

This Offering Memorandum is confidential. By their acceptance hereof, prospective investors agree that they will not transmit, reproduce or make available to anyone this Offering Memorandum or any information contained herein.

CONFIDENTIAL OFFERING MEMORANDUM

LAURIER PRIVATE EQUITY POOL

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Vancouver, BC V6E 3P3
Phone: (604) 558-6822; Email: admin@willoughbyasset.com

January 7, 2021

Securities Offered:	An unlimited number of trust units (each, a “Unit” and together, the “Units”) of the Fund designated as either Class A or Class F (each, a “Class”). Each Class of Units shall have the attributes and characteristics as set out in Item 1.1 “Description of Units”.
Price Per Security:	The subscription price for the Units is based upon the applicable Net Asset Value of the Units. See Item 5.3 “Valuation Procedures”.
Minimum Subscription Amount:	The minimum initial subscription amount for the Units is \$500 (or such lesser amount as Willoughby Asset Management Inc. (“Willoughby” or the “Manager”), in its sole discretion, may accept). See Item 1.2 “Subscription Procedure”.
Payment Terms:	The subscription price is payable upon subscription, by electronic funds transfer via the FundSERV network (www.fundserv.com) or other means satisfactory to the Manager. No financing of the subscription price will be provided.
Closing Date(s):	Units are being offered on a continuous basis. Closings of the sale of Units offered hereunder will take place quarterly, on the last Business Day of each calendar quarter in which subscriptions are received.
Redemption Rights:	Units are generally redeemable on the last Business Day of any calendar quarter by following certain procedures. See Item 5.2 “Redemption Procedure”.
Tax Consequences:	There are important tax consequences to these securities. See Item 6 “Income Tax Consequences and RRSP Eligibility”.
Selling Agent:	Harbourfront Wealth Management Inc. (“Harbourfront”).

The above information is a summary only and is qualified in its entirety by the more detailed information appearing elsewhere in this Offering Memorandum. Capitalized terms used and not otherwise defined herein have the meanings set out in the Glossary of Terms.

Units are being offered only to qualifying investors in the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, the Yukon, and Northwest Territories pursuant to exemptions from the prospectus requirements contained in the securities legislation of those provinces and only by persons permitted to sell these securities.

This Offering Memorandum is not, and under no circumstances is it to be construed or relied upon as, an “offering memorandum” under applicable Canadian securities legislation, or as a prospectus, advertisement or public offering of the securities referred to herein. No securities commission or similar authority in Canada or in any other jurisdiction has reviewed this Offering Memorandum or in any way passed upon the merits of the securities offered hereunder and any representation to the contrary is an offence.

The so-called “Offering Memorandum Exemption” is not being relied on and investors do not have the benefit of certain additional protections that applicable securities laws give to investors when an issuer relies on the Offering Memorandum Exemption. This Offering Memorandum is not in the form prescribed by NI 45-106 and accordingly, investors may not rely on this Offering Memorandum to acquire Units under Section 2.9 of NI 45-106.

This Offering Memorandum is intended for use by investors solely for informational purposes in connection with the consideration of the purchase of Units. Prospective investors are encouraged to consult with their own professional advisers as to the tax and legal consequences of investing in the Fund.

FORWARD-LOOKING INFORMATION

This Offering Memorandum includes “forward-looking information” with respect to the Fund for the purposes of applicable securities legislation. Forward-looking information can be identified by the expressions “anticipate”, “continue”, “believe”, “estimate”, “expect”, “may”, “will”, “intend” and similar statements reflecting the intended course of conduct and future operations of the Fund. These statements are not historical facts but reflect the Manager’s current expectations regarding future results or events based on assumptions made by the Manager about the success of the Fund’s investment strategies in certain market conditions. These assumptions are made in reliance on the experience of the Manager’s officers and employees and their knowledge of historical economic and market trends. Although the Manager believes that the assumptions made and the expectations presented by such forward- looking statements are reasonable, there can be no assurance that the forward-looking statements will prove to be accurate.

Investors are cautioned that the assumptions made and the success of the Fund’s investment strategies are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations. These risks and uncertainties include, but are not limited to, regulatory decisions, changes in the global economy, general economic and business conditions, existing governmental regulations, supply, demand and other market factors including those set out under Item 8 “*Risk Factors*”. The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. Forward-looking statements are made as of the date hereof, or such other date specified in such statements, and neither the Manager, nor any other person assumes any obligation to update or revise such forward-looking statements to reflect new information, events or circumstances, except as required by law.

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GLOSSARY OF TERMS

The following terms have the following meaning throughout this Offering Memorandum:

Administrator	National Bank Financial Inc., through its National Bank Independent Network division (“ NBF Inc. ”), which provides fund accounting, registry and transfer agency, administrative and trust accounting services under the Fund Accounting and Shareholder Record-Keeping Agreement;
Business Day	means a day the Toronto Stock Exchange is open for business;
Custodial Agreement	Custody and Securities Services Agreement entered into on December 29, 2017, as amended, between NBF Inc. and the Manager, whereby NBF Inc. will provide asset custodian services to the Fund;
Custodian	NBF Inc., which acts as the custodian of and provides asset custodian services to the Fund pursuant to the Custodial Agreement;
Fund Accounting and Shareholder Record-Keeping Agreement	agreement entered into May 20, 2015, as amended, between NBF Inc. and the Manager whereby NBF Inc. will provide accounting, valuation, registry, transfer agency, administrative and trust accounting services to the Fund;
IIROC	Investment Industry Regulatory Organization of Canada;
Investment Management Agreement	agreement entered into on January 7, 2021, between Harbourfront and the Manager, on behalf of the Fund, whereby Harbourfront will provide investment management services to the Fund;
Management Fee	the fee payable to the Manager equal to 1.00% per annum of the Net Asset Value of the Fund in respect of the Class F Units and 2.38% per annum of the Net Asset Value of the Fund in respect of the Class A Units, payable quarterly in arrears;
Net Asset Value	on a Valuation Day, the net value of the assets of the Fund on such Valuation Day, determined in accordance with the Trust Agreement;
Net Asset Value per Unit	on a Valuation Day, in respect of each Class of Units, the quotient obtained by dividing the Net Asset Value of such Class of Units on such Valuation Day by the total number of Units then outstanding in such Class;
Performance Fee	the fee payable to the Manager, equal to 20% of the amount by which the current year-end Class Net Asset Value per Unit exceeds the prior all time year-end high Class Net Asset Value per Unit plus 5.00% after any adjustments for unit distributions;
Prime Broker	NBF Inc., which provides trade execution, trade settlement and brokerage services pursuant to the Services Agreement;
Services Agreement	agreement entered into on May 20, 2015, as amended, between NBF Inc. and the Manager, setting out the terms and conditions of their relationship generally, as well as specifically in relation to NBF Inc.’s trading services whereby NBF Inc. shall execute, clear and settle trades in accordance with the instructions of the Fund’s appointed portfolio manager;
Subscription Agreement	a subscription agreement to subscribe for Units in the form (or forms if there is more than one) as the Manager may prescribe from time to time;
Tax Act	<i>Income Tax Act</i> (Canada), R.S.C. 1985 (5th Supp.) c.1, as amended from time to time;
Trust Agreement	Declaration of Trust dated January 7, 2021 between the Trustee and the Manager creating the Fund;
Trustee	Computershare Trust Company of Canada, a federal trust company organized under the <i>Trust and Loan Companies Act</i> (Canada), the trustee of the Fund named under the Trust Agreement;
Unitholders	those investors whose subscriptions to purchase Units are accepted by the Fund and thereafter at any particular time the persons entered in the register or registers of the Fund as holders of Units and the singular form means one such registered holder; and
Valuation Day	the last Business Day of each calendar quarter, or any other day on which the Manager determines valuation is necessary.

ITEM 1. THE OFFERING

1.1 Description of Units

The beneficial interest in the Fund is divided into interests of multiple Classes, each referred to as Units. Each Unit within a particular Class will be of equal value, however the value of a Unit in one Class may differ from the value of a Unit in another Class. Each Class and its Units and fractions thereof will be issued only as fully paid and non-assessable. There is no limit to the number of Units or the number of Classes of Units that may be issued, subject to any determination to the contrary made by the Manager. No Class of Units or fraction thereof shall have any rights, preferences or priorities over any other Class of Units, except in respect of voting rights

An unlimited number of Class A and Class F Units are being offered on a continuous basis to qualifying investors in the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, the Yukon, and Northwest Territories pursuant to exemptions from the prospectus requirements contained in the securities legislation of those provinces. Closings of the sale of Units offered hereunder take place quarterly, on the last Business Day of each calendar quarter. See Item 1.2 “*Subscription Procedure*”.

The subscription price for the Units is based upon the applicable Net Asset Value of the Units. The Net Asset Value per Unit for subscriptions which are received and accepted by the Manager before the close of business on a Valuation Day are calculated as of that Valuation Day. The Net Asset Value per Unit for subscriptions received and accepted after such time are calculated on the next following Valuation Day. See Item 5.3 “*Valuation Procedures*”.

The Trust Agreement is the constating document of the Fund and describes the terms and conditions respecting the issuance and redemption of Units, investment and valuation of the Fund’s assets, determination and distribution of gains, management and administration of the Fund, duties of the Manager and Trustee, meetings of Unitholders and how the Trust Agreement can be terminated or amended. See Item 2.4 “*Material Agreements – Trust Agreement*”.

Each Unitholder is entitled to one vote for each whole Unit held. No holder of a fraction of a Unit, as such, is entitled to notice of, or to attend or to vote at, meetings of Unitholders. A holder of a Unit of one Class is not permitted to notice of, or to attend or vote at, meetings of Unitholders of another Class.

No certificates evidencing the ownership of Units will be issued unless requested in writing by the Unitholder.

The Fund distributes its net income for tax purposes and net realized capital gains (less capital losses) so that the Fund is not liable in any year for income tax. Such distributions, if any, will be declared on a date determined by the Manager, and will be reinvested in additional Units of the same Class of the Fund held by the investor, unless the Unitholder gives written notice to the Manager in advance that the Unitholder wants to receive its distributions in cash.

Units may generally be redeemed on the last Business Day of any calendar quarter, subject to certain limitations and restrictions. Redemption amounts will be paid out within five Business Days of the redemption settlement date and may be subject to an early redemption fee. See Item 5.2 “*Redemption Procedure*”.

1.2 Subscription Procedure

Investors may purchase Units of the Fund only through Harbourfront, the exclusive selling agent of the Fund. Harbourfront will process orders on behalf of the Manager or its designate at its principal office via electronic communication facilities without charge to the investor on the day on which investor orders are placed.

The Class F Units are available for sale to retail investors through Harbourfront, and purchasers of Class F Units pay fees to Harbourfront in respect of holdings of Class F Units, such fees to be based on the fee agreements in place between Harbourfront and the purchasers. The assets of the Fund represented by the Class F Units are subject to operating costs, administrative expenses and the Management Fee and Performance Fee.

The Manager pays part of the Management Fee (2.38%) charged to the Fund in respect of the Class A Units to Harbourfront, as selling agent, in the form of an ongoing service fee known as a “trailing commission”. Service fees are

calculated based on the aggregate value of the clients' investments in Class A Units of the Fund on each Valuation Day equal to 1% per annum of the Net Asset Value of the Class A Units held by the clients on such Valuation Day, paid quarterly in arrears. No service fees are payable in respect of the Class F Units. See Item 7 "*Fees and Expenses*".

The minimum initial investment in the Fund for either Class A or Class F Units is \$500 (or such lesser amount as the Manager, in its sole discretion, may accept). This \$500 may be spread across different accounts. The Manager may in its discretion waive the minimum investment amount, accept investments in other minimum amounts permitted under applicable securities laws, or require higher minimum investment amounts.

Each prospective and qualified investor who desires to subscribe for Units must:

- (a) complete and sign a Subscription Agreement in the form accompanying this Offering Memorandum, specifying the aggregate subscription amount and the Class of Units being subscribed for; and
- (b) deliver to the Manager or its designate, in trust, an electronic funds transfer via the FundSERV network for the subscription price payable for the Units subscribed for (or other means satisfactory to the Manager).

Subscriptions will be received subject to prior sale and acceptance of the investor's subscription, in whole or in part (subject to compliance with applicable securities laws), by the Manager on behalf of the Fund.

All subscriptions for Units are made through the purchase of interim subscription units at a fixed net asset value per Unit of \$10. Following the calculation of the Net Asset Value of each Class of Units, the interim subscription units are automatically switched into the appropriate number of Units of the applicable Class as per each Unitholder's subscription received. The number of Units of the applicable Class are the net subscription proceeds divided by the Class Net Asset Value per Unit of that Class determined as at the Valuation Day in which the subscription was received and accepted by the Manager. Consequently, the initial purchase confirmation will confirm purchase of the interim subscription units while a subsequent confirmation will confirm purchase of the final Units purchased by the Unitholder. The number of interim subscription units will be different from the final number of Units purchased.

The subscription price is payable by the investor upon subscription, by electronic funds transfer via the FundSERV network or other means satisfactory to the Manager. No financing of the subscription price will be provided by the Manager.

The subscription amounts, Subscription Agreements and other documents will be held in trust by the Manager and released upon closing.

All subscription documents should be reviewed by prospective subscribers and their professional advisors prior to subscribing for Units.

