SIMPLIFIED PROSPECTUS

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

WAYPOINT ALTERNATIVE YIELD FUND

January 31, 2022

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

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

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Introduction

This Simplified Prospectus contains selected important information to help you make an informed investment decision and understand your rights as an investor. Throughout this document:

- *We, us, Manager* or *Waypoint* means Waypoint Investment Partners Inc.
- *You* means each person who invests in the Fund. Persons who invest in the Fund are also referred to in this document as unitholders or investors
- *ACB* means adjusted cost base
- *Advisor* means the registered representative who advises you on your investments
- *Business Day* means any day that the TSX is open for trading
- *CRA* means The Canada Revenue Agency
- *CRS* means The Organization for Economic Co-operating and Development's (OECD) Common Reporting Standard as implemented in Canada by Part XIX of the Tax Act
- *Dealer* means the company where your Advisor works
- *FATCA* means 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
- *Fund* means the alternative mutual fund listed on the front cover of this Simplified Prospectus
- *IRC* means the Independent Review Committee operating under National Instrument 81-107 *Independent Review Committee for Investment Funds*, as the same may be amended, restated or replaced from time to time
- *MER* means management expense ratio, which is calculated for each series of units of a fund and reflects the management fee, performance fee and certain expenses borne by that series
- *NAV* means net asset value
- *NI 81-102* means National Instrument 81-102 *Investment Funds*, as the same may be amended, restated or replaced from time to time
- *Registered Plans* means trusts governed by registered retirement savings plans (RRSPs), registered retirement income funds (RRIFs), registered educating savings plans (RESPs), tax-free savings accounts (TFSAs), deferred profit sharing plans (DPSPs) and registered disability savings plans (RDSPs).
- *Series NAV* means the separate NAV for the applicable series of units
- *Tax Act* means the *Income Tax Act* (Canada) and the regulations issued thereunder, as the same may be amended from time to time
- *TSX* means the Toronto Stock Exchange

- *Waypoint Fund/Waypoint Funds* refer to one or more of the following funds: Waypoint Alternative Yield Fund and Waypoint All Weather Alternative Fund

For more information

Additional information about the Fund is available in the following documents:

- the Annual Information Form (AIF)
- the Fund's most recently filed Fund Facts
- the Fund's most recently filed annual financial statements, once available
- any interim financial report filed after those annual financial statements
- the most recently filed annual management report of fund performance (MRFP), once available
- any interim MRFP filed after that annual MRFP.

These documents are incorporated by reference into this Simplified Prospectus, which means that they legally form part of this document just as if they were printed as part of it.

You can get a copy of these documents, at your request and at no cost, by calling 416-960-7690 or from your Advisor. These documents and other information about the Fund are also available on the Manager's website at www.waypointinvestmentpartners.com. These documents and other information about the Fund are also available at www.sedar.com.

What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund?

What is a mutual fund?

The Fund is a mutual fund. When you invest in a mutual fund, you contribute your cash to a pool of investments along with many other people. Professional money managers use the cash to buy securities on behalf of all of the contributors.

A mutual fund invests in different kinds of securities based on its investment objectives. For example, a Canadian equity fund buys mainly shares of Canadian corporations, while a Canadian balanced fund buys mainly a mix of Canadian equities and bonds. These securities form the mutual fund's investment portfolio. The value of these securities changes from day to day, reflecting changes in economic and market conditions, interest rates and company news. See the heading *Price fluctuation* below for details.

What do you own?

You receive units in a mutual fund in exchange for the cash you contribute, and you become a unitholder of the mutual fund. You share in the fund's income, expenses and capital gains or losses with reference to the series and number of units you own.

Structure of the Fund

The Fund is structured as an open-ended unit trust with one or more series governed by a master declaration of trust under Ontario laws. We, as trustee, hold the property and investments of the Fund in trust for the unitholders.

You can buy an unlimited number of units of the Fund.

Series of units

The Fund may issue units in one or more series. For some purposes, such as calculating fees and expenses, a series of units is dealt with separately from other series of units of the Fund. For other purposes, such as fund investment activity, all series of units of the Fund are dealt with together.

See the heading *Purchases, Changes, Switches and Redemptions – Series of units* for more details on the different series of units of the Fund that available.

What are the general risks of investing in a mutual fund?

Risk is the chance that your investment may not perform as expected. There are different degrees and types of risk, but, in general, the more investment risk you are willing to accept, the higher your potential returns and the greater your potential losses.

The general risks of investing in a mutual fund include:

Price fluctuation

The value of a mutual fund, and the price of your units, will fluctuate daily with changes in the value of the fund's investments. As a result, the value of your investment in a mutual fund may be more or less when you redeem it than when you bought it. This daily fluctuation is often referred to as "volatility".

General risks of investments

The value of a mutual fund may fluctuate in accordance with changes in the financial condition of the issuers of the securities held by the mutual fund, the condition of equity, debt and currency markets generally and other factors.

The risks inherent in investments in equity and debt securities include the risk that the financial condition of the issuers of the securities may become impaired or that the general condition of the stock or bond market may deteriorate. Equity securities are susceptible to general stock market fluctuations and the financial condition of the issuer. Fixed income securities are susceptible to general interest rate fluctuations and to changes in investors' perception of inflation expectations and the condition of the issuer. These investor perceptions are based on various and unpredictable factors, including expectations regarding government, economic, monetary and fiscal policies, inflation and interest rates, economic expansion or contraction and global or regional political, economic and banking crises.

The Fund is considered an "alternative mutual fund" as defined in NI 81-102. An alternative mutual fund is permitted to use investment strategies generally prohibited to be used by other types of mutual funds, such as the ability to invest up to 20% of its NAV in securities of a single issuer, the ability to borrow cash and to generally employ leverage. For more information regarding the risks associated with these strategies, please see *Concentration, Derivatives* and *Leverage* under *What are the specific risks of investing in a mutual fund?* below.

Your investment is not guaranteed

The value of your investment in a mutual fund is not guaranteed. Unlike bank accounts or guaranteed investment certificates, mutual fund units are not covered by the Canada Deposit Insurance Corporation or any other government deposit insurer.

Redemptions may be suspended

Under exceptional circumstances, your right to redeem your units may be suspended. See the heading *Purchases, Switches, Changes and Redemptions – How to redeem units of the Fund – Suspending your Right to Redeem* for details.

What are the specific risks of investing in a mutual fund?

Each mutual fund also has specific risks. The description of the Fund, under the heading *Specific Information about the Waypoint Alternative Yield Fund* in this document, sets out the risks that apply to the Fund. The following, in alphabetical order, is a description of each of those risks.

Accuracy of public information

The Manager selects investments, in part, on the basis of information and data filed by issuers with various government regulators or made directly available to the Manager by the issuers or through sources other than the issuers. Although the Manager evaluates all such information and data and ordinarily seeks independent corroboration when the Manager considers it is appropriate and when it is reasonably available, the Manager is not in a position to confirm the completeness, genuineness or accuracy of such information and data and, in some cases, complete and accurate information is not available. Investments may not perform as expected if information is inaccurate.

Asset-backed and mortgage-backed securities

When the Fund invests in asset-backed or mortgage-backed securities and there are changes in the market's perception of the creditworthiness of the parties involved, or in the value of, or interest rate applicable to, the underlying assets or property, then the value of such securities (and the net asset value of the Fund) may be affected. These securities may also be subject to credit and default risk (see descriptions below).

Capital depletion

Certain securities of the Fund are designed to provide a monthly cash flow to investors. A significant portion of this cash flow will be paid as a return of capital. Returns of capital may reduce the net asset value per security of the particular series of the Fund. As well, returns of capital may reduce the total assets of the Fund available for investment, which may reduce the ability of the Fund to generate future returns.

Changes in legislation

There can be no assurance that certain laws applicable to the Fund, including income tax laws and securities laws, will not be changed in a manner that adversely affects the Fund or unitholders.

Concentration

The composition of the securities included in the portfolio of the Fund taken as a whole may vary widely from time to time and may be concentrated by issuer, commodity, industry or geography. Overweighting investments in certain issuers, sectors or industries involves risk that a portfolio will suffer a loss because of declines in the prices of securities in those sectors or industries.

Credit market disruptions

From time to time, the credit markets are subject to periods in which there is a severe contraction of both liquidity and available leverage. These factors can result in leveraged strategies being required to sell positions – typically at a highly disadvantageous price – in order to meet margin requirements. Such conditions could cause a reduction in revenue or losses in leveraged strategies of the Fund.

Credit and Default

Credit and default risk is the risk that an issuer of fixed income or debt securities purchased and held by the Fund will default on payment. Credit and default risk also includes the risk that an issuer's debt securities may be given a lowered credit rating, which would increase the volatility of the price of those securities. Changes in the credit rating of a bond can also affect its liquidity and make it more difficult to sell.

Currency

The NAV and unit price of the Fund's units are calculated in Canadian dollars. Most foreign investments are purchased in currencies other than the Canadian dollar. As a result, the value of foreign investments will be affected by the value of the Canadian dollar relative to the value of the foreign currency. If the Canadian dollar rises in value relative to the other currency but the value of the investment otherwise remains constant, the value of the investment in Canadian dollars will have fallen. Similarly, if the value of the Canadian dollar has fallen relative to the foreign currency, the value of the Fund's investment will have increased. Currency exposure may increase the volatility of foreign investments relative to Canadian investments.

The Fund may use derivatives such as options, forward contracts, swaps and customized types of derivatives to hedge against losses caused by changes in exchange rates.

Cybersecurity

With the increased use of technologies such as the Internet to conduct business, the Manager and the Fund are susceptible to operational, information security and related risks. Cyber incidents affecting the Fund, the Manager or the Fund's service providers (including, but not limited to, the Fund's transfer agent, custodian and sub-custodians) have the ability to cause disruptions and impact each of their respective business operations, potentially resulting in financial losses, interference with the Fund's ability to calculate its NAV, impediments to trading, the inability of unitholders to transact business with the Fund and the inability of the Fund to process transactions including redeeming units, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs associated with the implementation of any corrective measures. Similar adverse consequences could result from cyber incidents affecting the issuers of securities in which the Fund invests and counterparties with which the Fund engages in transactions.

