risk exposure of the Fund.

All transactions executed by the Fund in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

As at June 30, 2020 and December 31, 2019, the Fund did not have significant investments in debt instruments.

WAYPOINT ALL WEATHER ALTERNATIVE FUND

(FORMERLY ALL WEATHER FUND)

Notes to Financial Statements (continued)

(Expressed in Canadian dollars)

June 30, 2020 (Unaudited)

7. Financial instruments (continued):

(f) Currency risk:

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

Currency risk arises from financial instruments that are denominated in a currency other than the Canadian dollar, which represents the functional currency of the Fund. The Fund may enter into foreign exchange forward contracts for hedging purposes to reduce its foreign currency exposure or to establish exposure to foreign currencies. As at June 30, 2020, the currency risk related to the Fund is shown below:

Currency	Exposure			Impact if CAD strengthened or weakened by 5% in relation to other currencies		
	Monetary	Non-Monetary	Total	Monetary	Non-Monetary	Total
June 30, 2020						
U.S. Dollar	\$ 643,339	\$ –	\$ 643,339	\$ 32,167	\$ –	\$ 32,167
	\$ 643,339	\$ –	\$ 643,339	\$ 32,167	\$ –	\$ 32,167
% of Net Assets Attributable to Holders of Redeemable Units						
	1.71	–	1.71	0.09	–	0.09

As at December 31, 2019, the currency risk related to the Fund is shown below:

Currency	Exposure			Impact if CAD strengthened or weakened by 5% in relation to other currencies		
	Monetary	Non-Monetary	Total	Monetary	Non-Monetary	Total
December 31, 2019						
U.S. Dollar	\$ (448,687)	\$ 1,261,309	\$ 812,622	\$ (22,434)	\$ 63,065	\$ 40,631
	\$ (448,687)	\$ 1,261,309	\$ 812,622	\$ (22,434)	\$ 63,065	\$ 40,631
% of Net Assets Attributable to Holders of Redeemable Units						
	(3.96)	11.14	7.18	(0.20)	0.56	0.36

WAYPOINT ALL WEATHER ALTERNATIVE FUND

(FORMERLY ALL WEATHER FUND)

Notes to Financial Statements (continued)
(Expressed in Canadian dollars)

June 30, 2020 (Unaudited)

7. Financial instruments (continued):

(g) Concentration risk:

Concentration risk arises because of the concentration exposures within the same category, whether it is geographical location, product type, industry sector or counterparty type. The following table is a summary of the Fund's concentration risk as a percentage of the Fund's net assets:

Market segment	Percentage of net assets attributable to holders of redeemable units	
	June 30, 2020	December 31, 2019
Investments owned		
Basic Materials	1.01	–
Communications	0.79	1.03
Consumer, Cyclical	0.17	6.32
Consumer, Non-cyclical	9.25	11.03
Energy	–	3.80
Financial	8.47	27.59
Exchange Traded Funds	4.63	1.47
Industrial	4.77	7.37
Technology	1.43	2.53
Utilities	1.67	7.10
	32.19	68.24
Investments sold short		
Financial	(0.29)	–
Exchange Traded Funds	(1.15)	(0.20)
	(1.44)	(0.20)
Total net investments	30.75	68.04
Other assets and liabilities	69.25	31.96
	100.00	100.00

WAYPOINT ALL WEATHER ALTERNATIVE FUND

(FORMERLY ALL WEATHER FUND)

Notes to Financial Statements (continued)

(Expressed in Canadian dollars)

June 30, 2020 (Unaudited)

7. Financial instruments (continued):

(h) Fair values of financial instruments:

Investments measured at fair value are classified into one of three fair value hierarchy levels, based on the lowest level input that is significant to the fair value measurement in its entirety. The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The three fair value hierarchy levels are as follows:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table summarizes the levels within the fair value hierarchy in which the fair value measurements of the Fund's investments fall as of June 30, 2020:

	Level 1	Level 2	Level 3	Total
Assets				
Common stocks	\$ 11,086,417	\$ –	\$ –	\$ 11,086,417
Options	1,028,101	–	–	1,028,101
	\$ 12,114,518	\$ –	\$ –	\$ 12,114,518
Liabilities				
Options	\$ 543,734	\$ –	\$ –	\$ 543,734
	\$ 543,734	\$ –	\$ –	\$ 543,734

There were no transfers between levels during the period ended June 30, 2020.