Qualified Investors

The Manager is offering for sale an unlimited number of Class A and Class F Units on a continuous basis to qualifying investors in the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, the Yukon, and Northwest Territories pursuant to the exemptions from the prospectus requirements afforded by Sections 2.3 of NI 45-106. This Offering Memorandum is not in the form prescribed by NI 45-106 and accordingly, investors may not rely on this Offering Memorandum to acquire Units under Section 2.9 of NI 45-106.

The exemption pursuant to Section 2.3 of NI 45-106 is available for distributions to investors purchasing as principal and who are "accredited investors" as defined in NI 45-106.

The foregoing exemptions relieve the Fund from the provisions of the applicable securities laws of each of the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, the Yukon, and Northwest Territories, which otherwise would require the Fund to file and obtain a receipt for a prospectus. Accordingly, prospective investors for Units will not receive the benefits associated with a subscription for securities issued pursuant to a filed prospectus, including the review of material

by securities regulatory authorities.

Acceptance of Subscriptions

Subscriptions received are subject to rejection or allotment in whole or in part by the Manager on behalf of the Fund within five days of their receipt by the Manager or its designate. The Manager reserves the right to close the subscription books at any time without notice. Confirmation of the acceptance of a subscription will be forwarded by the Manager to the investor. The Manager is not obligated to accept any subscriptions and will reject any subscription which the Manager considers to be not in compliance with applicable securities laws and regulations. If any subscription is rejected, the Manager will return to the investor within five days after making the decision to reject the subscription, the Subscription Agreement, any other documentation delivered by the investor, and the subscription funds comprising such subscription.

Subject to the statutory rights of action, and a two day right of withdrawal for certain investors provided for herein, and subject to applicable securities laws, the investor's subscription may not be withdrawn, cancelled, terminated or revoked by the investor for a period of five days from the date of receipt of the subscription by the Manager, unless previously accepted by the Manager.

Units of the Fund will be issued to an investor if a Subscription Agreement substantially in the form prescribed by the Manager from time to time is received by the Fund and accepted by the Manager and if payment of the subscription price is made via the FundSERV network or other means satisfactory to the Manager.

An investor who subscribes for Units by executing and delivering a Subscription Agreement will become a Unitholder after the Manager accepts such subscription and the Fund has received the subscription price.

Additional Investments

Additional investments in the Fund are generally permitted without a Unitholder having to complete a further Subscription Agreement, provided that the Unitholder's initial investment was equal to a minimum of \$150,000, the additional investment is for the same Class as the initial investment and the Unitholder, as at the date of the additional investment, holds securities of the Fund that have an acquisition cost of not less than \$150,000 or a net asset value of not less than \$150,000 (the "**Additional Investment Conditions**"). Subsequent purchases on this basis must be at least \$5,000 or such other amount determined by the Manager at any time, in its discretion.

If a Unitholder wishes to make an additional investment in the Fund but does not meet the Additional Investment Conditions, then the Unitholder must complete a further Subscription Agreement.

No certificates evidencing ownership of the Units will be issued to a Unitholder unless requested in writing by the Unitholder. Following each purchase or redemption of Units, Unitholders will receive a written confirmation from the Administrator indicating details of the transaction including the Class, number and dollar value of the Units purchased or redeemed, the Net Asset Value per Unit and the Class, number and dollar value of Units held by the Unitholder following such purchase or redemption.

Trading and Resale Restrictions

Units are being offered only on a private placement basis to investors who are eligible to purchase on an exempt basis under, and subject to compliance with, applicable securities laws. **There is no market for the Units. The transferability of the Units is subject to resale restrictions under applicable securities laws.**

The Fund is entitled to require and may require, as a condition of allowing any transfer of any Unit, the transferor or transferee, at their expense, to furnish to the Fund evidence satisfactory to it in form and substance (which may include an opinion of counsel satisfactory to the Fund) in order to establish that such transfer will not constitute a violation of the securities laws of any jurisdiction whose securities laws are applicable thereto.

The Fund is not a reporting issuer in any of the provinces or territories of Canada and does not intend to become reporting in any province or territory of Canada. The Units are subject to an indefinite hold period. Notwithstanding such indefinite

hold period, and subject to approval by the Fund as referred to above, investors may be able to transfer between certain Classes of Units and to transfer Units to another person pursuant to another exemption from the prospectus requirements of applicable securities laws, or pursuant to an order permitting such trade granted by applicable securities regulatory authorities. This matter should be discussed with the Manager. See Item 5.1 “*Transfer Between Classes of Units*”. Units may also be redeemed on the last Business Day of each calendar quarter. See Item 5.2 “*Redemption Procedure*”.

1.3 Proceeds

There is no minimum or maximum number of Units that will be sold as part of the offering. The Fund sells Units on a continuous basis, with closings of the offering occurring on the last Business Day of each calendar quarter in which subscriptions are received, and at such other times as the Manager may determine. It is not possible to determine accurately what proceeds will be available as a result of the offering because the subscription price will vary depending on what the Net Asset Value per Unit of each Class of the Fund is at the time each Unit is purchased. The Management Fees and the Performance Fees are payable out of the net assets of the Fund.

All expenses incurred in organizing the Fund, including setup fees related to the Fund’s service providers, and all expenses incurred in connection with the offering are borne by the Manager out of its own funds, and repaid to the Manager by the Fund over a two-year period. The Manager will also pay, out of its own funds, for all expenses associated with the identification and management of the Fund’s investments. Ongoing expenses of the Fund, such as legal, custodian, audit, transfer, accounting, valuation and record-keeping fees, and any other administration or direct expenses such as trading commissions, are borne by the Fund. See Item 7 “*Fees and Expenses*”.

1.4 Use of Proceeds

The Fund will use the net proceeds from the sale of Units to invest in securities and financial instruments pursuant to the Fund’s investment objectives and strategies, policies and restrictions. Specifically, the Fund will invest primarily in third party investment funds that hold a diverse portfolio of actively managed private equity, private debt and real estate-related private equity investments based in Canada and/or the United States. Pending such investment, the subscription proceeds will be invested in cash and money market investments. The Manager will use commercially reasonable efforts to make suitable investments of the subscription proceeds as soon as possible following each closing. Securities will be purchased on a basis consistent with the Fund’s investment policies and restrictions set forth in Item 2.2 “*Investment Objectives and Strategies*”.

ITEM 2. THE FUND

2.1 Structure

The Fund is an unincorporated, open-ended investment trust formed under the laws of the Province of British Columbia and is governed by a Declaration of Trust dated January 7, 2021 (the “**Trust Agreement**”).

The Fund is managed by Willoughby. Harbourfront, an affiliate of Willoughby, is a portfolio adviser and the exclusive selling agent of the Fund. Harbourfront is an independent investment dealer founded in 2013. Willoughby and Harbourfront are wholly-owned by an employee group through Harbourfront Wealth Holdings Inc. (“**HFW Holdings**”). See Item 8 “*Risk Factors - Relationship Between the Fund, the Manager and Affiliates of the Manager and Potential Conflicts of Interest*”.

Computershare Trust Company of Canada is the Trustee of the Fund. The Trustee has no responsibility for investment management of the securities or other property of the Fund or for any investment decisions. See Item 2.4 “*Material Agreements – Trust Agreement*”.

Beneficial interests in the Fund are divided into Units of multiple classes. There is no limit to the number of Units or the number of classes of Units that may be issued, subject to any determination to the contrary made by the Manager. Each Unit within a particular class will be of equal value, however, the value of a Unit of one class may differ from the value of a Unit in another class. There are currently two classes of Units being offered for sale by the Fund pursuant to this Offering Memorandum: Class A and Class F. The attributes and characteristics of each class of Unit are described under Item 1.1 “*Description of Units*”. In addition to the Units described in this Offering Memorandum, the Fund may

create additional classes of Units with such attributes and characteristics as the Manager may determine, and which may be offered for sale to such persons as the Manager may determine.

The Manager intends to qualify the Fund as a “mutual fund trust” for purpose of the Tax Act. Accordingly, Units will be qualified investments under the Tax Act for registered retirement savings plans (“RRSPs”), registered retirement income funds (“RRIFs”), tax-free savings accounts (“TFSA”), registered education savings plans, registered disability savings plans and deferred profit plans (each a “Registered Plan” and, collectively, “Registered Plans”). See Item 6.3 “Eligibility for Registered Tax Plans”.

The current head office and principal business address of the Fund, the Manager and Harbourfront is Suite 1800, 1055 West Georgia St., PO Box 11118, Vancouver BC V6E 3P3. The fiscal year end of the Fund is December 31, and the taxation year end is December 31 in each year.

2.2 Investment Objectives and Strategies

Investment Objectives

The investment objective of the Fund is to achieve long-term capital growth with low volatility, by investing in a diversified portfolio of private investments, primarily through investments in alternative investment funds but including direct investments in private companies, in each case based primarily in Canada and/or the United States.

As it is intended that the Fund will have low correlation to publicly traded securities, investors may use the Fund as a means to diversify their total portfolio holdings.

Investment Strategies

To achieve the Fund’s investment objectives, the Fund will adopt a fund-of-funds strategy and seek to invest primarily in a portfolio of selected third party pooled investment funds (“Portfolio Funds”) managed by experienced alternative investment fund managers that have strong track records and financial interests that are closely aligned with those of their investors. The Fund will diversify its investments by developing a portfolio that includes Portfolio Funds focused on a variety of industries and regions and at various stages of their portfolio companies’ business life cycle. The portfolio will not be subject to geographical or industry sector restrictions. However, it is intended that the Fund will invest primarily in Portfolio Funds holding investments in companies and assets based in Canada and/or the United States. To further support liquidity, the Fund may also invest in other non-equity related investments that the Manager deems suitable.

Specifically, the Fund will invest primarily in Portfolio Funds (such as, private equity funds, REITs, infrastructure funds and other private debt funds the Manager deems suitable) that in turn will employ various strategies including, but not limited to, venture capital, leveraged buy-out, evergreen partnerships, mezzanine lending, and direct investments in private companies. Further features and strategies of these types of products include the following:

Private Equity

- Primary funds: Typically consist of newly formed 10-year pools of capital that make investments in 5 to 15 different companies. Typically make their investments during the initial 5-year period after inception, and hold each investment for 3 to 5 years, with all investments expected to be realized during the 10-year life of the fund. Since the underlying portfolio of companies is not constructed until after the decision is made to invest in the fund, a decision by the Fund to invest in a primary fund is based primarily on evaluating its manager’s experience, strategy, and expected capability to develop a portfolio of successful investments over time.
- Direct Investments: Investments made directly in individual private companies, which have the potential to deliver high returns on exits.

Private Debt

Portfolio Funds that invest in private debt may employ strategies such as asset-based lending (“ABL”), and mezzanine lending. The ABL investments of a private debt Portfolio Fund may have varying terms with respect to collateralization,

seniority or subordination, purchase price, convertibility, interest terms, and maturity.

The collateral that a private debt Portfolio Fund may take as security includes, but is not limited to common or preferred stock, warrants to purchase common stock or other equity interests, real estate/property, contracts, purchase orders, inventory, commodities, machinery and equipment, accounts receivable, or consumer finance transactions.

Mezzanine financing, as a hybrid of debt and equity financing gives the lender the right to convert to an equity interest in the company in case of default. As such, mezzanine financing may have embedded equity instruments attached, often known as warrants, which increase the value of the subordinated debt and allow greater flexibility when dealing with bondholders.

Private Real Estate

Portfolio Funds employing a private real estate investment strategy may pursue a variety of revenue-producing real estate investment and development strategies when making investments, including core, core-plus, value added, or opportunistic strategies.

- **Core:** This is an unleveraged, low-risk/low-potential return strategy with predictable cash flows. The fund will generally invest in stable, multi-tenant properties within strong, diversified metropolitan areas.
- **Core Plus:** This is a moderate-risk/moderate-return strategy. The fund will generally invest in core properties; however, some of these properties will require some form of enhancement or value-added element.
- **Value Added:** This is a medium-to-high-risk/medium-to-high-return strategy. It involves buying a property, improving it in some way, and selling it at an opportune time for gain. Properties are considered value added when they exhibit management or operational problems, require physical improvement, and/or suffer from capital constraints.
- **Opportunistic:** This is a high-risk/high-return strategy. The properties will require a high degree of enhancement. This strategy may also involve investments in development, raw land, mortgage notes, and niche property sectors. Investments are tactical.

From time to time, the Fund may also invest in publicly traded securities including equities, bonds, debentures, treasury bills, ETFs, and other mutual funds holding publicly traded securities, if the Manager determines such investments are appropriate and consistent with the Fund's investment policies and restrictions set forth below under the heading "*Investment Policies and Restrictions*". Investments in publicly traded securities are not restricted by market sector, market capitalization or liquidity.

Suitability

Private investments are typically not accessible to individual and smaller institutional investors because of high minimum investment thresholds or other restrictions that favour very large institutional investors. The Manager believes that investing in private equity will continue to offer the potential for attractive long-term total returns and provides risk reduction through diversification.

The Fund is suitable for investors looking for long-term capital growth and/or investors looking for diversification from publicly traded equity markets, with less of a focus on short term liquidity. The Fund is suitable for investors with a minimum of a "moderate" appetite for risk in their overall portfolio.

Investment Policies and Restrictions

The Fund will not have minimum or maximum asset allocation weightings and there is no requirement to be fully invested. As a result, the Fund may at various times hold 100% of its capital, directly or indirectly, in any of private debt, private real estate, and private equity assets, public equities, real estate investment trusts ("**REITs**"), cash, gold, bonds, commodities or ETFs and third party managed funds representing these or other exposures.