In addition, substantial costs may be incurred to prevent any cyber incidents in the future. While the Manager and the Fund have established business continuity plans in the event of, and risk management systems to prevent, such cyber incidents, inherent limitations exist in such plans and systems including the possibility that certain risks have not been identified. Furthermore, the Manager and the Fund cannot control the cyber security plans and systems of the Fund's service providers, the issuers of securities in which the Fund invests or any other third parties whose operations may affect the Fund or its unitholders. As a result, the Fund and its unitholders could be negatively affected.

Derivatives

The use of derivative instruments involves risks different from and possibly greater than the risks associated with investing directly in such securities and other traditional investments. Derivatives are subject to a number of risks, such as liquidity risk, interest rate risk, market risk, credit and default risk, counterparty risk and trading execution risk. Derivatives also involve the risk of mispricing or improper valuation and the risk that changes in the value of a derivative may not correlate perfectly with the underlying asset, rate or index.

There is no assurance that a liquid exchange or an over-the-counter market will exist to permit the Fund to write or purchase call or put options on desired terms or to close out option positions should the Manager desire to do so. The ability of the Fund to close out its positions may also be affected by exchange imposed daily trading limits on options or the lack of a liquid over-the-counter market. If the Fund is unable to repurchase or sell a call or put option that is 'in-the-money', it will be unable to realize its profits or limit its losses until such time as the option becomes exercisable or expires.

Some investors and financial market professionals price options based on the Black Scholes Model. In practice, however, actual option premiums are determined in the marketplace and there can be no assurance that the values generated by the Black Scholes Model can be attained in the market.

In purchasing options, the Fund is subject to the credit risk that its counterparty (whether a clearing corporation, in the case of exchange traded instruments, or other third party, in the case of over-the-counter instruments) may be unable to meet its obligations. In addition, in the absence of an options clearing house, there is risk of loss by the Fund in the event of the bankruptcy of the dealer with whom the Fund has an open position in an options contract. The inability to close out options could also have an adverse impact on the Fund's ability to use derivatives instruments to effectively hedge their portfolio or implement their investment strategies.

The use of options may have the effect of limiting or reducing the total returns of the Fund if the Manager's expectations concerning future events or market conditions prove to be incorrect.

Equity securities

To the extent that the Fund holds equity securities, it will be influenced by stock market conditions in those jurisdictions where the securities held are listed for trading and by changes in the circumstances of the issuers of such securities. Additionally, to the extent that the Fund holds any foreign investments, it will be influenced by world political and economic factors and by the value of the functional currency as measured against foreign currencies which will be used in valuing foreign investment positions. See *Foreign investment* below.

Fees and expenses

Certain series of the Fund are obligated to pay management fees and all series are obligated to pay other expenses regardless of whether the Fund realizes a profit. Under certain circumstances, the Fund may be subject to significant indemnification obligations in respect of the Manager or certain affiliated parties.

Floating rate loan liquidity

Floating rate loans may be subject to legal or contractual restrictions on resale. The liquidity of floating rate loans varies significantly over time and among individual floating rate loans. During periods of infrequent trading, valuing a floating rate loan can be more difficult, and buying and selling a floating rate loan at an acceptable price can be more difficult and delayed. Any difficulty in selling a floating rate loan can result in a financial loss to the Fund. The time required for trades of floating rate loans to settle is typically twenty Business Days. In comparison, floating rate notes and corporate bonds typically settle in three Business Days.

Foreign investment

Investments made by the Fund may, at any time, include securities of issuers established in jurisdictions outside Canada and the United States. Although most of such issuers will be subject to uniform accounting, auditing and financial reporting standards comparable to those applicable to Canadian and U.S. issuers, some issuers may not be subject to such standards and, as a result, there may be less publicly available information about such issuers than a Canadian or U.S. issuer. Volume and liquidity in some foreign markets may be less than in Canada and the United States and, at times, volatility of price may be greater than in Canada or the United States. As a result, the price of such securities may be affected by conditions in the market of the jurisdiction in which the issuer is located or its securities are traded. Other risks include the application of foreign tax law, changes in governmental administration or economic or monetary policy and the effect of local market conditions on the availability of public information.

Investments in foreign markets carry the potential exposure to the risk of political upheaval, acts of terrorism and war, all of which could have an adverse impact on the value of such securities. In addition, investment income received and capital gains realized by the Fund from sources within foreign countries may be subject to foreign withholding taxes. Any foreign withholding taxes could reduce the Fund's distributions paid to you. Canada has entered into tax treaties with certain foreign countries that may entitle mutual funds to a reduced rate of withholding tax on such foreign income. Some countries require the filing of a tax reclaim or other forms to receive the benefit of the reduced tax rate. Whether or when the Fund will receive the tax reclaim is within the control of the particular foreign country. Information required on these forms may not be available (such as unitholder information); therefore, the Fund may not receive the reduced treaty rates or tax reclaims. Certain countries have conflicting and changing instructions and restrictive timing requirements that may cause the Fund not to receive the reduced treaty rates or tax reclaims.

Fund of fund

The Fund may invest directly in, or obtain exposure to, other investment funds and investment vehicles, including exchange-traded funds (ETFs) and other funds managed by us. Consequently, the Fund is also subject to the risk of the underlying funds in proportion to the amount of the underlying fund held by the Fund. If an underlying fund that the Fund has invested in suspends redemptions, the Fund may be unable to value part of its portfolio and may be unable to redeem its investment in the underlying fund, which may have an adverse impact on the Fund's ability to satisfy redemption requests from its unitholders.

General economic and market conditions

Changes in economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, and national and international political circumstances may adversely affect operations and/or investment returns of the Fund. These factors may affect the level and volatility of securities prices and the liquidity of portfolio assets. Unexpected volatility or illiquidity could impair the Fund's profitability or result in losses.

General market disruptions

Market disruption can be materially adverse to a wide range of investments. Market disruption may both decrease the number of market participants as well as restrict the availability of credit to market participants that would otherwise be interested in buying assets from certain investments.

Funds employing hedge fund and similar strategies also may incur major losses in disrupted markets due to formerly liquid positions becoming illiquid, making it difficult or impossible to close out the positions against which the markets are moving. In addition, actual market pricing may directly contradict historical pricing relationships in such markets. The financing available to issuers in which the Fund invests from their banks, dealers and other counterparties may be substantially reduced in disrupted markets, which may result in forced sales by, and substantial losses to, the Fund.

Hedging

The Fund may seek to hedge positions as a means of obtaining protection against adverse price movements. The success of the Manager's hedging strategy depends on its ability to correctly assess the degree of correlation between the performance of the positions being hedged and the performance of the instruments used to hedge such positions. Since the characteristics of many investments change as markets change or time passes, the success of the Manager's hedging strategy also depends on the Manager's ability to recalculate, readjust and execute hedges in an efficient and timely manner. There can be no assurance that the Manager will employ hedging strategies successfully. The use of hedging strategies can be expected to result, during profitable periods for the positions being hedged, in lower profits than would have been achieved had such strategies not been used. At the same time, these strategies provide no assurance of mitigating losses when the market moves against the supposedly hedged positions. By hedging a particular position, the Fund limits the potential gain from an increase in value of such position but may not achieve a commensurate increase in risk control.

High yield securities

The Fund is subject to high yield securities risk. High yield securities risk is the risk that securities that are rated below investment grade (below "BBB-" by S&P or by Fitch Ratings Inc., or below "Baa3" by Moody's® Investors Service, Inc.) or are unrated at the time of purchase may be more volatile than higher-rated securities of similar maturity. High yield securities may also be subject to greater levels of credit or default risk than higher-rated securities. The value of high yield securities can be adversely affected by overall economic conditions, such as an economic downturn or a period of rising interest rates, and high yield securities may be less liquid and more difficult to sell at an advantageous time or price or to value than higher-rated securities. In particular, high yield securities are often issued by smaller, less creditworthy companies or by highly leveraged firms, which are generally less able than more financially stable firms to make scheduled payments of interest and principal.

IBOR transition risk

Various regulators and industry bodies are working globally on transitioning from interbank offered rates ("**IBORs**"), including the London Interbank Offered Rate (LIBOR), to alternative rates. The effect of such a transition on the Fund and the securities in which it invests cannot yet be determined, and may depend on factors that include, but are not limited to: (i) existing fallback or termination provisions in individual contracts; and (ii) whether, how, and when industry participants develop and adopt new reference rates and fallbacks for both legacy and new products and instruments. Such transition may result in a reduction in the value of IBOR-based instruments held by the Fund and increased illiquidity and volatility in markets that currently rely on an IBOR to determine interest rates, any of which could adversely impact the Fund's performance.

Income trusts

Income trusts generally hold securities in, or are entitled to receive royalties from, an underlying active business. To the extent that an underlying business is susceptible to industry risks, interest rate fluctuations, commodity prices and other economic factors, investment returns from an income trust may be similarly affected. Although their returns are neither fixed nor guaranteed, income trusts are structured in part to provide a constant stream of income to investors. As a result, an investment in an income trust may be subject to interest rate risk. There is also a risk that where claims against an income trust are not satisfied by that trust, investors in that trust could be held liable for any outstanding obligations.

Interest rates

The Fund may invest in interest rate sensitive securities, such as bonds and money market instruments, which are sensitive to changes in interest rates. In general, when interest rates are rising, the value of these investments tends to fall. When rates are falling, fixed income securities tend to increase in value. Fixed income securities with longer terms to maturity are generally more sensitive to changes in interest rates.

Changing interest rates can also indirectly impact the share prices of equity securities. When interest rates are high, it may cost a company more to fund its operations or pay down existing debt. This can impair a company's profitability and earnings growth potential, which can negatively impact its share price. Conversely, lower interest rates can make financing for a company cheaper, which can potentially increase its earnings growth potential. Interest rates can also impact the demand for goods and services that a company provides by impacting overall economic activity as described above.