WAYPOINT ALL WEATHER ALTERNATIVE FUND

(FORMERLY ALL WEATHER FUND)

Notes to Financial Statements (continued)

(Expressed in Canadian dollars)

June 30, 2020 (Unaudited)

7. Financial instruments (continued):

The following table summarizes the levels within the fair value hierarchy in which the fair value measurements of the Fund's investments fall as of December 31, 2019:

	Level 1	Level 2	Level 3	Total
Assets				
Common stocks	\$ 7,563,322	\$ –	\$ –	\$ 7,563,322
Options	166,400	–	–	166,400
	\$ 7,729,722	\$ –	\$ –	\$ 7,729,722
Liabilities				
Options	\$ 23,100	\$ –	\$ –	\$ 23,100
	\$ 23,100	\$ –	\$ –	\$ 23,100

There were no transfers between levels during the period ended December 31, 2019

8. Expenses:

The Fund pays its own organizational fees and expenses and the costs of the offering of its securities, including but without limitation, the fees and expenses of the Manager and fees and expenses of legal counsel and auditors. The Manager is entitled to be reimbursed for expenses incurred by it on behalf of each Fund in connection with such Fund's organization and offering of securities.

The Fund pays all of its operating expenses including, without limitation, expenses relating to: marketing and distribution; accounting, audit and legal fees and expenses; brokerage commission and fees and expenses; cost of portfolio transactions; operating, custodial and administration fees, costs and expenses; Unitholder reporting, meetings and other communications with Unitholders; interest and bank charges; regulatory filing fees; applicable taxes, assessments or other regulatory and governmental charges; and extraordinary expenses. The Fund is generally required to pay HST (and other applicable taxes, if any) at the applicable rate on most expenses that it pays.

Each Series is responsible for the operating expenses that relate to that particular Series and for its proportionate share of the operating expenses that are applicable to all the Series of the applicable Fund. These specific expenses, unique to each Series, are payable from the assets attributed to that Series of the Fund.

WAYPOINT ALL WEATHER ALTERNATIVE FUND

(FORMERLY ALL WEATHER FUND)

Notes to Financial Statements (continued)

(Expressed in Canadian dollars)

June 30, 2020 (Unaudited)

8. Expenses (continued):

The Manager may from time to time pay for certain operating expenses of the Fund to maintain the Fund's management expense ratio at a competitive level. During the period ended June 30, 2020, the Manager agreed to reimburse the Fund for expenses amounting to \$9,293 (2019 – \$16,911) and the expense reimbursement receivable from the Manager at June 30, 2020 amounted to \$37,733 (December 31, 2019 - \$28,439).

9. Increase (decrease) in net assets attributable to holders of redeemable units per unit:

The increase (decrease) in net assets attributable to holders of redeemable units per unit for the period ended June 30, 2020 and 2019 is calculated as follows:

	Increase (decrease) in net assets attributable to holders of redeemable units per series	Weighted average of redeemable units outstanding during the period	Increase (decrease) in net assets attributable to holders of redeemable units per unit
June 30, 2020			
Series A-OM	\$ 178,517	219,820	\$ 0.81
Series A	(156)	12,716	(0.01)
Series F-OM	227,161	260,298	0.87
Series F	106,885	858,642	0.12
Series I	48,476	109,852	0.44
Series W-OM	531,938	567,915	0.94
June 30, 2019			
Series A-OM	\$ (8,735)	94,370	\$ (0.09)
Series F-OM	(8,555)	142,496	(0.06)
Series W-OM	(14,554)	332,732	(0.04)

WAYPOINT ALL WEATHER ALTERNATIVE FUND

(FORMERLY ALL WEATHER FUND)

Notes to Financial Statements (continued)
(Expressed in Canadian dollars)

June 30, 2020 (Unaudited)

10. Income taxes:

The Fund qualifies as a mutual fund trust under the provisions of the Income Tax Act, and accordingly, is not subject to tax on its net taxable income for the tax year, which ends in December, including net realized capital gains, which is paid or payable to its Unitholders as at the end of the tax year. However, such part of the Fund's net income and net realized capital gains as is not so paid or payable, is subject to income tax. Income tax on net realized capital gains not paid or payable is generally recoverable by virtue of refunding provisions contained in tax legislation, as redemptions occur. It is the intention of the Fund to distribute all of its income and sufficient net realized capital gains so that the Fund will not be subject to income tax.

Non-capital losses are available to be carried forward for twenty years and applied against future taxable income. Capital losses for income tax purposes may be carried forward indefinitely and applied against future capital gains.

11. Subsequent event:

In March 2020, the Covid-19 outbreak was declared a pandemic by the World Health Organization. The situation is dynamic with various cities and countries around the world responding in different ways to address the outbreak. We will continue to monitor the impact COVID-19 has on the Fund's investments and reflect the consequences as appropriate in our accounting and reporting.