Capital held by the Fund pending investment in private equity investments is invested in liquid investments with the overall

objectives of liquidity, capital preservation and an appropriate return.

The Manager intends to adhere to the following investment policies and restrictions in implementing the investment objectives and strategies of the Fund:

- At a minimum, 90% of the Fund's Portfolio Funds will have quarterly or more frequent valuation periods.
- If the Fund is fully invested in private companies, it will hold a minimum of 12 positions and the equity positions of no single entity will exceed 20% of the Fund's capital at any time.
- If the Fund is fully invested in public equities, it will hold a minimum of 12 positions, and the equity securities of no single corporation shall exceed 10% of the Fund's capital at any time.
- The Fund's investment in public equity securities and ETFs is restricted to only those securities listed on the Toronto, New York, NYSE MKT LLC and NASDAQ stock exchanges. Investments in equity securities and ETFs is not restricted by market sector, market capitalization or liquidity.
- Under the Fund's cash management policy, the Fund may also invest in liquid investments which are expected to generate returns that are substantially lower than the returns the Fund anticipates receiving from private equity Portfolio Funds. There may also be a high degree of variability between the returns generated by different types of liquid investments.

2.3 Service Providers

Manager

Willoughby, the Manager, is a corporation incorporated under the *Business Corporations Act* (British Columbia) on October 20, 2014 and organized under the laws of British Columbia, with offices in Vancouver, B.C. Willoughby is registered as an investment fund manager in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Newfoundland and Labrador, and the Yukon and is the promoter of the Fund.

The rights, duties and obligations of the Manager relating to the investment management and administration of the Fund are set out in the Trust Agreement. Under the terms of the Trust Agreement, Willoughby, as Manager, manages or arranges for the management of the overall undertaking of the Fund, including with respect to such matters as administration services and fund accounting, determination of the investment policy for the Fund from time to time and the provision of investment analysis, advice and recommendations. It is the responsibility of the Manager to ensure that all investments of the assets of the Fund are made in such a way as to comply with the Fund's investment policies, practices and objectives and investment restrictions.

The Manager is entitled to the Management Fee and the Performance Fee. See Item 7: "*Fees and Expenses*".

Portfolio Advisers

As at the date of this Offering Memorandum, the Manager has engaged Harbourfront as its portfolio adviser, and may engage other portfolio advisers from time to time. As portfolio advisers, they manage the investment portfolio of the Fund on a discretionary basis, consistent with the Fund's fundamental investment objectives and in compliance with the Fund's investment policies and restrictions.

Harbourfront is an IIROC member securities dealer in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia, New Brunswick, Prince Edward Island, Newfoundland and Labrador, the Yukon, and Northwest Territories. Certain principals of Harbourfront are the same as those of the Manager. See Item 8 "*Risk Factors - Relationship Between the Fund, the Manager and Affiliates of the Manager and Potential Conflicts of Interest*".

As portfolio adviser, Harbourfront receives compensation of 10% of Management Fees charged to the Fund, calculated and paid in arrears on a quarterly basis. The Manager pays such compensation to Harbourfront out of its Management Fee. See Item 7: "*Fees and Expenses*".

Selling Agent

Harbourfront is the exclusive selling agent for the Fund. Investors may purchase Units of the Fund only through Harbourfront.

The Manager will pay part of the Management Fee (2.38%) charged to the Fund in respect of the Class A Units to Harbourfront, as selling agent, in the form of an ongoing service fee known as a “trailing commission”. See Item 7 “*Fees and Expenses*”.

Purchasers of Class A Units may pay a sales charge of up to 2% of the amount purchased directly to Harbourfront.

Purchasers of Class F Units are required to pay fees to Harbourfront in respect of holdings of Class F Units and such fees may reduce the amount invested in the Units. **Fees paid will vary based on fee account agreements in place between Harbourfront and the purchasers.**

Certain principals of Harbourfront are the same as those of the Manager. See Item 8 “*Risk Factors – Relationship Between the Fund, the Manager and Affiliates of the Manager and Potential Conflicts of Interest*”.

Administrator, Custodian and Prime Broker

NBF Inc. is the Administrator of the Fund. As Administrator, NBF Inc. processes all the purchases and redemptions of the Units, keeps a register of all Unitholders, conducts the valuation of the Fund on each Valuation Day and issues investor statements and annual tax slips to Unitholders. In consideration of the bookkeeping, record-keeping and valuation services provided by the Administrator under the Fund Accounting and Shareholder Record-Keeping Agreement the Fund pays the Administrator a monthly fee and certain additional periodic fees as set forth in the Fund Accounting and Shareholder Record-Keeping Agreement.

NBF Inc. is also the Custodian of the Fund. As Custodian, NBF Inc. holds the Fund’s cash and investments in safekeeping on behalf of the Fund. In consideration of the custodial services provided by the Custodian under the Custodial Agreement, the Fund pays the Custodian a monthly custodial fee.

NBF Inc. is also the Fund’s Prime Broker for trade execution, trade settlement, and brokerage services in respect of the Fund’s portfolio investments. In consideration of the brokerage services provided by the Prime Broker under the Services Agreement, the Fund pays NBF Inc. fees and commissions on a per-transaction basis as set forth in the Services Agreement.

Auditor

KPMG LLP is the auditor of the Fund. As auditor, KPMG LLP provides assurance that the Fund’s annual financial statements present fairly, in all material respects, its financial position and results of operations in accordance with Canadian generally accepted accounting principles.

2.4 Material Agreements

The following is a list of agreements which are material to this offering and to the Fund, all of which are in effect:

- (a) the Trust Agreement as described below and as described further in Item 1.1 “*Description of Units*”;
- (b) the Services Agreement as described below;
- (c) the Custodial Agreement as described below;
- (e) the Fund Accounting and Shareholder Record-Keeping Agreement as described below; and
- (f) the Investment Management Agreement as described below.

Copies of these agreements may be inspected during normal business hours at the office of the Manager, Suite 1800, 1055 West Georgia St, Vancouver, British Columbia.

Trust Agreement

The Trust Agreement dated January 7, 2021, is the constating document of the Fund and describes the terms and conditions respecting the issuance and redemption of Units, investment and valuation of the Fund's assets, determination and distribution of gains, management and administration of the Fund, duties of the Manager and Trustee, meetings of Unitholders and how the Trust Agreement can be terminated or amended.

Matters related to the Trust Agreement are summarized elsewhere in this Offering Memorandum. See in particular the disclosure under Item 1.1 "*Description of Units*".

The following is a summary only of certain additional material provisions of the Trust Agreement not disclosed elsewhere in this Offering Memorandum and does not purport to be complete.

- *Head Office.* The head office and the principal office of the administration of the Fund is in Vancouver, British Columbia at the address of the Manager or at such other location as designated by the Manager.
- *Consolidation or Subdivision of Units.* Units may be consolidated or subdivided by the Manager upon the Manager giving at least 21 days' prior written notice to the Trustee and to each Unitholder of its determination to do so.
- *Powers and Duties of the Manager.* The Trust Agreement grants the Manager exclusive power to manage and direct the investment of the assets of the Fund and the powers necessary to perform its duties. The Trustee has no responsibility for investment management of the securities or other property of the Fund or for any investment decisions.
- *Removal of Trustee.* The Trustee may be removed by the Manager at any time by notice to the Trustee not less than 60 days prior to the date that such removal is to take effect provided a successor trustee is appointed or the Fund is terminated.
- *Status of Unitholders.* The ownership of all property of the Fund of every description and the rights to conduct the affairs of the Fund are vested exclusively in the Trustee and the Manager and the Unitholders have no interest other than their beneficial interest in the Fund.
- *Liability of Unitholders.* No Unitholder will be held to have any personal liability as such for any obligation or claim arising out of or in connection with any contract or obligation of the Fund, the Manager or the Trustee.
- *Unitholder Meetings.* The Manager will, upon the written request of Unitholders of a Class holding not less than 50% of the outstanding Units of that Class, call a meeting of Unitholders of that Class. A holder of a Unit of one Class shall not be permitted to receive notice of, or to attend or vote at, meetings of Unitholders of another Class.
- *Termination of Fund.* The Manager may at any time terminate and dissolve the Fund by giving to the Trustee and each then Unitholder written notice of its intention to terminate at least 90 days before the date on which the Fund is to be terminated.
- *Amendment of Trust Agreement.* Any provision of the Trust Agreement may be amended, deleted, expanded or varied with the consent of the Unitholders (in connection with certain purposes described in the Trust Agreement), together with the consent of the Trustee if any change restricts any protection provided to the Trustee or increases the responsibilities of the Trustee thereunder. Subject to certain exceptions, any provision of the Trust Agreement may be amended, deleted, expanded or varied by the Manager, with the approval of the Trustee, if the amendment is, in the opinion of counsel to the Manager, not a material change and does not adversely affect the pecuniary value of the interest of any Unitholders of the Fund or restrict any protection provided to the Trustee or increase the responsibilities of the Trustee thereunder.

Services Agreement

The Manager entered into the Services Agreement with NBF Inc. on May 20, 2015, as amended pursuant to which NBF Inc., on a fee for service basis, provides trade execution, settlement and allocation services for the Fund. Either party may terminate the Services Agreement at any time subject to prior written notice of 30 days provided that all debts between parties are fully settled.

Custodial Agreement

The Manager entered into the Custodial Agreement with NBF Inc. on December 29, 2017, as amended, pursuant to which NBF Inc. provides custodial services to the Fund for a monthly custodial fee. Either party may terminate the Custodial Agreement at any time subject to prior written notice of 30 days.

Fund Accounting and Shareholder Record-Keeping Agreement

The Manager entered into the Fund Accounting and Shareholder Record-Keeping Agreement with NBF Inc. on May 20, 2015, as amended, pursuant to which NBF Inc. performs fund accounting, valuation, registry, transfer agency, administrative and trust accounting services for monthly and other periodic fees as registrar and Administrator of the Fund. Either party may terminate the Agreement at any time subject to prior written notice of 90 days.

Investment Management Agreement

The Manager entered into an Investment Management Agreement with Harbourfront, an affiliate of the Manager, on January 7, 2021 pursuant to which Harbourfront manages the investment of the account for a quarterly fee. Either party may terminate this agreement at any time on 30 days prior written notice.

ITEM 3.MANAGEMENT TEAM

The senior management of the Manager have a broad background of investment and capital market experience which is brought to bear on the activities undertaken by the Manager on behalf of the Fund. The following table discloses the principal occupations of the directors and senior officers of the Manager over the past five years.

Name	Principal occupations and related experience
LYNN STIBBARD, CPA, CGA, MBA Chief Financial Officer, Director	Ms. Stibbard is the Chief Financial Officer, Chief Operating Officer and a Director of Harbourfront. She is also the CFO and a Director of Willoughby, Harbourfront Estate Planning Services Inc., Harbourfront Wealth America Inc. and Harbourfront Wealth Holdings Inc. (collectively, the “ Harbourfront Group of Companies ”). Prior to joining the Harbourfront Group of Companies, she held senior executive roles in several IIROC member firms including Chief Financial Officer, Chief Compliance Officer and President, over a 14-year period. Ms. Stibbard also has 18 years of experience in public practice accounting with Ellis Foster (now Ernst & Young), a regional CA firm, specializing in providing panel auditor and consulting services in the brokerage industry. She is a member of the Pacific District Council and the Financial and Operations Advisory Section of IIROC, and has completed the CSI Partners, Directors and Senior Officers examination, and the Chief Financial Officer and Chief Compliance Officer qualifying examinations.

Name	Principal occupations and related experience
KATHLEEN BLACK Chief Compliance Officer	Ms. Black is the Chief Compliance officer of Harbourfront, Willoughby and Harbourfront Wealth America Inc. She has over 25 years of industry experience in various Senior Compliance and Operational roles. She is qualified as a Certified Financial Planner and a Branch Manager. She has completed the CSI Partners Directors and Senior Officers examination, and the Branch Manager and the Chief Compliance Officer Qualifying examinations.
DANIEL POPESCU, CFP, FMA, FCS President, CEO, Director and Ultimate Designated Person	Mr. Popescu is the Chief Executive Officer and Ultimate Designated Person and a director of Harbourfront. He is also the President, CEO and a director of each company in the Harbourfront Group of Companies. Mr. Popescu has over 20 years of industry experience which includes investment management, financial planning, banking and lending. Prior to his role with the Harbourfront Group of Companies, Mr. Popescu was a Senior Vice President and Investment Advisor with National Bank Financial, heading a team of advisors providing comprehensive wealth management services to private retail clients. In the past he has been a part owner of Wellington West Capital and has had extensive involvement in advisor recruiting and training.
MARK PINTO Director	Mr. Pinto is the President of Harbourfront and a director of Willoughby and of Harbourfront Wealth Holdings Inc. Mr. Pinto has 26 years of experience in retail financial services including 16 years in senior executive roles with Assante Wealth Management and other financial services entities. His areas of expertise include sales leadership and coaching, business strategy, operations, information technology and sales in a variety of complex situations including mergers and acquisitions, integrations, system conversions and change management.

There are no penalties, sanctions, declarations of bankruptcy, voluntary assignments in bankruptcy, proposals under any bankruptcy or insolvency legislation or proceedings, arrangements or compromises with creditors, appointments of a receiver, receiver manager or trustee to hold assets, that have been in effect during the last ten years against or in connection with any of the directors, senior officers or control persons of the Fund or the Manager or any issuer of which any director, senior officer or control person of the Fund or the Manager was a director, senior officer or control person.

There are no loans due to or from the directors, management, promoters and principal holders of the Manager in respect of the Fund.