Lack of independent experts representing unitholders

The Fund and the Manager have consulted with a single legal counsel regarding the formation and terms of the Fund and the offering of units. Unitholders have not, however, been independently represented. Therefore, to the extent that the Fund, unitholders or this offering could benefit by further independent review, such benefit will not be available. Each prospective investor should consult his or her own legal, tax and financial advisors regarding the desirability of purchasing units and the suitability of investing in the Fund. No outside selling agent unaffiliated with the Manager or its affiliates has made any review or investigation of the terms of the offering of units, the structure of the Fund or the background of the Manager or its affiliates.

Large transactions

If a unitholder has significant holdings in the Fund, the Fund is subject to the risk that such large unitholder may request a significant purchase or redemption of units of the Fund, which may impact the cash flow of the Fund. Large purchases and redemptions may result in: (a) the Fund maintaining an abnormally high cash balance; (b) large sales of portfolio securities impacting market value; (c) increased transaction costs (e.g., commissions); (d) significant changes to the composition of the Fund's portfolio; (e) purchase and/or sale of investments at unfavourable prices; and/or (f) capital gains being realized, which may increase taxable distributions to investors. If this should occur, the returns of investors that invest in the Fund may be adversely affected. In addition, large redemption requests by unitholders with significant holdings may force the Fund to terminate. The Fund may also agree with a unitholder with significant holdings to make part of the redemptions in kind, by transferring assets of an equal value to the large redeeming unitholder, if assets of the Fund cannot be sold at advantageous prices without a significant impact to the value of the asset.

Leverage

When the Fund makes investments in derivatives or borrows cash for investment purposes, leverage may be introduced into the Fund. Leverage occurs when the Fund's notional exposure to underlying assets is greater than the amount invested. It is an investment technique that can magnify gains and losses. Consequently, any adverse change in the value or level of the underlying asset, rate or index may amplify losses compared to those that would have been incurred if the underlying asset had been directly held by the Fund and may result in losses greater than the amount invested in the derivative itself. Leverage may increase volatility, may impair the Fund's liquidity and may cause the Fund to liquidate positions at unfavourable times. The Fund is subject to a gross aggregate exposure limit of three times its NAV, which is measured on a daily basis. This will operate to limit the extent to which the Fund is leveraged.

Liquidity

Liquidity is a measure of how quickly an investment can be sold for cash at a fair market price. If a fund cannot sell an investment quickly, the fund may lose money or make a lower profit, especially if the fund has to meet a large number of redemption requests. In general, investments in smaller companies or smaller or emerging markets tend to be less liquid than other types of investments. In addition, in volatile markets, securities that are generally liquid (including emerging market securities, high yield bonds, floating rate debt and other fixed income securities) may suddenly become illiquid.

Longer-duration positions

Longer-term positions typically have no readily determinable value and are carried at or close to cost (as an estimate of "fair value") until a "revaluation" or "realization" event occurs with respect to such positions. These positions create both liquidity and valuation risks for the Fund and can contribute to performance volatility due to sudden and material revaluations or realizations.

Multiple series

The Fund is available in more than one series of units. Each series has its own fees and expenses, which are tracked separately. Those expenses will be deducted in calculating the unit value for that series, thereby reducing its unit value. If one series is unable to pay its expenses or liabilities, the assets of the other series will be used to pay those expenses or liabilities. As a result, the unit price of the other series may also be reduced. Please refer to sections entitled *Purchases, Changes, Switches and Redemptions* and *Fees and Expenses* for more information regarding each series and how their unit value is calculated.

Options trading

The Fund may purchase and write (i.e., sell) calls and puts for investment purposes. The Fund is subject to the full risk of its investment position in its portfolios, including those securities that are subject to outstanding options held by the Fund.

As a purchaser of options, the Fund may lose its investment in the option, that is, the premium paid upon purchase, if such option is not sold or exercised when it has remaining value or if it is not profitable to exercise the option upon its expiration.

As a seller of options, the Fund may be exposed to (a) in the case of a covered call option, the risk of a decline in the market price of the underlying security to a level below the purchase price of the security (to the extent such decline exceeds the premium); (b) in the case of a covered put option, the risk of an increase in the market price of the underlying security to a level above the sales price in establishing the underlying short position (to the extent such increase exceeds the premium); and (c) in the case of "naked" short option positions, theoretically unlimited risk. As a seller of options, the Fund may also give up opportunities for gains on the underlying security.

Volatility is a principal component of options pricing. If the volatility in the market for the asset underlying the options held or sold changes materially, the Fund could incur substantial losses even if the options in question would have generated substantial profits if the current price levels had been in effect at expiration.

Performance fee

As described in this Simplified Prospectus, Waypoint is entitled to receive a performance fee from the Fund. The performance fee theoretically may create an incentive for Waypoint to make investments that are riskier than would be the case if such fee did not exist. In addition, because the performance fee is calculated on a basis that includes unrealized appreciation of the Fund's assets, it may be greater than if such compensation were based solely on realized gains. Investors should be aware that, since the performance fee payable by the Fund in respect of a series is charged to the series, rather than individual accounts, the period used to calculate the performance fee may or may not match the period over which investors hold units.

Prepayment

Many types of debt instruments, including floating rate loans, can be prepaid, in whole or in part, prior to the instruments stated maturity. Prepayment may be caused by a variety of factors, which are difficult to predict. Such securities that were purchased above par or at the prepayment price could result in a capital loss as a result of such prepayment, which will negatively impact the value and performance of a fund holding the particular security. In addition, proceeds from a prepayment may not be invested at similar or more favourable interest rates as the initial security (see "Reinvestment").

Reinvestment

Reinvestment risk generally refers to the risk that payments such as coupons from a bond or similar fixed income security may not be able to be reinvested at an interest rate similar or higher than the prevailing rate at which the security was initially purchased. Reinvestment risk is greater during periods of declining interest rates and as a result of early prepayment (see "Prepayment").

Real estate-related products

The Fund may invest in real estate-related investment products. Real estate is subject to long-term cyclical trends that give rise to significant volatility in real estate values. Investments in real estate-related investment products are subject to various risks, including, for example: (i) adverse changes in national and international economic and geopolitical conditions, local market conditions and the financial conditions of borrowers; (ii) changes in the number of buyers and sellers of properties; (iii) increases in the availability of supply of property relative to demand; (iv) changes in the availability of financing; (v) increases in interest rates, real estate tax rates, energy prices and other operating expenses; (vi) changes in environmental laws and regulations, zoning laws, rent control laws and other governmental rules and policies; (vii) changes in the relative popularity of properties; (viii) risks due to dependence on cash flow; (ix) operating problems; and (x) "acts of God", uninsurable losses and other factors, which are beyond the control of the Manager.

Securities lending, repurchase and reverse repurchase transactions

The Fund may enter into securities lending, repurchase and reverse repurchase transactions in accordance with NI 81-102. In a securities lending transaction, a fund lends its portfolio securities through an authorized agent to another party (a **"counterparty"**) in exchange for a fee and a form of acceptable collateral. In a repurchase transaction, a fund sells its portfolio securities for cash through an authorized agent while at the same time it assumes an obligation to repurchase the same securities for cash (usually at a lower price) at a later date. In a reverse repurchase transaction, a fund buys portfolio securities for cash while at the same time it agrees to resell the same securities for cash (usually a higher price) at a later date. We have set out below some of the general risks associated with securities lending, repurchase and reverse repurchase transactions:

- When entering into securities lending, repurchase and reverse repurchase transactions, the Fund is subject to the credit risk that the counterparty may default under the agreement and the Fund would be forced to make a claim in order to recover its investment.

- When recovering its investment on a default, the Fund could incur a loss if the value of the portfolio securities loaned (in a securities lending transaction) or sold (in a repurchase transaction) has increased in value relative to the value of the collateral held by the Fund.

- Similarly, the Fund could incur a loss if the value of the portfolio securities it has purchased (in a reverse repurchase transaction) decreases below the amount of cash paid by the Fund to the counterparty.

Small to medium capitalization companies

The Fund may invest a portion of its assets in the stocks of companies with small- to medium-sized market capitalizations. While it is the Manager's position that these investments often provide significant potential for appreciation, those stocks, particularly small-capitalization stocks, involve higher risks in some respects than investments in stocks of larger companies. For example, prices of such stocks are often more volatile than prices of large-capitalization stocks. In addition, due to thin trading in such stocks, an investment in these stocks may be more illiquid than that of larger capitalization stocks.

Special relationships with and material non-public information regarding specific companies

The Manager may from time to time develop a special relationship with management of an issuer, whether through the provision of consulting services or financial sponsorship, or otherwise, which may constitute the Manager the Fund and other funds and managed accounts on whose behalf the Manager is acting, being an "insider" of the issuer for a temporary or prolonged period, and therefore subject to statutory prohibitions on trading any of the issuer's securities, rendering an investment in such securities illiquid.

The Manager may from time to time come into possession of material non-public information concerning specific companies. Under applicable securities laws, this may limit the Manager's flexibility to buy or sell securities issued by such companies on behalf of the Fund. Alternatively, the Manager may decline to receive material non-public information in order to avoid trading restrictions, even though access to such information might have been advantageous and other market participants are in possession of such information.

Special situations investing

The Fund may invest in companies involved in, or that are the target of, acquisition attempts or tender offers or companies involved in work-outs, liquidations, spin-offs, reorganizations, bankruptcies and similar transactions. The consummation of mergers, tender offers and exchange offers can be prevented or delayed by a variety of factors, including management or shareholder opposition, government intervention, an attempt by a third party to acquire the offeror, market conditions resulting in material changes in securities prices, compliance with any applicable legal requirements and inability to obtain adequate financing. Additionally, such investment can result in a distribution of cash or a new security the value of which is less than the purchase price of the security in respect of which such distribution is received. Similarly, if an anticipated transaction does not in fact occur, the Fund may be required to sell its investment at a loss.

Taxation of the Fund

The Fund is subject to certain tax risks generally applicable to Canadian investment funds, including the following.