ITEM 4. CAPITAL STRUCTURE

Description of Security	Number Authorized	Price Per Security	Number outstanding as at January 7, 2021
Class A Units ⁽¹⁾	Unlimited	\$10.00 ⁽²⁾	Nil
Class F Units ⁽¹⁾	Unlimited	\$10.00 ⁽²⁾	Nil

Notes:

- (1) The attributes and characteristics of each Class of Units is set forth under the heading Item 1.1 “*Description of Units*”.
- (2) As at the date of this Offering Memorandum, the issued and outstanding Units had the following Net Asset Values: Class A \$10.00 per Unit and Class F \$10.00 per Unit. The Net Asset Values of the Units will be re-valued following the first closing.

ITEM 5. TRANSFERS, REDEMPTIONS AND VALUATIONS

5.1 Transfer Between Classes of Units

A Unitholder of any Class may be entitled to transfer, at any time, all or, subject to any minimum investment or other requirements for a particular Class prescribed by the Manager and set forth in this Offering Memorandum (or other like document), any part of the Units of one Class registered in its name to another Class of Units, by giving written notice to the Manager. The notice must contain a clear request that a specified number of Units (or fractions thereof) be transferred between the Classes and provide detailed instructions regarding the Class of Units to be acquired, and the signature on the transfer notice must be guaranteed by a Canadian chartered bank, a trust company or securities dealer acceptable to the Manager. The Administrator, in its capacity as registrar of the Fund, may charge a fee to the Unitholder to effect a transfer of Units between Classes. As of the date of this Offering Memorandum, transfers between Class A and Class F Units will generally be permitted, subject to such transfers being in compliance with applicable securities laws.

5.2 Redemption Procedure

Each Unitholder is entitled to require payment of the Net Asset Value of all or any of his Units by giving written notice to the Manager, which notice must contain a clear request that a specified number of Units of a specified Class are to be redeemed or the dollar amount which the Unitholder is required to be paid, and the signature on the redemption notice must be guaranteed by a Canadian chartered bank, a trust company or a registered broker or securities dealer acceptable to the Manager.

The Manager will charge Unitholders a redemption charge of 5% of the Net Asset Value of the Units being redeemed if their Units are redeemed before they have held them for 365 days. In addition, the Administrator, in its capacity as registrar of the Fund, may charge a fee to the Unitholder to effect a redemption of Units.

A redemption request, properly completed, must be received by the Manager at its offices not later than the close of business on a Valuation Day in order for the redeeming Unitholder to receive the Net Asset Value per Unit calculated on that Valuation Day.

The proceeds payable on redemption will be the applicable Net Asset Value of the Units redeemed, which may vary from Class to Class, less any applicable redemption charges. The Manager will, within five Business Days after the redemption settlement, and subject to receipt of written notice in respect of redemption requests by the Manager, arrange for the payment of the value of the Units being redeemed by mailing or delivering a cheque in the relevant amount in Canadian funds to the Unitholder. Upon the redemption of any Class of Units by a Unitholder, the accrued portion of any Performance Fee liability allocated to the redeemed Units for that Class will be payable by the Fund within five Business Days of the redemption settlement for the end of the quarter in which the Units were redeemed.

Redemption requests will be processed in the order in which they are received. Redemption requests specifying a forward date or specific price will not be processed. The Fund is not required to redeem or pay any redemption amounts in respect of any Units unless the above described procedures are followed.

Units may generally be redeemed on the last Business Day of any calendar quarter. Redemption amounts will be paid out within five Business Days of the redemption settlement date and may be subject to an early redemption fee.

Suspension of Redemptions

The Manager may suspend, or continue suspension of, the right of Unitholders to require the Fund to redeem Units during any period in which:

- (a) the Manager receives redemption requests for amounts exceeding, in aggregate, 5% of the Net Asset Value of the Fund;
- (b) normal trading is suspended on any stock exchange on which the securities that represent more than 5% of the Net Asset Value of the Fund are then listed, or

- (c) the Manager determines that conditions are such that the disposal of the assets of the Fund is not reasonably practicable or it is not reasonably practicable to determine fairly the value of the Fund's assets.

The suspension may, at the discretion of the Manager, apply to all requests for redemption received prior to the suspension but as to which payment has not been made, as well as to any requests received while the suspension is in effect. All Unitholders making such requests shall (unless the suspension lasts for less than 48 hours) be advised by the Manager of the suspension and that the redemption will be effected on the basis of the Net Asset Value Per Unit determined on the first Valuation Day following the termination of the suspension. All such Unitholders shall have and shall (unless the suspension lasts for less than 48 hours) be advised that they have the right to withdraw their requests for redemption.

The suspension shall terminate in any event on the first day on which the condition giving rise to the suspension has ceased to exist, provided that no other condition under which a suspension is authorized then exists. To the extent that it is not inconsistent with official rules and regulations promulgated by any government body having jurisdiction over the Fund, any declaration or suspension made by the Manager shall be conclusive.

5.3 Valuation Procedures

The "Net Asset Value" of the Fund is the then fair market value of the assets of the Fund at the time the calculation is made less the amount of its liabilities at that time. The Net Asset Value of each Class (the "**Class Net Asset Value**") is the then fair market value of the assets of the Fund attributable to such Class less the amount of the liabilities of the Fund attributable to such Class as determined by the Manager acting reasonably in accordance with industry standards including accruing fees or liabilities (including any Performance Fee that may accrue in favor of the Manager), at that time. The "Net Asset Value per Unit" for each Class is the quotient obtained by dividing the amount equal to the Class Net Asset Value by the total number of outstanding Units in such Class, including fractions of Units. The Net Asset Value of the Fund, Class Net Asset Value and the Net Asset Value per Unit is computed by the Manager as provided in the Trust Agreement as at the close of business on every Valuation Day.

The fair market value of the assets and the amount of the liabilities of the Fund in the aggregate and attributable to each Class, is calculated by the Manager in such manner as the Manager in its sole discretion shall determine from time to time, subject to the following:

- (a) liquid assets (which term includes cash on hand or on deposit, bills and demand notes, accounts receivable, prepaid expenses, cash dividends (including unpaid but declared dividends provided that the record date for such dividends is on or before the date of determination of the Net Asset Value) and interest accrued and not yet received) will be valued at their full face amount unless the Manager determines that any such deposit, bill, demand note, account receivable, prepaid expense, cash dividend or interest amount is not worth the full face value, in which event the value shall be the fair value as determined by the Manager;
- (b) securities listed on a stock exchange will be valued at the closing sale price or, if there is no closing sale price, the average of the closing bid and closing asked price or lacking any recent sales or any record thereof, the latest available sale price or latest available bid price all as reported by any report in common use;
- (c) securities and other assets for which market quotations are not readily available will be valued at fair value on a basis as determined by the Manager;
- (d) the value of units of Portfolio Funds purchased by the Fund for which the net asset value is not available as of the Valuation Day of the Fund may be determined by the Manager to be valued at fair value based on the net asset value of the security posted at the immediately preceding valuation date of the securities purchased, provided that date is no earlier than one quarter preceding the Valuation Day of the Fund, subject to any adjustments which the Manager believes fair and reasonable in all the relevant circumstances;
- (e) the value of any publicly traded bonds, debentures, and other debt obligations shall be valued by taking the average of the bid and ask prices on a Valuation Day at such times as the Manager, in its discretion,

deems appropriate;

- (f) short-term investments, including notes and money market instruments, shall be valued at cost plus accrued interest;
- (g) all Fund property valued in a foreign currency and all liabilities and obligations of the Fund payable by the Fund in foreign currency shall be converted into Canadian funds by applying the rate of exchange obtained from the best sources available to the Administrator including, but not limited to, the Administrator or any of its affiliates;
- (h) the value of any security, the resale of which is restricted or limited by reason of a representation, undertaking or agreement by the Fund or by the Fund's predecessor in title or by law shall be the lesser of (i) the value thereof based on reported quotations in common use; and (ii) that percentage of the market value of securities of the same class, the trading of which is not restricted or limited by reason of any representation, undertaking or agreement or by law, equal to the percentage that the Fund's acquisition cost was of the market value of such securities at the time of acquisition, provided that a gradual taking into account of the actual value of the securities may be made where the date on which the restrictions will be lifted is known;
- (i) the value of any security which is a debt obligation and which, at the time of acquisition, had a remaining term to maturity of one year or less, shall be the amount paid to acquire the obligation plus the amount of any interest accrued on such obligation since the time of acquisition. For the purposes of the foregoing, interest accrued will include amortization over the remaining term to maturity of any discount or premium from face value of an obligation at the time of its acquisition; and
- (j) the liabilities of the Fund shall be deemed to include all liabilities of the Fund of whatsoever kind and nature except liabilities represented by outstanding Units and, for greater certainty but without limitation, include:
 - (i) all bills, notes and accounts payable;
 - (ii) all administrative expenses payable or accrued;
 - (iii) all obligations for the payment of money or property, including distributions of net income and net realized capital gains, if any, declared, accrued or credited to the Unitholders but not yet paid on the day before the day as of which the Net Asset Value per Unit is being determined; and
 - (iv) all allowances authorized or approved by the Manager for taxes (if any) or contingencies.

The value of any security or property to which, in the opinion of the Manager, the above valuation principles cannot be applied (whether because no price or yield equivalent quotations are available as above provided, or for any other reason) shall be the fair value thereof determined in such manner as the Manager from time to time provides.

Where, for the purposes of the foregoing calculation of the Net Asset Value of the Fund, the Class Net Asset Value and the Net Asset Value per Unit and the calculation of any distributions hereunder, the Manager is provided with a value, quotation, or other information related thereto by a third party (collectively "**Third Party Data**"), including without limitation, any third party data provider, any investment manager of the Fund appointed by the Manager or such investment manager's respective agents, the Manager may rely on such Third Party Data and shall not be required to make any investigation or inquiry as to the accuracy, completeness or validity of such Third Party Data. If such Third-Party Data is not available to the Manager as of a time reasonably proximate to the Valuation Day, such valuation of the securities or other assets of the Fund shall be based on an estimate or estimates provided by the Manager. Such estimate or estimates will be final and binding and will be considered to be the actual value of such securities or other assets for the purposes of any distribution, Net Asset Value of the Fund, Class Net Asset Value or Net Asset Value per Unit calculations. Neither the Manager nor the Trustee shall have any responsibility or liability, whatsoever, for any loss or damage arising out

of or in connection with the Manager's reliance on or any failure to provide such Third-Party Data or any such estimates.

The Manager utilizes the services of the Administrator in the process of calculating the Net Asset Values; however, the completeness and accuracy of this calculation is ultimately the responsibility of the Manager. While the goal is to produce completely accurate valuations at all times, errors and adjustments may occur periodically. The Manager has put in place procedures to detect and correct any such errors and make appropriate adjustments, if necessary. The Trustee shall have no responsibility for and bear no liability with respect to the determination of the Net Asset Value of the Fund, Class Net Asset Value or Net Asset Value per Unit.

ITEM 6. INCOME TAX CONSEQUENCES AND RRSP ELIGIBILITY

6.1 Independent Tax Advice

You should consult your own professional advisers to obtain advice on the income tax consequences that apply to you. Not all securities are eligible for investment in a registered retirement savings plan (RRSP). You should consult your own professional advisers to obtain advice on eligibility of these securities for deferred plans.

6.2 Income Tax Consequences

The following summary is provided by the Manager and describes the principal Canadian federal income tax considerations pursuant to the *Income Tax Act* (Canada) (the "**Tax Act**") and the regulations thereunder generally applicable to a Unitholder who acquires Units of the Fund and who, for purposes of the Tax Act, is resident in Canada, holds the Units as capital property and deals at arm's length with the Fund. Generally, Units of a Fund are considered to be capital property to a Unitholder provided the Unitholder does not hold the Units in the course of carrying on a business and has not acquired them in one or more transactions considered to be an adventure in the nature of trade. Certain Unitholders who might not otherwise be considered to hold their Units as capital property may, in certain circumstances, be entitled to have them treated as capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act.

This summary is not applicable to a Unitholder that is a "financial institution" (as defined in the Tax Act for purposes of the mark-to-market rules), or a "specified financial institution" or "restricted financial institution" to a Unitholder an interest in which is a "tax shelter investment" (all as defined in the Income Tax Act). This summary is based upon the provisions of the Tax Act, and any regulations thereunder in force at the date hereof and the understanding of the current published administrative and assessing practices of the Canada Revenue Agency ("**CRA**") and takes into account all specific proposals to amend the Tax Act and the regulations thereunder publicly announced by or on behalf of the Minister of Finance (Canada) (the "**Tax Proposals**"). There can be no assurance that the Tax Proposals will be implemented in their current form or at all. No advance income tax ruling has been requested in respect of this Offering. This summary does not otherwise take into account or anticipate any changes in the law, whether by legislative, governmental or judicial action, nor does it take into account provincial, territorial or foreign tax considerations, which may differ significantly from those discussed herein.

This summary is not exhaustive of all possible Canadian federal tax considerations applicable to an Investment in Units. Moreover, the income and other tax consequences of acquiring, holding or disposing of Units will vary depending on the Unitholders' particular circumstances, including the province or provinces in which the Unitholder resides or carries on business. Accordingly, this summary is of a general nature only and is not intended to be legal or tax advice to any prospective purchaser of Units of the Fund or any Unitholder. Consequently, prospective Unitholders should consult their own tax advisors for advice with respect to the tax consequences of an investment in Units based on their particular circumstances.

Tax Status of the Fund

This summary is based on the assumptions that (i) the Fund qualifies, at all times, as a "mutual fund trust" within the meaning of the Tax Act and will elect under the Tax Act to be a "mutual fund trust" from the date it was established, (ii) the Fund is not maintained primarily for the benefit of non-residents, and (iii) not more than 50% (based on fair market value) of the Units will be held by non-residents of Canada or by partnerships that are not Canadian partnerships as defined in the Tax Act, or by any combination of such partnerships and non-residents.

In the event that the Fund does not qualify as a “mutual fund trust” at all relevant times, the income tax considerations would in some respect be materially different from those described below.

The Fund will not be subject to the “specified flow-through” trust (“SIFT”) rules in the Tax Act as long as Units are not listed or traded on a stock exchange or other public market.

Taxation of the Fund

The Fund is subject to taxation in each taxation year on its income for the year, including net realized capital gains, less the portion thereof that is paid or payable in the year to Unitholders and which is deducted by the Fund in computing its income for purposes of the Tax Act. An amount will be considered to be payable to a Unitholder in a taxation year if it is paid in the year by the Fund or the Unitholder is entitled in that year to enforce payment of the amount. The Fund intends to distribute a sufficient part of its income and capital gains, if any, so that the Fund will not be subject to tax under Part I of the Tax Act (other than in certain circumstances with respect to the alternative minimum tax, if applicable). Losses incurred by the Fund cannot be allocated to Unitholders but may be dedicated by the Fund in future years in accordance with the Tax Act.

To the extent the Fund’s investments include assets denominated in currencies other than Canadian dollars, the cost and proceeds of disposition of such assets, income and any other relevant amounts must be determined for purposes of the Tax Act in Canadian dollars, and the Fund may therefore realize gains or losses by virtue of fluctuations in the value of foreign currencies relative to Canadian dollars. To the extent the Fund derives income or gains from investments in countries other than Canada, the Fund may be liable to pay income or profits tax to such countries and the utilization of credits or deductions in respect of foreign tax so paid is subject to special rules and restrictions under the Tax Act.

Taxation of Unitholders

Fund distributions

Unitholders which are not exempt from tax under Part I of the Tax Act will generally be required to include in their income for a particular taxation year such part of the Fund’s net income for tax purposes for the year as was paid or has become payable to them in that particular taxation year, notwithstanding that any such amount is payable in additional Units of the Fund (See “*Distribution of Income and Capital Gains to Unitholders*”). In certain cases, the Fund may apply net capital losses or non-capital losses from prior taxation years to reduce its net taxable income, thereby effectively permitting such amounts to be distributed as capital to Unitholders. However, any such distribution will reduce the adjusted cost base of a Unitholder’s Units. To the extent that the adjusted cost base of a Unitholder’s Units becomes negative, the negative amount will be included in the Unitholder’s income for the year as a capital gain. The adjusted cost base of the Units are then reset to nil.

Units issued to a Unitholder in lieu of a cash distribution will have a cost equal to the fair market value of the Units and this cost must be averaged with the cost of all Units held by the Unitholder to determine the adjusted cost base of each Unit of that Unitholder.

Where the Fund has received taxable dividends from a taxable Canadian corporation in the year, it may designate a pro rata share of such dividends to be taxable dividends received by the Unitholder from a taxable Canadian corporation in the year. To the extent that amounts are designated as taxable dividends, the normal gross-up and dividend tax credit provisions will be applicable in respect of Unitholders who are individuals, the refundable tax under Part IV of the Tax Act will be payable by Unitholders who are private corporations and certain other corporations controlled directly or indirectly by or for the benefit of an individual or related group of individuals, and the deduction in computing taxable income will be available to Unitholders that are corporations.

The Fund may make designations in respect of net taxable capital gains realized by it in the year, and foreign source income received in the year and foreign taxes paid in the year. Where applicable, Unitholders may apply capital losses against such capital gains and may claim the foreign tax credit in calculating tax payable.

The Fund must withhold a 25% Canadian withholding tax from distributions of income paid to Unitholders who are not

resident in Canada for Canadian income tax purposes (subject to treaty reduction).

Disposition of Units

A Unitholder's gain or loss from the disposition of a Unit (including a disposition by way of redemption) will generally be treated as a capital gain or loss. One-half of any capital gain realized by a Unitholder and the amount of any net taxable capital gains designated by the Fund in respect of a Unitholder will be included in the Unitholder's income under the Tax Act for the year of disposition as a taxable capital gain. Subject to certain specific rules in the Tax Act, one-half of any capital loss realized by a Unitholder may be deducted against any taxable capital gains realized by the Unitholder in the year of disposition, in the three preceding taxation years or in any subsequent taxation years.

Capital gains realized on dispositions of Units by Unitholders who are not resident in Canada for Canadian income tax purposes will be subject to Canadian income tax only (i) if the Unitholder, persons who do not deal at arm's length with the Unitholder, or any combination of the Unitholder and such persons owned not less than 25% of the issued Units of the Fund at any time in the 60 months preceding the date of disposition of the Units, and (ii) more than 50% of the fair market value of such Units is derived directly or indirectly from any combination of real or immovable project property situated in Canada, Canadian Resource properties, timber resource properties, or options, interests or civil law rights therein.

Alternative minimum tax

Canadian dividends and capital gains distributed by the Fund to, and taxable capital gains realized by a Unitholder that is an individual, may give rise to alternative minimum tax depending on the Unitholder's circumstances.

6.3 Eligibility for Registered Tax Plans

The Manager anticipates that the Fund will qualify in 2021 as a "mutual fund trust" for purposes of the Tax Act, in which event the Units will be qualified investments under the Tax Act for Registered Plans.

The Fund must have 150 or more Unitholders before March 30, 2022, and thereafter at all times in order to continue to qualify as a mutual fund trust under the Tax Act. If the Fund ceases to qualify as a mutual fund trust, the Units may cease to be qualified investments for trusts governed by RRSPs, RRIFs, registered education saving plans ("RESPs"), registered disability savings plans ("RDSPs"), TFSAs and deferred profit sharing plans ("DPSPs") under the Tax Act. There can be no assurance that income tax laws and the treatment of unit trusts will not be changed in a manner which adversely affects Unitholders. Holders of TFSAs, RDSPs, and RESPs and annuitants of RRSPs and RRIFs should consult with their own advisors as to whether Units would be "prohibited investments" for such plans for the purposes of the Tax Act.

6.4 Tax Information Reporting

Pursuant to the *Agreement Between the Government of the United States of America and the Government of Canada to Improve International Tax Compliance through Enhanced Exchange of Information under the Convention Between the United States of America and Canada with Respect to Taxes on Income and Capital* entered into between Canada and the U.S. on February 5, 2014 (the "IGA") and the Tax Act, the Fund and/or registered dealers are required to report certain information (including certain financial information) with respect to Unitholders who are U.S. tax residents and U.S. citizens (including U.S. citizens who are residents or citizens of Canada), and certain other "U.S. Persons" as defined under the IGA (excluding Units held in certain registered plans and accounts, including TFSAs and RRSPs) to the CRA. The CRA will then provide this information to the U.S. Internal Revenue Service. The information to be reported includes, among others, the Unitholder's name, address, US and Canadian taxpayer identification numbers, date of birth where applicable, account number, the value of the Unitholder's Units, as well as the gross amount paid or credited to the Unitholder in the course of the year, including the aggregate amount of any redemption payments.

In addition, and to meet the objectives of the Organization for Economic Co-operation and Development Common Reporting Standard (the "CRS"), the Fund and/or registered dealers are required under the Tax Act to identify and report certain financial accounts (including certain financial information) with respect to Unitholders in the Fund who are tax residents of a country other than Canada and the U.S. (excluding Units held in certain registered plans and accounts,

including TFSAs and RRSPs) to the CRA. The CRA will then provide this information to the authorities of the relevant jurisdictions that have adopted the CRS. The information to be reported includes, among others, the Unitholder's name, address, jurisdiction of residence for tax purposes, foreign and Canadian taxpayer identification numbers, date of birth where applicable, account number, the value of the Unitholder's Units, as well as the gross amount paid or credited to the Unitholder in the course of the year, including the aggregate amount of any redemption payments

ITEM 7. FEES AND EXPENSES

7.1 Management Fee

In consideration of the management services provided by the Manager under the Trust Agreement, the Fund pays the Manager the Management Fee. The Management Fee is payable quarterly as a percentage of the Net Asset Value of each applicable Class of Units that comprise the Fund on each Valuation Day. The Management Fee may vary from Class to Class and is deducted as an expense of the Fund in the calculation of the net profits of the Fund. The Management Fee for each of the applicable Classes of Units is calculated and paid quarterly in arrears, equal to:

Class A: 2.38% per annum of the Net Asset Value of the Class A Units of the Fund.

Class F: 1.00% per annum of the Net Asset Value of the Class F Units of the Fund.

7.2 Performance Fee

The Manager is also eligible to receive a Performance Fee in respect of the Class A Units and the Class F Units of the Fund equal to 20% of the amount by which the current year-end Class Net Asset Value per Unit exceeds the prior all-time year-end high Class Net Asset Value per Unit plus 5% after any adjustments for unit distributions.

The Performance Fee in respect of the Class A and Class F Units is calculated and accrued as a liability of the Fund on each Valuation Day. Any accrued Performance Fee will become crystallized and payable at the end of each year and paid to the Manager from the net assets of the Fund within 10 Business Days of the year-end settlement date.

If the Performance Fee target is met on a given Valuation Day that is not a year-end Valuation Day, a Performance Fee accrual is made such that the aggregate Performance Fee accrual for the current year is equal to 20% of the amount by which the current Class Net Asset Value per Unit exceeds the prior all time year-end high Class Net Asset Value per Unit plus 5.00% after any adjustments for Unit distributions.

Upon the redemption of any Class of Units by a Unitholder, the accrued portion of any Performance Fee liability allocated to the redeemed Units for that Class will be payable by the Fund within 10 Business Days of the settlement date of the quarter in which the Units were redeemed.

7.3 Trailing Commission

Units are distributed exclusively by Harbourfront, as selling agent to the Fund.

The Manager pays part of the Management Fee (2.38%) charged to the Fund in respect of the Class A Units to Harbourfront, as selling agent, in the form of an ongoing service fee known as a "trailing commission". Service fees are calculated based on the aggregate value of the clients' investments in Class A Units of the Fund on each Valuation Day equal to 1% per annum of the Net Asset Value of the Class A Units held by the clients on such Valuation Day, paid quarterly in arrears.

The service fee is paid to Harbourfront for ongoing advice and service provided by Harbourfront to its clients who have invested in Class A Units of the Fund. This service fee is payable by the Fund for as long as Harbourfront clients' investments remain in the Fund.

No service fees are payable in respect of the Class F Units. Service fees may be modified or discontinued by the Manager at any time.

7.4 Administration Fees and Expenses

The Fund is responsible for the payment of all fees and expenses relating to its operation, including the fees and expenses of the audit, accounting, administration (other than advertising and promotional expenses which are paid for by the Manager), record keeping and legal fees and expenses, custody and safekeeping charges, all costs and expenses associated with the qualification for sale of Units, providing financial and other reports to Unitholders and convening and conducting meetings of Unitholders, all taxes, assessments or other governmental charges levied against the Fund, interest and all brokerage and other fees relating to the purchase and sale of the assets of the Fund.

With respect to the Fund's ongoing operating fees and expenses, the Manager pays the Fund's service providers as invoices are received and then seeks cost recovery from the Fund on a periodic basis throughout the year. Offering and organizational expenses will initially be paid by the Manager and recovered from the fund over a two-year basis. Certain costs such as commission expenses, wire transfer fees and margin interest are paid directly out of the Fund's assets. The Manager will pay for all expenses associated with the identification and management of the Fund's investments (other than the noted direct expenses such as margin interest and brokerage fees, which are the responsibility of the Fund as noted above).

ITEM 8. RISK FACTORS

An investment in the Fund involves significant risks. In addition to other information in this Offering Memorandum, the following risk factors should be given special consideration when evaluating an investment in any Units. The risk factors outlined below are not a definitive list of all risks associated with an investment in the Fund.

8.1 Risks Associated with an Investment in the Fund

General Investment Risk. Investing in the Fund is only suitable for investors who understand and are capable of bearing the risks of their investment. An investment in the Fund is not intended and should not be used as an entire investment program. All investments in securities made by the Fund risk the loss of invested capital. Therefore, there is a risk that an investment in the Fund could be lost entirely or in part. While the Manager believes that the Fund's investment policies will be successful over the long term, there is no assurance that the Fund will achieve its investment objectives. There is no guarantee that an investment in Units of the Fund will earn any positive return in the short or long term and investors must be able to bear the risk of a complete loss of their investment. The Fund is not subject to normal mutual fund regulations and disclosure requirements for publicly offered mutual funds which limit such mutual funds' ability to use leverage, concentrate investments and use derivatives, but is instead subject to the investment restrictions set out herein.