The Fund is expected to qualify as a "mutual fund trust" for purposes of the Tax Act by the time it files its first tax return in which it will make an election to be deemed to be a mutual fund trust effective from the date of its creation. If the Fund fails to or ceases to qualify as a mutual fund trust under the Tax Act, the income tax considerations described under the heading *Income Tax Considerations for Investors* would be materially and adversely different in some respects. For example, if the Fund fails to or ceases to qualify as a mutual fund trust, units of the Fund will not be qualified investments for Registered Plans. The Tax Act imposes penalties on the annuitant of an RRSP or RRIF, the holder of a TFSA or RDSP, or the subscriber of a RESP for the acquisition or holding of non-qualified investments.

In determining the Fund's income for tax purposes, option premiums received on the writing of covered call options and cash-covered put options, and any losses sustained on closing out options, will be treated for purposes of the Tax Act as capital gains and capital losses in accordance with CRA's published administrative practices. CRA's practice is not to grant advance income tax ruling on the characterization of items as capital or income and no advance income tax ruling has been applied for or received from the CRA.

If some or all of the transactions undertaken by the Fund in respect of derivatives, including covered options and securities are reported on capital account but are subsequently determined to be on income account, the net income of the Fund for tax purposes and the taxable component of distributions to unitholders could increase. Any such redetermination of the CRA may result in the Fund being liable for unremitted withholding taxes on prior distributions made to unitholders who were not resident in Canada for purposes of the Tax Act at the time of the distribution. Such potential liability may reduce the NAV of the Fund and/or Series NAV per unit.

In certain circumstances, the Fund may experience a "loss restriction event" for tax purposes, which generally will occur each time any person, together with other persons with whom that person is affiliated within the meaning of the Tax Act, or any group of persons acting in concert, acquires units of the Fund having a fair market value that is greater than 50% of the fair market value of all of the units of the Fund. The Tax Act provides relief in the application of the "loss restriction event" rules for funds that are "investment funds" as defined therein. A Fund will be considered an "investment fund" for this purpose if it meets certain conditions, including complying with certain asset diversification requirements. There can be no assurance that a Fund will qualify as an "investment fund" for these purposes. If a Fund fails to meet this definition, it may be deemed to have a year-end for tax purposes upon the occurrence of a "loss restriction event". Where such a deemed year end occurs, unitholders may receive unscheduled distributions of income and capital gains from the Fund. For units held in non-registered accounts, these distributions must be included in the calculation of the unitholder's income for tax purposes. Future distribution amounts in respect of the Fund may also be impacted by the expiry of certain losses at the deemed year end.

Turnover

The Fund may invest on the basis of short-term market considerations from time to time. The turnover rate associated with such investments may be significant, potentially involving substantial brokerage commissions and fees.

Use of a prime broker to hold assets

Some or all of the Fund's assets may be held in one or more margin accounts. The margin accounts may provide less segregation of customer assets than would be the case with a more conventional custody arrangement. The prime broker may also lend, pledge or hypothecate the Fund's assets in such accounts, which may result in a potential loss of such assets. As a result, the Fund's assets could be frozen and inaccessible for withdrawal or subsequent trading for an extended period of time if the prime broker experiences financial difficulty. In such case, the Fund may experience losses due to insufficient assets at the prime broker to satisfy the claims of its creditors, and adverse market movements while its positions cannot be traded.

Use of models

The Manager uses its own and third-party financial models in its attempt to achieve the investment objectives of the Fund. Models typically are designed on the basis of assumptions derived from past market data. Any one or all of these assumptions, whether or not supported by past experience, could prove over time to be incorrect. For example, models may postulate (or their empirical efficacy may depend on) assumptions regarding the existence of relationships that appear to hold true (or in fact held true in the past) but that may not exist in the future or may not be true in certain market conditions. The back-testing of certain models may be incomplete or impractical and may depend on the cooperation of third parties with which the Manager has no contractual relationships (and, accordingly, no entitlement to cooperation). Inputs into various models may be composed of or derived from facts, the accuracy of which has not been independently verified by the Manager or any third party. In developing markets, material factors may not be incorporated into models for some time, or may be incorporated inaccurately. This has happened a number of times in the past, resulting in substantial losses for large groups of market participants that had determined, on the basis of models that later proved incorrect, that their positions had minimal risk.

Purchases, Changes, Switches and Redemptions

Series of units

The Fund may offer an unlimited number of series of units and may issue an unlimited number of units of each series. The Fund currently offers Series A, Series A-T, Series F, Series F-T and Series I units under this Simplified Prospectus.

Each series of units is intended for different types of investors. The money that you and other investors pay to purchase units of any series is tracked on a series by series basis in the Fund's administration records. However, the assets of all series of the Fund are combined in a single pool to create one portfolio for investment purposes.

Series A and A-T

Series A and Series A-T units are available to all investors through Dealers who are approved by the Manager.

Series F and F-T

Series F and Series F-T units are available to investors who have a fee-based account with their Dealer, other investors for whom we do not incur distribution costs or other investors approved by us, including investors who invest through order execution only platforms where the dealer does not make a suitability determination. Instead of paying sales charges, investors with fee-based accounts who buy Series F or Series F-T units may pay fees to their Dealer for investment advice provided by their Advisor and/or other services. We do not pay any commission to Dealers in respect of Series F or Series F-T units.

If you cease to be eligible to hold Series F or Series F-T units, we may change your Series F or Series F-T units into Series A or Series A-T units respectively.

Series I

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

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

Series A-T and F-T

Series A-T and Series F-T units are designed for investors who wish to receive regular monthly cash flows that are targeted at 4% per annum. The target monthly distribution amount is calculated at the beginning of each taxation year as approximately 4% of the net asset value per Series A-T and Series F-T unit as at December 31 of the prior year. The target rate will be evaluated each year and may be adjusted as market conditions change. The monthly distributions will generally consist of net income and/or return of capital. The amount of distribution should not be confused with the Fund's rate of return or performance.

How to buy units of the Fund

You can buy units of the Fund through an Advisor. We do not accept any purchase orders directly from individual investors under this Simplified Prospectus. Generally, you must be of the age of majority in the province in which you live to buy units in a mutual fund. You may hold units in trust for a minor.

Purchase price

When you buy units in the Fund, the price you pay is the Series NAV per unit of those units. Each series of units of the Fund has a separate Series NAV. We calculate the Series NAV by:

- taking that series' proportionate share of the assets of the Fund and
- subtracting that series' liabilities and its proportionate share of the Fund's common liabilities.

The Series NAV per unit is calculated by dividing the Series NAV by the total number of outstanding units of that series.

We calculate the Series NAV for each series of the Fund in Canadian dollars. The Series NAV per unit will fluctuate with the value of the Fund's investments.

If your purchase order is placed by your Dealer before 4 p.m. Eastern Time on a Business Day or before the TSX closes for the day, whichever is earlier, your order will be processed based on the Series NAV per unit calculated on that day. If your order is placed by your Dealer after that time, your order will be processed based on the Series NAV per unit calculated on the next Business Day.

Sales charges

Series A and Series A-T units are available for purchase under the initial sales charge option only. Under the initial sales charge option, you and your Dealer negotiate a fee, which may be up to 5% of the cost of the units, and you pay this fee to your Dealer when you buy the units. You will not pay a redemption fee when you redeem your units, other than a short-term trading fee, if applicable. There are no sales commissions payable on Series F, Series F-T and Series I units of the Fund.

U.S. dollar purchase option

Series A, A-T, F and F-T units of the Fund are available for purchase in both Canadian and U.S. dollars. Note that the ability to purchase the Fund in U.S. dollars is offered as a convenience for investors and does not act as a currency hedge between the Canadian and U.S. dollar. For purchases in U.S. dollars, the NAV per unit is computed by converting the Canadian dollar value into U.S. dollars based on exchange rates at the time the NAV is calculated. For Fund units purchased in U.S. dollars, changes will be processed in U.S. dollars and redemption proceeds and distributions will be paid in U.S. dollars. You must calculate your income and net realized capital gains for tax purposes in Canadian dollars.

Minimum investment

The minimum initial investment in Series A, Series A-T, Series F and Series F-T units of the Fund is $1,000. The minimum additional investment in Series A, Series A-T, Series F or Series F-T units of the Fund is $500 unless you buy through a pre-authorized contribution plan, in which case, the minimum additional investment is $100. These minimum investment amounts may be adjusted or waived in our absolute discretion and without notice to unitholders.

The minimum initial investment and each additional investment in Series I units of the Fund is negotiated between each Series I investor and the Manager. We reserve the right to redeem, without notice to you, all of the Series I units that you hold if your investment in Series I units falls below the minimum investment negotiated.

How your order is processed

You and your Advisor are responsible for ensuring that your purchase order is accurate and that all of the necessary documents or instructions are submitted by your Dealer.

We must receive full payment from your Dealer within two Business Days of processing your order. If we do not receive payment within the stipulated time or if the payment is returned, we will redeem your units on the next Business Day. If the proceeds are greater than the amount you owe us, the Fund will keep the difference. If the proceeds are less than the amount you owe us, your Dealer will pay the difference to the Fund and you may have to reimburse your Dealer.

We may accept or reject your order within one Business Day of receiving it. If we accept your order, you will receive a written or electronic confirmation from your Dealer. If we reject your order, we will return your money to your Dealer without interest.

We do not issue certificates for units of the Fund.

How to redeem units of the Fund

If you want to redeem any of your units of the Fund, contact your Advisor, who may ask you to complete a redemption request form.

We will pay your Dealer the current Series NAV per unit for your units less any applicable short-term trading fees, as described below. If your redemption request is placed by your Dealer before 4 p.m. Eastern Time on a Business Day or before the TSX closes for the day, whichever is earlier, we will calculate your redemption amount as of that day. If your redemption request is placed by your Dealer after that time, we will calculate your redemption amount as of the next Business Day.

You will receive redemption proceeds in the currency in which you purchased units of the Fund.

We may, in our discretion, request additional documentation prior to redeeming units if you do not place your redemption request through your Dealer.

Redemption fees

You do not pay a redemption fee for redeeming Series A, Series A-T, Series F, Series F-T or Series I units of the Fund. However, you may have to pay a short-term trading fee if you redeem securities within 30 days of purchase. See *Short-term trading fees.*

Market timing and excessive short-term trading

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

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

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

Short-term trading fees

If you redeem or switch within 30 days of purchase, we may charge a short-term trading fee on behalf of the Fund in circumstances where we determine that the trading activity may represent market timing and/or excessive short-term trading. See the heading *Fees and Expenses – Fees and Expenses Payable Directly by You*.

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

The short-term trading fee will not apply to certain redemptions, such as:

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

How your redemption request is processed

We pay your Dealer the proceeds of your redemption, less applicable fees, within two Business Days after all the required documents or instructions are submitted.

We will deduct any short-term trading fees, if applicable, from the payment of the proceeds of your redemption.

We send the redemption proceeds to your account that is registered in the name of your Dealer.

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

Automatic redemption

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

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

We may require investors who are U.S. citizens or foreign (including U.S.) tax residents to redeem some or all of their units if their participation has the potential to cause regulatory or tax problems. For example, if an investor does not provide a valid self-certification from a FATCA or CRS perspective or a valid tax identification number, which could result in non-compliance penalty obligations to the Fund, we may redeem the investor's units in an amount to make the Fund whole for the imposition of such penalties.

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

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

Suspending your right to redeem

Canadian securities regulators allow us to suspend your right to redeem your units when:

- normal trading is suspended in any market where securities or derivatives that make up more than 50% of the Fund's total value are traded and there is no other market or exchange that represents a reasonable alternative or
- Canadian securities regulators consent.

If we suspend redemption rights after you have requested a redemption and before your redemption amount has been determined, you may either withdraw your redemption request or redeem your units at the Series NAV per unit determined after the suspension period ends. We will not accept orders to buy units of the Fund during any redemption suspension period.

How to change between series of units of the Fund

You may change from one series to another series of the Fund through your Dealer if you meet the series eligibility criteria for the series you are changing into. When you change your series of units to another series of units of the Fund, your Dealer may charge you a fee of up to 2% of the NAV of the units being changed.

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

On a change from Series F or Series F-T to Series A or Series A-T units, unitholders will be required to pay the fees and charges applicable to the initial sales charge option for Series A or Series A-T units.

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

Tax consequences of changing

A change between series of the Fund is a redesignation of units and is not a disposition for tax purposes.

See the heading *Income Tax Considerations for Investors* for more details.

How to switch between Funds

You may switch your investment in units of the Fund to units of the same series of another Waypoint Fund. You may, with the assistance of an advisor, decide to make this kind of switch in the course of rebalancing your investment portfolio or if your investment objectives change. When you switch your units of the Fund to units of the same series of another Waypoint Fund, your Dealer may charge you a fee of up to 2% of the NAV of the units being switched.

You must place all switch orders through your Dealer. We reserve the right to accept or reject any switch of units.

Tax consequences of changing

A switch from the Fund to another Waypoint Fund is a redemption and a purchase of units and an investor will generally realize a capital gain or loss if they hold their investment outside a Registered Plan.

See the heading *Income Tax Considerations for Investors* for more details.

Optional Services

Dealers may provide optional services to unitholders, including pre-authorized contribution plans, systematic withdrawal plans and automatic reinvestment plans. Please contact your Dealer for details including any fees charged by your Dealer for such services.

The Fund may be purchased within Registered Plans, including RRSPs, group RRSPs, RRIFs, RESPs, RDSPs, DPSPs and TFSAs, which may be available by your Dealer. See the heading *Income Tax Considerations for Investors – How your Investment is Taxed – Registered Plans* regarding the circumstances in which units of the Fund may be prohibited investments for a Registered Plan (other than a DPSP).

Fees and Expenses

The following tables show the fees and expenses you may have to pay if you invest in the Fund. You may pay some of these fees and expenses directly, depending on the series of units you purchase. The Fund may pay some of these fees and expenses, which reduces the value of your investment.

The consent of unitholders will be obtained if (i) the basis of the calculation of a fee or expense that is charged to the Fund is changed in a way that could result in an increase in charges to the Fund or to its investors, or (ii) a fee or expense to be charged to the Fund or directly to the Fund's investors by the Fund or us in connection with holding units of the Fund that could result in an increase in charges to the Fund or its investors is introduced. In either case, unitholder consent will not be required if the change or new fee or expense is a result of a change made by a third party at arm's length to the Fund or is not required under securities regulation. In this case, if required by securities regulators, you will be sent a written notice at least 60 days before the effective date of the change.

Fees and Expenses Payable by the Fund

Management Fees	The Fund pays a management fee to us in respect of Series A, Series A-T, Series F and Series F-T units, which is calculated and accrued daily and paid monthly. The management fee covers fees for services we provide, or cause to be provided, to the Fund, including the investment management of the Fund, oversight of service providers, general administration, and the distribution, marketing and promotion of the Fund. The rate of the Series A, Series A-T, Series F and Series F-T management fee, excluding HST and any other applicable taxes, expressed as an annual percentage of the Fund's daily NAV attributable to the applicable series of units, is set out below: Series A and Series A-T: 1.75% Series F and Series F-T: 1.00% Investors pay the management fees for Series I units directly. The Series I management fee (which is negotiated) will not exceed the management fee payable in respect of Series F of the Fund and is accrued and paid as agreed to by the Manager and each Series I investor.
Management Fee Distributions	The Manager reserves the right to offer a reduced management fee to selected investors in Series A, Series A-T, Series F and Series F-T units who (among other considerations) hold large investments in the Fund. This is achieved by reducing the management fee charged by us to the Fund based on the aggregate NAV of the units held by such investor and the Fund distributing an amount equal to the reduction (a "**Management Fee Distribution**") in additional units of the same series of the Fund to the investor. Management Fee Distributions are paid first out of income and capital gains of the Fund, and then out of capital. The income tax consequences of a Management Fee Distribution will generally be borne by the unitholder who receives the distribution.
Performance Fees	The Manager receives a performance fee in respect of Series A, Series A-T, Series F and Series F-T 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 amount by which the Net Profit (as defined below) of each of the applicable series of units exceeds the Performance Hurdle, subject to the High-water Mark (as defined below). "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 Adjusted 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. "Adjusted Series NAV per unit" on any date is equal to the Series NAV per unit on such date, before deduction of the Performance Fee, if any, payable in respect of each unit of such Series on such date, plus the amount of any distributions payable in respect of each unit of such Series since the beginning of the Performance Fee Determination Period. "Performance Hurdle" means, in respect of each series of units of the Fund for any Performance Fee Determination Period, the amount calculated by multiplying 4% per annum (prorated to the length of the Performance Fee Determination Period) of the NAV per unit of each relevant series of the Fund on the first Business Day of that Performance Fee Determination Period 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. For greater certainty, the Performance Hurdle is not cumulative and resets each calendar year. "High-water Mark" means, in respect of each series of units of the Fund, the highest Series NAV per unit in respect of which a performance fee has been previously paid for that series, or the initial offering price of the units of such series if no performance fee has yet been paid in respect of such series. No performance fee shall be paid in respect of a series unless the Adjusted Series NAV per unit exceeds the High-water Mark for that series and, in such circumstances, a performance fee shall only be paid on that portion of the Net Profit that exceeds the Performance Hurdle. The Manager may make such adjustments to the Series NAV per unit and/or the calculation of the performance fee as may be determined by the Manager to be necessary to account for the payment of any distributions on units, any unit splits or consolidations or any other event or matter that would, in the opinion of the Manager, impact upon the calculation of the performance fee. Any such determination shall, absent manifest error, be binding on all unitholders. Investors in Series I units may negotiate a performance fee (in accordance with applicable regulatory requirements) to be paid by the investor to the Manager that is the same or different than the one described above or may pay no performance fee at all, as determined by the Manager in its discretion.
Operating Expenses	The Fund is responsible for paying its own operating expenses, including brokerage commissions and fees on portfolio transactions and other portfolio transaction costs, interest expenses, custodian fees, regulatory fees, costs and expenses related to the Fund's IRC (including the compensation discussed below), audit and legal fees, insurance, registrar's fees, distribution costs, the cost of reporting to unitholders (including proxy solicitation material), the cost of qualifying and maintaining the qualification for sale of the units, any other fees that become commonly charged in the Canadian mutual fund industry, and taxes payable on any of these expenses, including HST. Each series of units of the Fund pays for its own operating expenses and its proportionate share of the common operating expenses. These amounts are paid out of the assets attributed to each series of units of the Fund, which reduces the return you receive. From time to time, in our discretion, we may absorb operating expenses that would otherwise be charged to the Fund or a series of units. This absorption of operating expenses

may be terminated at any time without prior notice to unitholders.

IRC

Each member of the IRC is paid an annual retainer of $2,000 ($2,500 for the Chair) to serve on the IRC. The compensation of the IRC members is reviewed at least annually at a meeting of the IRC. Members are also entitled to be reimbursed for all reasonable expenses incurred in the performance of their duties. Expenses of the IRC include insurance premiums, travel expenses and reasonable out-of-pocket expenses. The fees and expenses of the IRC are allocated among the funds managed by us in a manner that we consider fair and reasonable.

Underlying Fund Fees and Expenses

If the Fund invests in an underlying fund, the underlying fund may pay a management fee and other expenses in addition to the fees and expenses payable by the Fund. The fees and expenses of the underlying fund will have an impact on the management expense ratio of the Fund, as the Fund is required, in determining its management expense ratio, to take into account the expenses incurred by the Fund that are attributable to its investment in the underlying fund. However, the Fund will not pay management fees on the portion of its assets that it invests in the underlying fund that, to a reasonable person, would duplicate a fee payable by the underlying fund for the same service. In addition, the Fund will not pay duplicate sales charges or redemption fees for its purchase or redemption of securities of the underlying fund.