No Direct Interest in the Portfolio Funds. Purchasers of Units in the Fund will not hold a direct interest in any of the Portfolio Funds. Accordingly, purchasers of Units of the Fund do not have any rights under the governing documents of a Portfolio Fund and will have no standing or recourse against a Portfolio Fund, its affiliates or their respective officers, directors, employees, partners or members (the "**Portfolio Fund Parties**") in any respect. The offering of Units in the Fund is not, and should not be considered, an offering of interests in a Portfolio Fund. None of the Fund, the Manager, Harbourfront or any of their respective affiliates has the power to legally bind or commit the Portfolio Fund Parties. Although the Fund is being established to invest in Portfolio Funds, neither the Manager nor Harbourfront is an affiliate of any of the Portfolio Fund Parties. Purchasers of Units of the Fund acknowledge that none of the Fund, the Manager, Harbourfront or any of their respective affiliates have made any representations or warranties in respect of any of the information set forth in the confidential private placement memorandums or any offering documents of the Portfolio Funds. Investors in the Fund will only have those rights provided for in the Trust Agreement and will have no rights as against the Portfolio Fund (including with respect to information and reporting from a Portfolio Fund investment).

Reduced Access to Information. In general, a Portfolio Fund will provide robust information in its annual reports regarding its operations and investments to its investors. However, as Unitholders of the Fund will not be direct investors of any Portfolio Fund, they will have no right to receive any such information that is delivered to the investors of any Portfolio Fund or have the right to request additional information from any Portfolio Fund. In addition, Unitholders will not be invited to the annual meeting of investors of any Portfolio Fund.

Liquidity. An investment in the Fund provides limited liquidity. The Units are subject to indefinite resale restrictions under applicable securities laws. The redemption of Units is subject to certain risks and fees and in certain circumstances the right to redeem Units may be suspended. See Item 5.2 “*Redemption Procedure*”.

Although investments made by the Fund’s underlying Portfolio Funds may generate current income, the return of capital and the realization of gains, if any, from certain investments will most likely occur only upon the partial or complete disposition of such investment. While such an investment may be sold at any time, it is generally expected that the disposition of most of these investments will not occur for a number of years after such investments are made. Since investments in private assets are generally not liquid, it is unlikely that there will be a public market for the securities of portfolio investments held by the Portfolio Funds at the time of their acquisition. Furthermore, private asset classes like infrastructure and private equity are by their nature subject to industry cyclicality, downturns in demand, market disruptions and the lack of available capital for potential purchasers and are therefore often difficult or time consuming to liquidate. In addition, in some cases, a Portfolio Fund may be prohibited or limited by contract from selling certain securities for a period of time. Any of these factors could adversely affect the financial performance of a Portfolio Fund, which could in turn adversely affect the financial returns to the Fund from its investment in the Portfolio Fund and the financial returns to the Fund’s Unitholders.

No Market for Units. There is currently no market for the Units and it is not anticipated that any market will develop. Furthermore, the Units are subject to transfer and resale restrictions. Purchasers should be prepared to hold these securities indefinitely and cannot expect to be able to liquidate their investment in the case of an emergency. Accordingly, an investment in Units is suitable solely for persons able to make and bear the economic risk of a long-term investment.

Redemptions. Redemptions are permitted only on a Valuation Day. There are circumstances in which the Fund may suspend redemptions. Accordingly, Units are not an appropriate investment for investors seeking liquidity. Substantial redemptions of Units could require the Fund to liquidate positions more rapidly than otherwise desirable to raise the necessary cash to fund redemptions and achieve a market position appropriately reflecting a smaller asset base. Such factors could adversely affect the value of the Units redeemed and of the Units that remain outstanding. See Item 5.2 “*Redemption Procedure*”.

Reliance on Third-Party Management. The returns achieved by the Fund will depend in large part on the efforts and performance results obtained by the Portfolio Fund Parties. As a result, the returns of the Fund will primarily depend on the performance of an unrelated investment manager and other management personnel.

Business Risk. While the Manager believes that the Fund’s investment policies will be successful over the long term, there can be no guarantee against losses resulting from an investment in the Units and there can be no assurance that the Fund’s investment approach will be successful or that its investment objectives will be attained. No assurance can be given that the Fund’s investment portfolio will generate any income or will appreciate in value. The Fund could realize substantial losses, rather than gains, from some or all of the investments described herein.

Valuation of the Fund’s Investments. Typically, a Portfolio Fund will invest in securities which are not readily marketable. The Portfolio Fund will value its assets in good faith, based upon available relevant market and other information, and using valuation procedures the general partner or manager believes are fair and accurate. However, these procedures will be subjective in nature, may not conform to any particular industry standards (if any such industry standards exist) and may not reflect actual values at which the investments are ultimately realized.

Liability for Return of Distributions. Generally, the Fund will not have personal liability for the obligations of a Portfolio Fund in excess of its unfunded capital commitments. However, under applicable, the Fund could be required to return distributions previously made by the Fund if it is determined that such distributions were wrongfully made. Additionally, the Fund may have to return all or a portion of distributions made to them to the extent the Portfolio Fund has an obligation to withhold any amounts from such distribution for tax purposes or to fund other liabilities or obligations of the Fund. Any such obligation will reduce the returns to Unitholders.

Potential Indemnification Obligations. Under certain circumstances, a Portfolio Fund might be subject to significant indemnification obligations in favour of the general partner, manager or other service providers to the Portfolio Fund or certain persons related to them. The indemnification obligation of the Portfolio Fund would be payable from the assets of the Portfolio Fund, including the unpaid capital commitments of the Fund and other investors in the Portfolio Fund. If the assets of the Portfolio Fund are insufficient, the general partner or manager of the Portfolio Fund may recall certain

distributions previously made to the Fund. Any such amounts paid by the Fund may be material and may have an adverse effect on the returns to Unitholders.

Foreign Currency Exposure. It is expected that a proportion of the Portfolio Funds may be valued in currencies other than the Canadian dollar and that the value of these positions when translated to Canadian dollars may be affected by fluctuation in the value of such currencies relative to the Canadian dollar. The Manager may hedge the Canadian dollar exposure to the foreign currency in whole or in part, but there can be no assurances that the gains or losses on currency hedging transactions will be matched in timing or characterization with losses and gains on the foreign currency securities in which the Fund invests.

Foreign Investment Risk. To the extent that the Fund invests in Portfolio Funds that in turn invest primarily outside of Canada, it will be affected by world economic factors and, in many cases, by the value of the Canadian dollar as measured against foreign currencies. Obtaining complete information about potential investments from foreign markets may also be of greater difficulty. Foreign issuers may not follow certain standards that are applicable in North America, such as accounting, auditing, financial reporting and other disclosure requirements. Political climates may differ, affecting stability and volatility in foreign markets. As a result, the Net Asset Value of the Fund may fluctuate to a greater degree by investing in foreign equities than if the Fund limited its investments to Canadian securities.

Use of Derivatives. The Fund may invest in or use derivative instruments, including forward contracts, futures contracts, swaps and options for hedging or non-hedging purposes. Derivatives generally involve certain risks, which may include the following: (a) the derivative hedging strategy used to reduce risk may not be effective; (b) the market value of the investment being hedged and the derivative instrument being used may not be perfectly correlated; (c) there is no guarantee a market will exist when the Fund wants to buy or sell one of the derivative contracts; and (d) the other party to the contract may not be able to meet its financial obligations.

Counterparty Risk. The Fund may enter into customized financial instrument transactions for the purpose of executing its foreign currency hedges that are subject to the risk of credit failure or the inability of, or refusal by, the counterparty to perform its obligations with respect to the hedges, potentially exposing the Fund to significant losses.

Public Health Crises. Business, operations and the financial condition of the Manager and of the Portfolio Funds that the Fund invests in could be materially adversely affected by the outbreak of epidemics, pandemics or other health crises, such as the outbreak of the novel coronavirus COVID-19 that was first reported from Wuhan, China in December, 2019 and designated as a pandemic by the World Health Organization on March 11, 2020. The international response to the spread of COVID-19 has led to significant restrictions on travel, temporary business closures, quarantines, global stock market volatility and a general reduction in consumer activity. Such public health crises can result in operating, supply chain and project development delays and disruptions, global stock market and financial market volatility, declining trade and market sentiment, reduced movement of people and labour shortages, and travel and shipping disruption and shutdowns. Government regulation and prevention measures, or a fear of any of the foregoing could affect commodity prices, interest rates, credit ratings, credit risk and inflation. The Manager or a Portfolio Fund in which the Fund invests may experience business interruptions including suspended or reduced operations, expenses and delays relating to COVID-19 and other such events outside of their control, which could have a material adverse impact on business, operating results and financial condition of the Fund. As at the date of this Offering Memorandum, the duration of the business disruptions internationally and related financial impact of COVID-19 cannot be reasonably estimated. It is unknown whether and how the Manager, the Portfolio Funds, and the Fund may be affected if such an epidemic persists for an extended period of time.

No Assurance of Return. Although the Manager will use its best efforts to achieve superior rates of return for the Fund, no assurance can be given in this regard. An investment in Units should be considered as speculative and investors must be able to bear the risk of a complete loss of their investment.

Losses and Effects of Substantial Redemptions. The Fund may at any time incur losses, resulting in substantial redemptions by Unitholders. Substantial redemptions may require the Fund to liquidate positions more rapidly than otherwise desirable to raise the necessary cash to fund redemptions and achieve market positions appropriately reflecting a smaller asset base. There is a risk that if the Fund's assets become depleted, the Fund's portfolio could become sufficiently restricted to make it difficult to achieve the Fund's investment objectives. Such factors could adversely affect the value of the Units redeemed and of the Units remaining outstanding.

Investment Eligibility. The Fund intends to qualify as a “mutual fund trust” under the Tax Act at all relevant times. If the Fund does not meet the requisite conditions or otherwise does not qualify or ceases to qualify as a “mutual fund trust” under the Tax Act, adverse consequences may arise including that: (i) the Fund may become liable to pay certain additional tax liabilities (with the result that the amount of cash available for distribution by the non-qualifying trust would be reduced and Unitholders may otherwise be adversely affected), and (ii) the Units will not be qualified investments for RRSPs, RRIFs, RESPs, RDSBs, TFASAs and DPSPs with the result that adverse tax consequences will generally arise to the Registered Plan and the annuitant, beneficiary or holder of the plan, including, depending on the circumstances, that the Registered Plan and the annuitant, beneficiary or holder may become subject to additional taxes and penalties, that the annuitant, beneficiary or holder of the Registered Plan may be deemed to have received income therefrom, and that the Registered Plan may have its tax status revoked.

Net Asset Value. The Net Asset Value of each Class of Units that comprise the Fund will fluctuate with changes in the market value of the investments attributable to that Class. Such changes in market value may occur as a result of various factors such as changes in interest rates, economic conditions, and market and company news. Therefore, when you redeem your Units in the Fund, you may receive less than the full amount you originally invested. The full amount of an investment in the Fund is not guaranteed. Unlike bank accounts or guaranteed investment certificates (GICs), mutual fund units are not covered by the Canada Deposit Insurance Corporation or any other government deposit insurer.

Potential Lack of Diversification. The Fund does not have any specific limits on holdings of Portfolio Funds in any one asset class, country, sector or industry. Unlike many mutual funds, which are required by applicable securities laws to diversify portfolio holdings so that no more than a fixed percentage of their assets is invested in any one industry or group of industries, the Fund has adopted only limited guidelines for diversification. Although the Fund’s portfolio will generally be diversified, this may not be the case at all times if the Manager deems it advantageous for the Fund to be less diversified. Accordingly, the investment portfolio of the Fund may be subject to more rapid change in value than would be the case if the Fund were required to maintain a wide diversification among companies, industries, regions, types of securities and other asset classes.

Not a Public Mutual Fund. The Fund is not a reporting issuer for securities laws purposes and is therefore not subject to the restrictions placed on public mutual funds to ensure diversification and liquidity of the Fund’s portfolio, as well as a more stringent level of public disclosure of performance. As a result, some of the protections provided to investors in reporting issuer mutual funds under such laws are not available to Unitholders.

Incentive Fee to the Manager. The Manager is eligible to receive a fee if, during a given time period, the performance of the Fund exceeds the performance of a specified benchmark. This may theoretically create an incentive for the Manager, in the pursuit of superior performance, to make investments that are abnormally risky or generally more speculative than otherwise would be the case if no such fee existed.

Limited Resources of Manager. The Manager has no obligation to fund any operating deficits resulting from the business of the Fund or to advance funds to continue the business operations of the Fund. Even if the Manager should elect to do so voluntarily or be held individually accountable by Fund creditors, there is no assurance that the available assets will be adequate to satisfy the capital needs of continuing business operations. If Fund revenues are insufficient to pay Fund expenses after expending the funds obtained from this offering and if the Manager does not advance such additional funds as may be needed by the Fund, the Fund may not be able to continue its business operations in the absence of an alternative source of financing, and there can be no assurance that such financing will be available to the Fund.

Legal, Tax and Regulatory Risks. Legal, tax and regulatory changes to laws or administrative practice could occur during the term of the Fund which may adversely affect the Fund. For example, the regulatory or tax environment for derivative instruments is evolving, and changes in the regulation or taxation of derivative instruments may adversely affect the value of derivative instruments held by the Fund and the ability of the Fund to pursue its investment strategies. Interpretation of the law or administrative practice may affect the characterization of the Fund’s earnings as capital gains or income which may increase the level of tax borne by investors as a result of increased taxable distributions from the Fund. There can be no assurance that the Canadian federal income tax laws and administrative policies and assessing practices of the Canada Revenue Agency respecting the treatment of trusts, including mutual fund trusts, will not be changed in a manner that adversely affects the Unitholders. If the Fund ceases to qualify as a mutual fund trust under the Tax Act, the income tax considerations described under Item 6 “Income Tax Consequences and RRSP Eligibility” would be materially and adversely different in certain respects.

Relationship Between the Fund, the Manager and Affiliates of the Manager and Potential Conflicts of Interest. This Fund is available to Harbourfront clients exclusively. Harbourfront, an IIROC registered broker/dealer and a portfolio adviser, is an affiliate of the Manager.

The Fund may be subject to various conflicts of interest.

Investors may purchase Units of the Fund only through Harbourfront. Class F Units may only be purchased in Harbourfront Fee Based and/or Managed Accounts. Purchasers of Class F Units are required to pay fees to Harbourfront in respect of holdings of Class F Units and such fees may reduce the amount invested in the Units.

Harbourfront is engaged in a wide variety of management, advisory and other investment dealer business activities. Harbourfront's investment decisions for the Fund will be made independently of those made for the other clients of Harbourfront and independently of its own investments. However, on occasion, Harbourfront may make the same investment for the Fund and one or more of its other clients. Where the Fund and one or more of the other clients of Harbourfront are engaged in the purchase or sale of the same security, the transaction will be effected on an equitable basis. Harbourfront will allocate opportunities to make and dispose of investments equitably among clients with similar investment objectives having regard to whether the security is currently held in any of the relevant investment portfolios, the relative size and rate of growth of the Fund and the other funds under common management and such other factors as Harbourfront considers relevant in the circumstances.

Certain of the directors and officers of the Manager are also a director and officer of Harbourfront. Although the Manager will have various obligations to the Fund, situations may arise where the interests of the directors, officers, employees and shareholders of the Manager (being the promoter of the Fund) could conflict with the interests of the Fund.

The Manager, Harbourfront and their respective officers, directors, employees, and shareholders are not limited or affected in their ability to carry on other business ventures for their own account, or for the account of others, and may be engaged in the development of, investment in, or management of businesses that may compete with the business of the Fund. Investment in the Fund will not carry with it the right of the Fund or of any Unitholder to invest in any other venture of the Manager or its affiliates or associates or to any profit therefrom or to any interest therein. The Manager may have a conflict of interest in carrying out its obligations to the Fund as a result of its involvement in competing activities.

The Fund will not have an independent review committee or any other form of management oversight and will rely exclusively upon the Manager to manage the business of the Fund and to provide managerial skill. The directors, officers, employees and shareholders of the Manager may have a conflict of interest in allocating their time between the business of the Manager, Harbourfront and that of the Fund, and other businesses or projects in which they may become involved. The directors and officers of the Manager have, however, agreed to devote as much time to the Fund as is required for the effective management of the Fund.

The Manager as well as employees, directors and officers of the Manager may invest their own money in the Fund and may, from time to time, have substantial holdings in the Fund.

The Fund pays the Manager the Management Fee and a Performance Fee (ultimately borne by the holders of the different Classes of Units as discussed elsewhere in this Offering Memorandum).

Liability of Unitholders. The Trust Agreement provides that no Unitholder will be subject to any liability whatsoever, in tort, contract or otherwise, to any person in connection with the investment obligations, affairs or assets of the Fund and all such persons shall look solely to the Fund's assets for satisfaction of claims of any nature arising out of or in connection therewith. There is a risk, which is considered by the Manager to be remote in the circumstances, that a Unitholder could be held personally liable, notwithstanding the foregoing statement in the Trust Agreement, for obligations of the Fund to the extent that claims are not satisfied out of the assets of the Fund. It is intended that the operations of the Fund will be conducted in such manner so as to minimize such risk. In the event that a Unitholder should be required to satisfy any obligation of the Fund, such Unitholder will be entitled to reimbursement from any available assets of the Fund.

Cyber Security. The information and technology systems of the Manager and the Administrator may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by

unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Although the Manager has implemented, and the Administrator may maintain, various measures to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, the Manager and/or the Administrator may have to make a significant investment to fix or replace them. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in the Manager's, the Fund's and the Administrator's operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors (and the beneficial owners of investors). Such a failure could harm the Manager's and/or the Administrator's reputation, subject any such entity and their respective affiliates to legal claims and otherwise affect their business and financial performance.

Lack of Separate Counsel. Counsel for the Fund in connection with this offering is also counsel to the Manager. The Unitholders, as a group, have not been represented by separate counsel and counsel for the Fund and the Manager does not purport to have acted for the Unitholders or to have conducted any investigation or review on their behalf.

8.2 Risks Associated with the Fund's Underlying Portfolio Fund Investments

The following risk factors, associated with the Fund's underlying Portfolio Fund investments, may indirectly impact Unitholders in the Fund.

8.2.1 General Investment Risks

General Economic and Market Conditions. The private investments industry is affected by general economic and market conditions, such as interest rates, availability and spreads of credit, credit defaults, inflation rates, economic uncertainty, changes in tax, currency control and other applicable laws and regulations, trade barriers, technological developments, and national and international political, environmental and socioeconomic circumstances. Market disruptions in a single country could cause a worsening of conditions on a regional and even global level. A worsening of general economic and market conditions would likely affect the level and volatility of securities prices and the liquidity of a Portfolio Fund's investments, which could impair the Portfolio Fund's profitability, result in losses and impact the ultimate investment returns to the Fund and Unitholders. A depression, recession or slowdown in the global economy or one or more regional markets (or any particular segment thereof) or a weakening of credit markets (including a perceived increase in counterparty default risk) would have a pronounced impact on a Portfolio Fund and the entities in which the Portfolio Fund invests ("**Portfolio Entities**") (which would likely be exacerbated by the presence of leverage in a particular Portfolio Entity's capital structure) and could adversely affect their profitability, creditworthiness and ability to execute on their business plans, sell assets, satisfy existing obligations, make and realize Investments successfully, originate or refinance credit or draw on existing financings and commitments.

Leverage. The use of leverage by a Portfolio Fund may allow such Portfolio Fund flexibility to manage potential fluctuations in its cash flows as new investments by such Portfolio Fund are made, repayments are received from existing borrowers and revolving facilities are drawn upon by borrowers on short notice. Leverage will magnify the changes in the value of the Portfolio Fund's portfolio. The effect of the use of leverage by a Portfolio Fund in a market that moves adversely to its investments could result in substantial losses to the Portfolio Fund, which would be greater than if the Portfolio Fund were not leveraged. Furthermore, should an event of default occur under a leverage facility entered into by a Portfolio Fund, the lenders or other counterparties thereunder could accelerate the related indebtedness and exercise remedies with respect thereto including, without limitation, liquidating the assets securing such indebtedness which could result in substantial losses to the Portfolio Fund, which would be greater than if the Portfolio Fund were not leveraged. In addition, some of a Portfolio Fund's investments may be highly leveraged, which may adversely impact such investments. Highly leveraged Portfolio Companies may be subject to restrictive financial and operating covenants that may impair their ability to finance future operations and capital needs, which could restrict their ability to respond to changing business and economic conditions or business opportunities. In addition, a leveraged investment's income will tend to increase or decrease at a greater rate than if borrowed money were not used. Any of these factors may materially and adversely impact the value of the Fund's investments in a Portfolio Fund and the Unitholders' investments therein.

Highly Competitive Market for Investment Opportunities; Operators and Other Partners. Identifying, closing and realizing attractive investments that fall within a Portfolio Fund's investment mandate is highly competitive and involves a high degree of uncertainty. In addition, developing and maintaining relationships with joint venture partners or management

teams, on which some of the Portfolio Fund's strategy will depend, is highly competitive. A failure by the sponsor of a Portfolio Fund to identify attractive investment opportunities, develop new relationships and maintain existing relationships with joint venture partners and other industry participants would adversely impact the Portfolio Fund. The sponsor competes for high quality, low volatility investment opportunities and potential joint venture partners with other investment funds, individuals, companies, financial institutions (such as investment and mortgage banks and pension funds), sovereign wealth funds and other investors. New competitors constantly enter the market, and in some cases existing competitors combine in a way that increases their strength in the market. It is possible that competition for appropriate investment opportunities may increase, which may also require the Portfolio Fund potentially to participate in auctions more frequently. The outcome of these auctions cannot be guaranteed, thus potentially reducing the number of investment opportunities available to the Portfolio Fund and potentially adversely affecting the terms, including price, upon which investments can be made. There is no guarantee that investments meeting a Portfolio Fund's investment criteria will be available.

Risks Relating to Due Diligence of Investments. Before making investments, the sponsor of a Portfolio Fund will conduct due diligence that it deems reasonable and appropriate based on the facts and circumstances known at that time. Due diligence may entail evaluation of important and complex business, financial, tax, accounting, environmental, social, governance, real property and legal issues. When conducting due diligence and making an assessment regarding an investment, the sponsor will rely on the resources available to it, including information provided by the counterparty and, in some circumstances, third-party investigations. However, representations made by a counterparty could be inaccurate, and third-party investigations may not uncover all risks. As a result, due diligence investigations conducted with respect to any investment opportunity may not reveal or highlight all relevant facts necessary or helpful to make the investment decision. Moreover, such an investigation will not necessarily result in the portfolio investment being successful. There can be no assurance that attempts to provide downside protection with respect to investments will achieve their desired effect, and as such the Fund's investment in a Portfolio Fund should be viewed as speculative and having a high degree of risk. Conduct occurring at Portfolio Entities, even activities that occurred prior to the Portfolio Fund's investment therein, could have an adverse impact (financial or otherwise) on the Portfolio Fund and, in turn the Fund's investment returns. In particular, there can be no assurance that the sponsor will be able to detect irregular accounting, employee misconduct or other fraudulent practices during the due diligence investigation.

8.2.2 Certain Risks Associated with Private Equity Investments

Portfolio Investment Risk. Portfolio Funds that have a private equity mandate will, directly or indirectly, invest primarily in securities issued by privately-held companies. Such Portfolio Entities may involve a high degree of business and financial risk. The Portfolio Entities may be in an early stage of development, may have operating losses or significant variations in operating results and may be engaged in a rapidly changing business with products subject to a substantial risk of obsolescence. The Portfolio Entities may also include companies, assets or entities that are experiencing or are expected to experience financial difficulties. These financial difficulties may never be overcome and may cause such Portfolio Entity to become subject to bankruptcy proceedings. In addition, they may require substantial additional capital to support their operations, to finance expansion or to maintain their competitive position, or may otherwise have a weak financial condition. Portfolio Entities may face intense competition, including competition from companies with greater financial resources, more extensive development, manufacturing, marketing and other capabilities and a larger number of qualified technical personnel.

The equity securities of the Portfolio Entities in which the Portfolio Fund will invest, directly and indirectly, may be among the most junior in a company's capital structure and, thus, subject to the greatest risk of loss. Generally, there will be no collateral to protect an investment once made.

Many Portfolio Entities may be highly leveraged, which may impair their ability to finance their future operations and capital needs and which may result in restrictive financial and operating covenants. As a result, the ability of these companies to respond to changing business and economic conditions may be limited. In addition, in the event that a Portfolio Entity does not perform as anticipated or incurs unanticipated liabilities, high leverage will magnify the adverse effect on the value of the equity of such company and could result in substantial diminution in or the total loss of an equity investment in such company.

Private equity investments are subject to various risks, including the risk that the Portfolio Fund will be unable to realize on its investment by sale or other disposition at attractive prices, or will otherwise be unable to complete a successful exit strategy. Furthermore, investments may require a substantial length of time to liquidate and under some circumstances, may

result in distributions in-kind to the Fund and other investors. There can be no assurance that a public market will develop for the securities of any Portfolio Investment or that the Fund will otherwise be able to realize a return of capital from the sale of such investment.

The future success of many Portfolio Entities may be contingent upon any such Portfolio Entity's ability to innovate new offerings and introduce enhancements to its existing offerings in order to address the changing needs of the marketplace. Frequently, development programs require assessments to be made of future need and commercial feasibility, which are challenging to predict. Customers may forego purchases of such Portfolio Entity's offerings and purchase its competitors' offerings as a result of delays in introduction of new products and enhancements or failure to offer innovative products or enhancements at competitive prices and in a timely manner. In addition, announcements of new products or services may result in a delay in or cancellation of purchasing decisions in anticipation of such new products. Certain Portfolio Entities may experience delays in any phase of product development and commercial launch, including during research and development, manufacturing, limited release testing, marketing and customer education efforts. Any delays in product launches may significantly impede the ability of such Portfolio Entities to successfully compete in markets for its products and may reduce or eliminate its revenues.

The introduction of new products or services by competitors may result in price reductions, reduced margins, loss of market share and may render the products or services of a Portfolio Entity obsolete. There is no guarantee that alternative technologies will not be commercialized and become viable alternatives to products of any Portfolio Entity in the future, and there is no guarantee that such Portfolio Investment will be able to compete successfully against them if they are commercialized.

Reliance on Portfolio Entity Management and Third Parties. The day-to-day operations of each Portfolio Entity is the responsibility of the Portfolio Entity's management team. Although the Portfolio Fund's sponsor intends to acquire Portfolio Entities with strong management teams or build strong management teams at each of them, there can be no assurance that the management team of any Portfolio Entity will operate in accordance with the sponsor's expectations. Moreover, Portfolio Entities can lose employees, as the market for high performing executive talent is competitive. There can be no assurance that Portfolio Entities will be able to attract, develop and retain suitable management team members over the life of the Partnership. Furthermore, consultants, legal advisors, appraisers, accountants, investment banks and other third parties will be involved in the due diligence process and the ongoing operation of the Portfolio Fund and its Portfolio Entities. For example, certain asset management and finance functions, such as data entry relating to a Portfolio Entity, may be outsourced to a third party or affiliated service provider whose fees and expenses will be borne by such Portfolio Entity or the Portfolio Fund and will not offset the sponsor's management fee. Such involvement of third-party advisors or consultants may present a number of risks primarily relating to the sponsor's reduced control over the functions that are outsourced. In addition, if the sponsor is unable to timely engage third-party providers, its ability to evaluate and acquire more complex targets could be adversely affected.