Fees and Expenses Payable Directly by You

Series I Management Fees and Performance Fees	If you invest in Series I units, you will pay management fees directly to us that will not exceed the management fee payable in respect of Series F units of the Fund. See *Fees and Expenses Payable by the Fund – Management Fees* for more information. Unitholders of Series I units may negotiate a performance fee (in accordance with applicable regulatory requirements) to be paid by the unitholder to the Manager that is different than the performance fee payable in respect of Series A and Series F of the Fund or may pay no performance fee at all, as determined by the Manager in its discretion.
Sales Charges	If you invest in Series A or Series A-T units under the initial sales charge option, you may have to pay up to 5% of the purchase price of the Series A or Series A-T units you buy to your Dealer. You negotiate the sales charges with your Advisor. There are no sales charges payable on Series F or Series F-T units.
Series F and Series F-T Fees	If you invest in Series F or Series F-T units, you may have to pay your Dealer a fee for investment advice and/or for other services. Investors in Series F or Series F-T units do not pay sales charges and we do not pay any commissions to Dealers in respect of Series F or Series F-T units. The fee is negotiated between you and your Advisor.
Change and Switch Fees	When you change or switch your units, your Dealer may charge you a fee of up to 2% of the NAV of the units being changed or switched. You may negotiate the change or switch fees with your Dealer. See the heading *Purchases, Changes, Switches and Redemptions – How to Change between series of units of the Fund* and *How to switch between Funds* for details.
Short-Term Trading Fees	You may pay to the Fund 2% of the current value of the units you redeem or switch if you redeem or switch your units within 30 days of purchase. See the heading *Purchases, Changes, Switches and Redemptions – Short-Term Trading Fees* for details.

Pre-Authorized Contribution Plan Fees	Your Dealer may charge you an administrative fee for this service. You may negotiate the amount with your Dealer.
Registered Plan Fees	Your Dealer may charge you a fee for this service. You may negotiate the amount with your Dealer.

Impact of Sales Charges

The following table shows the maximum sales charge you would pay under the initial sales charge option if you made an investment of $1,000 in Series A or Series A-T units of the Fund, held that investment for one, three, five or ten years and redeemed immediately before the end of the period.

The table assumes you are paying the maximum possible sales charge under the initial sales charge option, although you may negotiate a lower sales charge with your Advisor.

Option	**At purchase**	**1 year**	**3 years**	**5 years**	**10 years**
Initial Sales Charge[1 2]	$50.00	None	None	None	None

[1] There are no sales charges for Series F, Series F-T or Series I units. However, Series F and Series F-T investors may pay a separate fee to their Dealer.

[2] A short-term trading fee may apply if units of the Fund are redeemed within 30 days of purchase. Se *How to redeem units of the Fund – Short-term trading fees*.

Dealer Compensation

Sales commission

If you buy Series A or Series A-T units of the Fund under the initial sales charge option, the commission you negotiate (up to 5% of your purchase amount) is deducted from your purchase amount and paid by you to your Dealer.

Trailing commission

We pay a trailing commission to your Dealer monthly on the Series A and Series A-T units of the Fund. This commission is paid by us out of our management fee and is equal to an annual percentage of 0.75% of the NAV of the Series A and Series A-T units of the Fund you hold. No trailing commission is paid on Series F, Series F-T or Series I units of the Fund. We may change the terms of the trailing commission program at any time. You can contact us at any time to confirm the amount of trailing commissions paid to your Dealer on a series of units of the Fund.

The trailing commission is paid by us to your Dealer quarterly during each calendar year and will be calculated based on a daily average asset calculation. This trailing commission is determined by us and may be changed at any time. It is expected that certain Dealers will pay a portion of the trailing commission to sales representatives as compensation for providing ongoing investment advice and/or service to the clients.

Other kinds of Dealer compensation

We may from time to time pay the permitted marketing expenses of Dealers on a co-operative basis. We may also hold educational conferences that sales representatives of Dealers may attend and may pay certain of the expenses incurred by Dealers in holding such educational conferences for Advisors. In addition, we may provide promotional items of minimal value to Advisors.

These activities are permissible under National Instrument 81-105 *Mutual Fund Sales Practices* and any costs incurred by them will be paid by us and not the Fund.

Dealer Compensation from Management Fees

During the financial year ended December 31, 2020, we paid dealers compensation of approximately 1.32% of the total management fees we received in respect of the funds managed by Waypoint. This includes amounts we paid to dealers for trailing commissions, service fees and other kinds of dealer compensation.

Income Tax Considerations for Investors

This information is a general summary of Canadian federal income tax rules and is not intended to be legal or tax advice. We are assuming that you are an individual (other than a trust) and, for the purposes of the Tax Act and at all relevant times, are resident in Canada, are not affiliated with the Fund, deal with the Fund at arm's length, and that you hold your units directly as capital property or in a Registered Plan. More detailed tax information is available in the Fund's Annual Information Form.

We have tried to make this discussion easy to understand. As a result, we do not describe the tax rules in detail or cover all the tax consequences that may apply. We recommend you consult your tax advisor for advice about your individual situation.

How mutual funds earn money

Mutual funds make money in a number of ways. These include:

- earning income in the form of dividends, interest, trust income, certain gains from derivatives, short sales or other types of returns from investments; and
- realizing a capital gain if they sell an investment for more than its cost. The Fund may realize a capital loss if it sells an investment for less than its cost.

The Fund will distribute enough of its net income and net realized capital gains (calculated in Canadian dollars) each year to unitholders so that it does not have to pay ordinary income tax, after taking into account applicable losses of the Fund and the capital gains refund, if any, the Fund is entitled to for the purposes of the Tax Act.

How your investment is taxed

The tax you pay on your investment depends on whether you hold your units in a non-registered account or a Registered Plan.

Non-registered accounts

Distributions

If you hold your securities in a non-registered account, you must include in your income for tax purposes the taxable portion of all distributions (including Management Fee Distributions, if any) paid to you by the Fund in Canadian dollars. This is the case whether you receive them in cash or reinvest them in additional units. Other than distributions on Series A-T or Series F-T, distributions are automatically reinvested by purchasing additional units of the Fund on your behalf, unless your Dealer tells us that you want them in cash. The amount of any reinvested distributions is added to your adjusted cost base ("**ACB**") and thus reduces your capital gain or increases your capital loss when you redeem those units, so that you do not pay tax twice on the same amount.

Distributions made to unitholders in the course of the Fund's taxation year may be comprised of dividends, ordinary income or net realized capital gains, or may constitute a return of capital, depending on the investment activities of the Fund. Distributions that are designated as "taxable dividends" from "taxable Canadian corporations" (each as defined in the Tax Act) are eligible for the dividend tax credit. An enhanced gross-up and dividend tax credit mechanism is available for dividends designated as "eligible dividends" within the meaning of the Tax Act received from taxable Canadian corporations. The Fund will take steps so that eligible dividends will retain their character when paid to you.

Distributions of interest and other ordinary income, including foreign income, are fully taxable. Provided that appropriate designations are made by the Fund, such portion of the foreign source income of the Fund and foreign taxes eligible for the foreign tax credit, as is paid or payable to you, will effectively retain its character and be treated as such in your hands for purposes of the Tax Act. The use of derivative strategies by the Fund may have a tax impact. Gains from investments made through derivative instruments, other than certain derivatives used for certain hedging purposes, will generally be treated as income, rather than as capital gains. The Fund will generally recognize gains or losses under a derivative contract when it is realized by the Fund upon partial settlement or upon maturity. This may result in significant gains being realized at such times, and distributions of these gains may be taxed as ordinary income to you.

Net taxable capital gains realized by the Fund and distributed to you will preserve their character as taxable capital gains. The non-taxable portion of the Fund's net realized capital gains that is distributed to you will not be included in your income nor will it reduce the ACB of your units.

Distributions from the Fund may include returns of capital. Amounts you receive as a return of capital will not be included in your income but will reduce the ACB of your units. If the ACB of your units is reduced to an amount less than zero, you will immediately realize a capital gain equal to that amount at that time and your ACB will then be zero.

You will receive a tax slip each year showing the Canadian dollar amount and type of distributions (Canadian eligible dividends, Canadian dividends other than eligible dividends, capital gains, foreign income, other income, and/or returns of capital) you received from each Fund, and showing any foreign non-business income tax allocated to you.

Buying units just before a distribution date

When units of the Fund are acquired by purchasing or switching into the Fund, a portion of the purchase price may reflect income and capital gains of the Fund that have accrued and/or been realized but have not been made payable or distributed. You must include in your income the taxable portion of any distribution paid to you by a Fund, even where the Fund may have earned the income or realized the capital gains that gave rise to the distribution before you owned your units and which was included in the purchase price of your units. This could be particularly significant if you purchase units of a Fund late in the year, or on or before the date on which a distribution is paid.

Portfolio turnover rate

The investment techniques and strategies utilized by the Fund, including investments made on a shorter-term basis or in derivative instruments or instruments with a maturity of one year or less at the time of acquisition, may result in frequent portfolio trading and high portfolio turnover. The portfolio turnover rate is how often the portfolio manager bought and sold securities for the Fund during the year. The higher the Fund's portfolio turnover rate is, the greater the trading costs payable by the Fund in the year and the greater the chance that you will receive a taxable distribution from the Fund in that year. There is not necessarily a relationship between a high portfolio turnover rate and the performance of the Fund.

Changing series

A change between series of the Fund (where such changes are permitted) is a redesignation of units and is not a disposition for tax purposes. However, any redemption of units to pay any applicable change fee will be considered a disposition for tax purposes and you may be required to pay tax on any capital gain you realize from the redemption. The total cost of the units you receive on a redesignation is the same as the total ACB of the units that you redesignated.

Switching Funds

Switching units of the Fund into units of another Fund generally has the same tax impact as a redemption.

Redeeming or disposing of your units

If you redeem or otherwise dispose of units with a Series NAV that is greater than the ACB, you will realize a capital gain. If you redeem or otherwise dispose of units with a Series NAV that is less than the ACB, you will realize a capital loss. You may deduct any redemption fees or other expenses of disposition when calculating your capital gains or losses. You must include one-half of a capital gain in your income as a taxable capital gain, and, generally, you may deduct one-half of your capital losses from your taxable capital gains.

When you redeem units of the Fund, the Fund may distribute capital gains to you as partial payment of the redemption price (the "**Redeemer's Gain**"). The taxable portion of the Redeemer's Gain must be included in your income as described above, but the full amount of the Redeemer's Gain will be deducted from your proceeds of disposition of the units redeemed. Recent amendments to the Tax Act will restrict the ability of the Fund to distribute capital gains to you as partial payment of your redemption price to an amount not exceeding your accrued gain on the units redeemed.

In certain circumstances, loss restriction rules will limit or eliminate the amount of a capital loss that you may deduct. For example, a capital loss that you realize on a redemption of units will be deemed to be nil if, during the period that begins 30 days before and ends 30 days after the day of that redemption, you acquired identical units (including on the reinvestment of distributions) and you continue to own these identical units at the end of that period. The amount of this denied capital loss is added to your ACB.

Calculating the ACB of your investment

Your ACB must be determined separately for each series of units you own in the Fund. The aggregate ACB of your units of a series of the Fund is made up of:

- the amount you paid for your units, including sales commissions **plus**
- any reinvested distributions (including returns of capital and Management Fee Distributions) **minus**
- any distributions that were a return of capital **minus**
- the ACB of any units previously switched, changed or redeemed.

The ACB of a unit is simply the ACB of your total investment in units of a series of the Fund divided by the total number of such units of the Fund held by you.

You are responsible for keeping a record of the ACB of your investment for purposes of calculating any capital gain or capital loss you may realize when you redeem or switch, or otherwise dispose of, your units. You should keep track of the original cost of your units of the Fund, including new units you receive when distributions are reinvested. If you own units of the Fund denominated in U.S. dollars, you must convert U.S. dollars to Canadian dollars using the appropriate exchange rate, determined in accordance with the detailed rules in the Tax Act in that regard. Your tax advisor can help you with these calculations.

International information reporting

Generally, you will be required to provide your Advisor or Dealer with information related to your citizenship or tax residence, including your tax identification number. If you are identified as a U.S. citizen (including a U.S. citizen living in Canada) or a foreign (including U.S.) tax resident, or do not provide the required information and indicia of U.S. or non-Canadian status is present, details about you and your investment in the Fund will generally be reported to the CRA unless units are held within a Registered Plan. The CRA will provide that information to the U.S. Internal Revenue Service (in the case of U.S. citizens or tax residents) or 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.

Registered Plans

Generally, neither you nor your Registered Plan will be subject to tax on distributions received from the Fund on units held in your Registered Plan, or on capital gains realized on the disposition of those units of the Fund provided that the units are a qualified investment and are not a prohibited investment for your Registered Plan. However, most withdrawals from such Registered Plan (other than a withdrawal from a TFSA and certain permitted withdrawals from RESPs and RDSPs) are generally taxable.

The units of the Fund are expected to be a qualified investment for Registered Plans at all times. However, units of the Fund that are a qualified investment may still be a prohibited investment for your Registered Plan (other than a DPSP).

Units of the Fund will generally not be a prohibited investment for your Registered Plan if you and persons with whom you do not deal at arm’s length do not, in total, directly or indirectly, own units representing 10% or more of the value of the Fund. You are generally deemed not to deal at arm’s length with your parents, spouse, children, siblings and in-laws. Under a safe harbour rule for new mutual funds, units of the Fund will not be a prohibited investment for a Registered Plan at any time during the first 24 months of the Fund’s existence provided that the Fund is a mutual fund trust or a registered investment under the Tax Act during that time and is in substantial compliance with NI 81-102 or follows a reasonable policy of investment diversification.

If your Registered Plan holds a prohibited investment, you will be liable to a 50% potentially refundable tax on the fair market value of the prohibited investment and a 100% tax on income and capital gains from the prohibited investment, and capital gains realized on the disposition of the prohibited investment.

You should consult your own tax advisor regarding the special rules that apply to each type of Registered Plan, including whether or not a particular unit of the Fund would be a prohibited investment for your Registered Plan.

What are your Legal Rights?

Securities legislation in some provinces gives you the right to withdraw from an agreement to buy mutual funds within two Business Days after you receive the Simplified Prospectus or Fund Facts, or to cancel your purchase within 48 hours after you receive confirmation of your order.

Securities legislation in some provinces also allows you to cancel an agreement to buy mutual fund units and get your money back, or to make a claim for damages, if the Simplified Prospectus, Fund Facts, AIF or financial statements misrepresent any facts about the Fund. You must usually exercise these rights within a certain time period.

You can get more information from the securities legislation of your province or territory or from your lawyer.

Specific Information about the Waypoint Alternative Yield Fund

Organization and Management of the Fund

Manager Waypoint Investment Partners Inc. 1133 Yonge Street, Suite 600 Toronto, Ontario M4T 2Y7 www.waypointinvestmentpartners.com	The Manager is a corporation established under the laws of Ontario, with its head office in Toronto, Ontario. As Manager, we manage the overall business and operations of the Fund. We may hire arm's length third parties or affiliates to perform some of the services required by the Fund.
Trustee Waypoint Investment Partners Inc. Toronto, Ontario	The Fund is organized as a unit trust. When you invest in the Fund, you are buying units of the trust. The trustee holds title to the cash and securities owned by the Fund in trust for the unitholders.
Portfolio Manager Waypoint Investment Partners Inc. Toronto, Ontario	We are the portfolio manager of the Fund. In such capacity, we are responsible for managing the investment portfolios of the Fund and making investment decisions.
Custodian National Bank Financial Inc. (through its National Bank Independent Network division) Toronto, Ontario	The custodian has physical custody of the Fund's property.
Securities Lending Agent Before the Fund engages in securities lending, the Custodian or a sub-custodian will be appointed as the Fund's securities lending agent. Toronto, Ontario	The securities lending agent arranges and administers loans of the Fund's portfolio securities for a fee to qualified borrowers who have posted collateral.
Administrator SGGG Fund Services Inc. Toronto, Ontario	The administrator provides administrative services to the Manager in respect of the Fund, including maintaining the accounting records of the Fund, fund valuation and net asset value calculation and financial reporting services. The Manager is responsible for the services provided by the administrator.

Auditor KPMG LLP Toronto, Ontario	The auditor is responsible for auditing the annual financial statements of the Fund.
Independent Review Committee	The IRC provides independent oversight of conflict of interest matters referred to the IRC that may arise between Waypoint and the Fund. A conflict of interest matter is a situation where a reasonable person would consider the Manager or an entity related to the Manager to have an interest that conflicts with the Manager's ability to act in good faith and in the best interest of the Fund. Among other things, the IRC prepares an annual report of its activities for unitholders of the Fund which will be available on our website at www.waypointinvestmentpartners.com or upon request by any unitholder, at no cost, by calling at 416-960-7690 or emailing funds@waypointinvestmentpartners.com. The members of the IRC are independent of Waypoint. Additional information about the IRC, including the names of the members, is available in the Fund's AIF.

Fund of Funds

The Fund may invest in other investment funds, including investment funds managed by us (the "**underlying funds**"). Where we are the manager of both the Fund and an underlying fund, we will not vote the securities of the underlying fund held directly by the Fund. Instead, in our sole discretion, we may arrange either for such securities to be voted by the beneficial unitholders of the Fund, or for the beneficial owners of the Fund to direct us with respect to the exercise of voting rights attached to securities of an underlying fund managed by Waypoint.

Fund details

Fund type	Canadian Balanced
Securities offered	Series A, Series A-T, Series F, Series F-T and Series I units of a trust
Start date	Series A: January 31, 2022 Series A-T: January 31, 2022 Series F: January 31, 2022 Series F-T: January 31, 2022 Series I: January 31, 2022
Registered plan eligibility	The units are expected to be qualified investments for registered plans
Management fees	Series A: 1.75% Series A-T: 1.75% Series F: 1.00% Series F-T: 1.00% Series I: negotiated with Manager
Performance fees	Series A, Series A-T, Series F and Series F-T: 15% of Net Profit over 4% above the High-water Mark Series I: negotiated with Manager (See the heading *Fees and Expenses Payable by the Fund – Performance Fees* for more details.)
Portfolio manager	Waypoint Investment Partners Inc.

What does the Fund invest in?

Investment objectives

The Fund's objective is to provide income and long-term capital appreciation by investing primarily in equity securities of companies in Canada and the U.S., and higher-yielding, income-oriented securities. The Fund will 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 300% of its NAV, measured on a daily basis.

The fundamental investment objective may only be changed with the approval of a majority of unitholders at a meeting called for that purpose.

Investment strategies

The Manager uses fundamental and macro analysis to select investments and reviews the values of the investments on an ongoing basis, paying particular attention to quality and diversification by geographic region, industry sector, size of issuer and credit rating.

The Manager uses a value-oriented approach to equity investments as a primary method for equity securities selection, searching for companies that it believes are able to maintain and grow cash flows and their distributions. In addition, the Manager will seek to invest in businesses offering superior long-term earnings growth and having a competitive advantage in the market in which it operates and quality management.

The Fund:

- invests the equity component of its portfolio primarily in Canadian securities, as well as U.S. securities including, but not limited to, dividend-paying common and preferred shares, convertible securities and income trust units,
- may invest a portion of the Fund's assets in non-Canadian securities; such investments will generally be less than 49% of the net assets of the Fund,
- may hold investments that are denominated in or have exposure to foreign currencies,
- invests the equity component of its portfolio in companies of all market capitalizations,
- invests the fixed income component of its portfolio by investing primarily in fixed and floating rate debt securities of primarily North American issuers, including high yield bonds, asset-backed securities (such as collateralized loan obligations) and senior loans.

  With respect to senior loans, we will invest in primary offerings of senior loans typically managed by one or more of the largest U.S and global commercial banks; we may buy and sell senior loan participations and/or assignments in transactions with fixed income trading departments of the largest

U.S. and global commercial banks, for which the settlement process may be facilitated by an established third-party electronic system.