Venture Capital/Early Stage Investments. Certain Portfolio Funds will be investing in early-stage ventures with limited or no track record. Some Portfolio Entities may be pre-revenue or have inconsistent revenues, some may still developing their customer base or be in the midst of launching new products and services. There is the risk that some Portfolio Entities will not be able to develop strong revenue streams or customer bases such that they are not successful at launching their products or services or growing their business, resulting in the Portfolio Fund losing some or all of its investment.

Mid-Market Investments. While mid-market investments made by a Portfolio Fund may present greater opportunities for growth, such investments may also entail larger risks than are generally associated with investments in larger companies. Mid-market companies may have relatively limited human resources, product lines, markets and financial and other resources making them more vulnerable to general economic trends and to specific changes in markets and technology. Because of their size, future growth may be dependent on finding sources of additional financing, which may not be available on acceptable terms when required. Generally, there is a more limited marketplace for the sale of interests in smaller, private companies, which may make realizations of gains more difficult. In addition, the relative illiquidity of private equity investments generally, and the somewhat greater illiquidity of private investments in mid-market companies, could make it difficult for the Portfolio Fund to react quickly to negative economic or political developments.

8.2.3 Certain Risks Associated with Real Estate Investments

Generally. Investments in real estate-related debt and equity assets are subject to various risks, including adverse changes

in national or international economic conditions, adverse local market conditions, the financial conditions of tenants, buyers and sellers of properties, changes in availability of debt financing, changes in interest rates, exchange rates, real estate tax rates and other operating expenses, environmental laws and regulations, zoning laws and other governmental rules and fiscal policies, energy prices, changes in the relative popularity of certain property types, risks due to dependence on cash flow, risk and operating problems arising out of the presence of certain construction materials, as well as acts of God, uninsurable losses, war, terrorism, earthquakes, hurricanes or floods and other factors which are beyond the control of the Portfolio Fund in which the Fund is invested.

Investment Performance. Real estate investments of underlying Portfolio Funds may be or become non-performing after acquisition for a wide variety of reasons. Such non-performing real estate investments may require a substantial amount of workout negotiations and/or restructuring, which may entail, among other things, a substantial write-down of such investment. However, even if an asset is performing as expected, a risk exists that upon maturity, replacement “takeout” financing may not be available. It is possible that the Portfolio Fund may find it necessary or desirable to foreclose on some of the collateral securing one or more investments held by such entity. Even if foreclosure is an option, the foreclosure process can be lengthy and expensive. At any time during the foreclosure proceedings, the borrower may file for bankruptcy or otherwise avail itself of debtor protection laws, which may have the effect of further delaying the foreclosure process.

Volatility of Property Income. The volatility of net operating income for a property may be influenced by matters such as the length of tenant leases, the creditworthiness of tenants, the level of tenant defaults, the ability to convert an unsuccessful property to an alternative use, new construction in the same market as the property, rent control laws or other laws impacting operating costs, the number and diversity of tenants, the availability of trained labor necessary for tenant operations, the rate at which new rentals occur, the property’s operating leverage (which is the percentage of total property expenses in relation to revenue), the ratio of fixed operating expenses to those that vary with revenues, and the level of capital expenditures required to maintain the property and to retain or replace tenants. A decline in the real estate market or in the financial condition of a major tenant will tend to have a more immediate effect on the net operating income of properties with short-term revenue sources (such as short-term or month-to-month leases) and may lead to higher rates of delinquency or defaults under mortgage loans secured by such properties.

8.2.4 Certain Risks Associated with Investments in Private Debt

Generally. The security in respect of loans within a Portfolio Fund may be in a variety of forms including, but not limited to, direct charges on an asset, mortgages, general security agreements, assignments of interests in property, pledges of shares and corporate guarantees. If enforcement of the security is required there may be significant expenses of sale, including legal and other expenses incurred. There can also be no assurance that the net proceeds obtained from the enforcement of any security will be sufficient to recover the outstanding principal and accrued interest due under the relevant loan. In such circumstances, if there is a shortfall, then the financial condition and operating results will be adversely impacted. A private debt investment may have a contractual return that is not paid entirely in cash, but rather partially or wholly in-kind or as an accreting liquidation preference, thus lengthening the time before cash is received, and increasing the Portfolio Fund’s risk exposure to the portfolio company. Other factors, such as overall economic conditions, the competitive environment and the availability of potential purchasers of the securities, may shorten or lengthen the Portfolio Fund’s holding period and some investments may take several additional years from the initial investment date to achieve a realization. In some cases, the Portfolio Fund may be prohibited by contract from selling certain securities for a period of time. If the Portfolio Fund is required to liquidate all or a portion of its portfolio positions quickly, then the Portfolio Fund may realize significantly less than the value at which the Portfolio Fund previously recorded those investments.

Priority of Portfolio Funds’ Debt Instruments and Loans. Portfolio Funds may invest in secured debt issued by Portfolio Entities that have or may incur additional debt that is senior to the debt owned by the Portfolio Funds. In the event of insolvency, liquidation, dissolution, reorganization or bankruptcy of any such Portfolio Entity, the owners of senior secured debt (i.e., the owners of first priority liens) generally will be entitled to receive proceeds from any realization of the secured collateral until they have been reimbursed. After the owners of senior secured debt have been reimbursed in full, any remaining proceeds from the realization of the collateral securing such debt will be paid to the owners of junior secured debt (which may include, in certain circumstances, the Portfolio Funds). There can be no assurances that the proceeds, if any, from the sale of such collateral would be sufficient to satisfy the loan obligations secured by subordinate debt instruments. To the extent that a Portfolio Fund owns debt that is junior to other secured debt, the Portfolio Fund may lose the value of its entire investment in such debt, which could in turn reduce the value of the Fund’s investment in the Portfolio Fund.

Fluctuations in Receipt of Proceeds. It is possible that the Portfolio Funds will experience fluctuations in the timing and amount of proceeds received in the form of interest and fee income and in connection with the realization of investments in loans and other debt instruments in which a Portfolio Fund has invested. Such fluctuations are generally due to, among other things, changes in the interest rates payable on the debt instruments held by a Portfolio Fund, the default rate on such debt instruments, variations in and the timing of the realization of investments, the degree to which the Portfolio Fund encounters competition in the markets and general economic conditions. As a result of these factors, the Portfolio Fund's net asset value may fluctuate substantially and the amounts of distributions to the Fund on its Investments in the Portfolio Funds may be adversely affected, which could, in turn, adversely affect the net asset value of the Fund and the value of the Unitholders' investments in the Fund. This could, in turn, adversely affect the amounts of distributions by the Fund to its Unitholders.

8.2.5 Certain Risks Associated with Infrastructure Assets

Generally. Risks incidental to the investment in or ownership and operation of infrastructure assets include, among others: risks associated with the general economic climate, geographic or market concentration, government regulations and fluctuations in interest rates; technical risks; construction risks; commodity price risks; risks associated with catastrophic and force majeure events or other events causing interruptions in the operation, maintenance and use of infrastructure assets; risks associated with development-stage infrastructure investments; risks associated with demand, usage and throughput levels; risks associated with strategic public infrastructure assets (such as risks arising from terrorist acts or political actions); risks associated with the privatization of government owned infrastructure assets; risks inherent in the nature of specific sectors or industries, such as the energy sector or utility industry; risks associated with the regulation of toll rates; risks associated with technological advancements rendering current infrastructure assets obsolete; or risks associated with the loss of expenses incurred in connection with proposed investments that do not come to fruition. Since investments in infrastructure and similar assets, like many other types of long-term investments, have historically experienced significant fluctuations and cycles in value, specific market conditions may result in occasional or permanent reductions in the value of the a Portfolio Fund's investment in infrastructure assets, which in turn could adversely affect the value of the Fund's Investment in such Portfolio Fund.

ITEM 9. REPORTING

As a Unitholder of the Fund you are entitled to receive copies of the Fund's audited financial statements. Except as may be otherwise required by applicable securities laws, the Fund will, upon request by a Unitholder, make audited financial statements for the year ended December 31, available for distribution once finalized.

The Fund is not a reporting issuer in any of the provinces or territories of Canada and does not intend on becoming a reporting issuer in any province or territory in Canada.

ITEM 10. PURCHASERS' RIGHTS

Statutory Rights of Action in the Event of a Misrepresentation

If you purchase these securities you may have certain statutory rights of action, some of which are described below. For information about your rights you should consult your lawyer. The following is a summary of the statutory rights of action for damages or rescission, or both, available to purchasers resident in certain jurisdictions. The summary is subject to the express provisions of the applicable securities legislation of each applicable jurisdiction and the regulations, rules, policy statements and instruments thereunder, and reference is made to the complete text of such provisions. The rights discussed below are in addition to and without derogation from any other right or remedy that purchasers may have at law, are qualified by the provisions of the relevant securities legislation and are subject to certain limitations and statutory defences contained therein. Purchasers should refer to the applicable securities legislation for particulars of these provisions or consult their legal advisors.

Investors in Jurisdictions other than Ontario

If there is a misrepresentation in this Offering Memorandum, you may have a statutory right to sue:

- A. the Fund to cancel your agreement to buy the Units; or

B. for damages against the Fund and every person who signed this Offering Memorandum.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, in an action for damages, the amount you may recover will not exceed the price that you paid for your securities and will not include any part of the damages that the Fund proves does not represent the depreciation in value of the securities resulting from the misrepresentation. There are various defenses available to the persons or companies that you have a right to sue. In particular, they have a defense if you knew of the misrepresentation when you purchased the securities. Additionally, if you elect to exercise a right of rescission against the Fund, you will have no right of action for damages against the Fund.

If you intend to rely on the rights described in A or B above, you must do so within strict time limitations. Generally speaking, in many jurisdictions, you must commence your action to cancel the Subscription Agreement within 180 days after you signed the agreement to purchase the Units or you must commence your action for damages within the earlier of 180 days after learning of the misrepresentation or 3 years after you signed the agreement to purchase the Units; **however, purchasers are cautioned that their statutory rights of action and the applicable time limitations may vary from those described above depending on the securities legislation of the applicable jurisdiction. As such, purchasers should consult with their legal advisor and/or refer to the complete text of the applicable securities legislation of their jurisdiction of residence and the rules, regulations and other instruments thereunder.**

Investors in Ontario

Section 5.2 of Ontario Securities Commission Rule 45-501 – *Ontario Prospectus and Registration Exemptions* provides that when this Offering Memorandum is delivered to an investor to whom Units are distributed in reliance upon a prospectus exemption under section 73.3 of the *Securities Act* (Ontario) (or a predecessor exemption), the rights referred to in section 130.1 of the *Securities Act* (Ontario) are applicable, unless the prospective purchaser is:

- (a) a Canadian financial institution, meaning either:
 - (i) an association governed by the *Cooperative Credit Associations Act* (Canada) or a central cooperative credit society for which an order has been made under section 473(1) of that Act; or
 - (ii) a bank, a loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative, or league that, in each case, is authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction of Canada;
- (b) a Schedule III bank, meaning a bank listed in Schedule III of the *Bank Act* (Canada);
- (c) the Business Development Bank of Canada incorporated under the *Business Development Bank of Canada Act* (Canada); or
- (d) a subsidiary of any person referred to in paragraphs (a), (b) or (c), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by the directors of that subsidiary.

Where this Offering Memorandum is delivered to a prospective purchaser of Units in connection with a trade made in reliance on section 73.3 of the *Securities Act* (Ontario) (or a predecessor exemption) and this document contains a misrepresentation, the purchaser will have, without regard to whether the purchaser relied on the misrepresentation, a statutory right of action against the Fund and a selling security holder on whose behalf the distribution is made for damages or, while still the owner of Units, for rescission, in which case, if the purchaser elects to exercise the right of rescission, the purchaser will have no right of action for damages. However, no action shall be commenced more than, in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action, and in the case of any action other than an action for rescission, the earlier of: (i) 180 days after the plaintiff first had knowledge of the facts giving rise to the cause of action; or (ii) 3 years after the date of the transaction that gave rise to the cause of action.

The defendant shall not be liable for a misrepresentation if it proves that the purchaser purchased the Units with knowledge of the misrepresentation.

In an action for damages, the defendant shall not be liable for all or any portion of the damages that the defendant proves do not represent the depreciation in value of the Units as a result of the misrepresentation relied upon.

In no case shall the amount recoverable for the misrepresentation exceed the price at which the Units were offered.

This summary is subject to the express provisions of the *Securities Act* (Ontario) and the regulations and rules made under it, and prospective investors should refer to the complete text of those provisions and/or consult with a legal advisor.

THE FOREGOING SUMMARY IS SUBJECT TO AND QUALIFIED IN ITS ENTIRETY BY THE EXPRESS PROVISIONS OF THE SECURITIES LEGISLATION OF EACH APPLICABLE JURISDICTION AND THE RULES, REGULATIONS AND OTHER INSTRUMENTS THEREUNDER, AND REFERENCE IS MADE TO THE COMPLETE TEXT OF SUCH PROVISIONS. SUCH PROVISIONS MAY CONTAIN LIMITATIONS AND STATUTORY DEFENCES ON WHICH THE FUND MAY RELY. THE ENFORCEABILITY OF THESE RIGHTS MAY BE LIMITED.