Other floating rate debt instruments in which the Fund may invest include floating rate notes. Floating rate notes may be secured or unsecured and therefore may rank equally with or may be subordinated to the senior loans. Interest on the notes is paid and reset periodically, typically quarterly, on the basis of a base rate plus a margin or premium. The margin is determined by the credit quality of the issuer, the term to maturity of the floating rate note and the prevailing market conditions.

- may hold a portion of its assets in cash, government bonds, short-term debt or money market securities while seeking investment opportunities or for defensive purposes to reflect general market or economic conditions,
- may invest a portion of its net assets (generally no more than 40%) in securities of other investment funds or investment vehicles that may be managed by the Manager or an affiliate. The criteria used for selecting such securities are consistent with the criteria for selecting individual securities, as described elsewhere in the Fund's investment objectives and strategies,
- may borrow cash up to a maximum of 50% of the Fund's net asset value and use it to purchase securities on margin to enhance the returns of its investment portfolio and manage the risk of the Fund's investment portfolio. The Manager believes this is an effective strategy to achieve its investment objectives because it leverages the potential return of the long portfolio,
- may enter into securities lending transactions and may enter into repurchase and reverse repurchase transactions in order to earn additional income and manage its portfolio. For a further description of securities lending transactions, repurchase and reverse repurchase transactions, and the strategies to be used by the Fund to minimize the risks associated with these transactions, please see the discussion under "*Securities lending, repurchase and reverse repurchase transactions*" on page 12,
- may use derivatives such as options, forward contracts and swaps for hedging and non-hedging purposes. Such derivatives may be used to hedge against losses from changes in security prices, currency exchange rates, interest rates or the stock markets. Derivatives may also be used to obtain exposure to individual securities and markets instead of buying the securities directly, which is considered "non-hedging". If used for non-hedging purposes, the derivatives acquired will be consistent with the investment objectives of the Fund and the limits and restrictions under securities law. Specifically, the Fund may use an options overlay strategy to manage market volatility by purchasing and writing covered and uncovered put and call options on indices and individual equity positions, thus introducing an asset class that can be inversely correlated to the direction of equity markets. The premiums paid for these derivatives take into consideration the high dividend yields generated by the equity positions. Please see the discussion under "Derivatives" on page 6 for more details.

Under normal market conditions, the Manager expects to generally invest 60-85% of the assets in equities and 15-40% in fixed income securities, but that mix may change with market conditions.

What are the risks of investing in the Fund?

The Fund is an alternative mutual fund. This means it may invest in asset classes or use investment strategies that are not permitted for conventional mutual funds. The specific strategies that differentiate this Fund from conventional mutual funds include the increased use of derivatives for non-hedging purposes and the ability to borrow cash to use for investment purposes. While these strategies will be used in accordance with the Fund's investment objective and strategies, during certain market conditions they may accelerate the pace at which your investment decreases in value.

The Fund will be exposed to the following risks:

- Accuracy of public information
- Asset-backed and mortgage-backed securities
- Capital depletion (Series A-T and Series F-T)
- Changes in legislation

- Concentration
- Credit market distributions
- Credit and default
- Currency
- Cybersecurity
- Derivatives
- Equity securities
- Fees and expenses
- Floating rate loan liquidity
- Foreign investment
- Fund of fund
- General economic and market conditions
- General market disruptions
- Hedging
- High yield securities
- IBOR transition risk
- Income trusts
- Interest rates
- Lack of independent experts representing unitholders
- Large transactions
- Leverage
- Liquidity
- Longer-duration positions
- Multiple series
- Options trading
- Performance fee
- Prepayment
- Reinvestment
- Real estate-related products
- Securities lending, repurchase and reverse repurchase transactions
- Small to medium capitalization companies
- Special relationships with and material non-public information regarding specific companies
- Special situations investing
- Taxation of the Fund
- Turnover
- Use of a prime broker to hold assets
- Use of models

For a detailed description of these mutual fund risks, see the heading *What are the specific risks of investing in a mutual fund?*

Fund risk classification

We identify the investment risk level of the Fund as an additional guide to help you decide whether the Fund is right for you. The risk rating for the Fund is determined in accordance with the standardized risk classification methodology required by the Canadian securities regulators, which is based on the Fund's historical volatility as measured by the 10-year standard deviation of the returns of the Fund. It is important to note that the Fund's historical volatility may not be indicative of its future volatility.

As the Fund does not have a 10-year return history, we calculate the investment risk level by imputing the return history of one or more reference indices for the 10-year period.

We are using a blended benchmark of the following four reference indices for the Fund:

- 50.0% S&P/TSX Composite Dividend Index
- 25.0% Bloomberg Canada Aggregate Total Return Index Unhedged CAD
- 12.5% Bloomberg US Corporate High Yield Bond Index
- 12.5% S&P/ TSX Preferred Share Total Return Index

The following are descriptions of the reference indices used for the Fund since it has less than 10 years of performance history:

- S&P/TSX Composite Dividend Index: aims to provide a broad-based benchmark of Canadian dividend-paying stocks. The index includes all stocks in the S&P/TSX Composite with positive annual dividend yields as of the latest rebalancing of the S&P/TSX Composite;
- Bloomberg Canada Aggregate Total Return Index Unhedged CAD: measures the investment grade, Canadian dollar-denominated, fixed rate, taxable bond market;
- Bloomberg US Corporate High Yield Bond Index: measures the USD-denominated, high yield, fixed-rate corporate bond market. Securities are classified as high yield if the middle rating of Moody's, Fitch and S&P is Ba1/BB+/BB+ or below. Bonds from issuers with an emerging markets country of risk, based on Bloomberg EM country definition, are excluded;
- S&P/ TSX Preferred Share Total Return Index: designed to serve the investment community's need for an investable benchmark representing the Canadian preferred stock market. The index is comprised of preferred stocks trading on Toronto Stock Exchange that meet criteria relating to minimum size, liquidity, issuer rating, and exchange listing.

The investment risk rating for the Fund will be reviewed at least annually and immediately if there is any material change to the Fund.

The Fund may be suitable for you as an individual component within your entire portfolio, even if the Fund's risk rating is higher or lower than your personal risk tolerance level. When you choose investments, you should consider your whole portfolio, investment objectives, your time horizon and your personal risk tolerance level.

The standardized risk classification methodology that we use to identify the investment risk level of the Fund is available on request, at no cost, by calling us at 416- 960-7690 or by sending an email to funds@waypointinvestmentpartners.com.

In accordance with the methodology required by the Canadian securities regulators, the risk rating assigned to the Fund by the Manager is low-to-medium risk.

Who should invest in this Fund?

This Fund may be suitable for investors:

- with low to medium risk tolerance;
- who are planning to invest over the medium to long term;
- with respect to Series A, F and I units, are seeking income and long-term capital appreciation; and
- with respect to Series A-T and F-T units, are seeking monthly income with the possibility for long-term capital appreciation.

This Fund may not be appropriate for investors with a short-term investment horizon or who are not willing to accept periodic volatility.

The description of suitability in this section is of a general nature only, and may not be applicable to the circumstances of any particular investor.

Distribution policy

For each taxation year of the Fund, it will ensure 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 cash and will be automatically reinvested in additional units of the same series unless the unitholder's dealer advises the Manager that such distributions are to be paid in cash. 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, except in the case of a non-resident unitholder to the extent tax is required to be withheld in respect of the distribution. The tax treatment to unitholders of distributions is discussed under the heading *Income Tax Considerations for Investors* in this Simplified Prospectus.

In addition to the distributions described above, the Fund may from time to time pay additional distributions on its units, including without restriction in connection with a special distribution, distributions on account of reduced management fee arrangements with certain investors or in connection with returns of capital.

For Series A-T and F-T units, unitholders will receive a target monthly distribution of approximately 4% per annum. The target monthly distribution amount is calculated at the beginning of each taxation year as approximately 4% of the net asset value per Series A-T and Series F-T unit as at December 31 of the prior year. Throughout the year, such monthly distributions to unitholders will be a combination of net income and/or return of capital. The composition of the monthly distributions as among net income and return of capital will vary from month to month. Series A-T and Series F-T unit distributions, if any, are determined at the end of each month. All distributions paid on Series A-T and Series F-T units will be paid in cash unless the unitholder's dealer advises the Manager that such distributions are to be reinvested in additional units of the same series. The Manager reserves the right to adjust the distribution amount if deemed appropriate. There can be no assurance that Series A-T or Series F-T units will make any distributions in any particular month or months. Additional distributions of net income and distributions of net realized capital gains, if any are required, will be made annually in December.

A return of capital means the cash flow given back to you is generally money that you originally invested in the Fund, as opposed to the returns generated by the investment. Returns of capital do not necessarily reflect the Fund’s investment performance and should not be confused with “yield” or “income”. You should not draw any conclusions about the Fund’s investment performance from the amount of this distribution. Returns of capital will result in an encroachment upon your original capital and may result in the return to you of the entire amount of your original investment. A return of capital made to you is not immediately taxable, but will reduce the adjusted cost base (the “ACB”) of your units. Where net reductions to the ACB of your units would result in the ACB becoming a negative amount, such amount would be treated as a capital gain realized by you and the ACB of your units will then be nil.

Fund expenses indirectly borne by investors

No information is currently available for the Fund as it is a newly created fund.

SIMPLIFIED PROSPECTUS

Waypoint Alternative Yield Fund

You can find more information about the Fund in its Annual Information Form, Fund Facts, management reports of fund performance and financial statements. These documents are incorporated by reference into this document, which means that they legally form part of this document just as if they were printed as part of it.

For a free copy of these documents, call Waypoint Investment Partners Inc., the Manager of the Fund, at 416- 960-7690 or ask your investment advisor. These documents and other information about the Fund, such as information circulars and material contracts, are also available at our website at www.waypointinvestmentpartners.com, at our office at 1133 Yonge St, Suite 600, Toronto, ON M4T 2Y7. or at www.sedar.com.