

*This Offering Memorandum is intended for use by qualifying investors solely for informational purposes in connection with the consideration of the purchase of these securities. No person is authorized to give any information or to make any representation not contained in this Offering Memorandum in connection with the offering of these securities and, if given or made, no such information or representation may be relied upon. 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**  
**ROCKRIDGE PRIVATE DEBT POOL**

Dated: October 23, 2025

*Continuous Offering*

**THE ISSUER:**

**Name:** Rockridge Private Debt Pool (the “**Fund**”)  
**Head Office:** **Address:** Suite 1800, 1055 West Georgia Street, PO Box 11118, Vancouver, BC V6E 3P3  
**Phone Number:** (604) 558-6822  
**Website Address:** <https://willoughbyasset.com>  
**E-mail Address:** [admin@willoughbyasset.com](mailto:admin@willoughbyasset.com)  
**Currently Listed or Quoted:** These securities do not trade on any exchange or market  
**Reporting Issuer:** No

**THE OFFERING:**

The following 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.

**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 5.1 “*Terms of Securities*”.

**Price Per Security:** The subscription price for the Units is based upon the applicable Net Asset Value Per Unit at the applicable time. See Item 5.1 “*Terms of Securities*”.

**Minimum/Maximum Offering:** \$0/No maximum. **There is no minimum. You may be the only purchaser.**

**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). Investors may purchase Units in either Canadian or U.S. dollars. See Item 5.2 “*Subscription Procedure*”.

**Payment Terms:** The subscription price is payable upon subscription, by electronic funds transfer via the FundSERV network ([www.fundserv.com](http://www.fundserv.com)) or other means satisfactory to the Manager. No financing of the subscription price will be provided.

**Closing Date(s):** The Units are being offered on a continuous basis. Closings of the sale of Units offered hereunder will take place monthly, on the last Business Day of each month in which subscriptions are received.

**Tax Consequences:** There are important tax consequences to these securities. See Item 8 “*Income Tax Consequences and RRSP Eligibility*”.

**COMPENSATION PAID TO SELLERS AND FINDERS**

A person has received or will receive compensation for the sale of securities under this offering. See Item 9 “*Compensation Paid to Sellers and Finders*”.

**UNDERWRITER**

Harbourfront Wealth Management Inc. (“**Harbourfront**”), an affiliate of the Manager, is the principal selling agent of the Fund. Investors may purchase Units through Harbourfront or other third party registered selling agents retained by the Manager on behalf of the Fund (in each case, a “**Selling Agent**”).

**RESALE RESTRICTIONS**

You will be restricted from selling your securities for an indefinite period. The Units are subject to resale restrictions. See Item 12 “*Resale Restrictions*”.

#### **CONDITIONS ON REPURCHASES**

**You will have a right to require the issuer to repurchase the securities from you, but this right is qualified by certain restrictions, including compliance with certain procedures and/or certain fees. As a result, you might not receive the amount of proceeds that you want. See Item 5.3 “*Redemption Procedure*”.**

#### **PURCHASERS’ RIGHTS**

If you purchase these securities pursuant to the exemption from the prospectus requirements afforded by Section 2.9 of NI 45-106, then: (a) you have two Business Days to cancel your agreement to purchase these securities; and (b) if there is a misrepresentation in this Offering Memorandum, you have a right to damages or to cancel the agreement. **If you purchase these securities pursuant to any other prospectus exemption, you may or may not have statutory rights of action in the event of a misrepresentation in this Offering Memorandum. See Item 13 “*Purchasers’ Rights*”.**

No securities regulatory authority or regulator has assessed the merits of these securities or reviewed this Offering Memorandum. Any representation to the contrary is an offence. This is a risky investment. See Item 10 “*Risk Factors*”.

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. 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.

**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.**

**Prospective investors are encouraged to consult with their own professional advisors as to the tax and legal consequences of investing in the Fund.**

**THIS OFFERING MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO PURCHASE SECURITIES IN THE UNDERLYING INVESTMENTS OF THE FUND AND PURCHASERS OF UNITS OF THE FUND OFFERED HEREBY WILL NOT BE SECURITYHOLDERS IN OR HAVE RIGHTS AGAINST THE UNDERLYING INVESTMENTS OF 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.

As is the case with any investment that does not explicitly guarantee the full protection of principal, investors are cautioned that the success of the Fund’s investment strategies are subject to risks and uncertainties that could cause market values and returns 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 10 “*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:

<b>Administrator</b>	SGGG Fund Services Inc. (“ <b>SGGG-FSI</b> ”), which provides fund accounting, registry and transfer agency, administrative and trust accounting services under the SGGG-FSI Services Agreement;
<b>Business Day</b>	a day the Toronto Stock Exchange is open for business;
<b>Custodial Agreement</b>	custody and securities services agreement entered into on December 29, 2017, as amended, between National Bank Financial Inc., through its National Bank Independent Network division (“ <b>NBF Inc.</b> ”) and the Manager, on behalf of the Fund, whereby NBF Inc. will provide asset custodian services to the Fund;
<b>Custodian</b>	NBF Inc., which acts as the custodian of and provides asset custodian services to the Fund pursuant to the Custodial Agreement;
<b>CIRO</b>	Canadian Investment Regulatory Organization;
<b>Investment Management Agreement</b>	agreement entered into on January 3, 2018, as amended between Harbourfront and the Manager, on behalf of the Fund, whereby Harbourfront will provide investment management services to the Fund;
<b>Management Fee</b>	the fee payable to the Manager equal to 1/12 of 1.00% (1.00% per annum, rate effective June 1, 2020) of the Net Asset Value of the Fund in respect of the Class F Units and 1/12 of 2.38% (2.38% per annum) of the Net Asset Value of the Fund in respect of the Class A Units, payable quarterly in arrears;
<b>Net Asset Value</b>	on a Valuation Day, the net value of the assets of the Fund on such Valuation Day, determined in accordance with the Trust Agreement;
<b>Net Asset Value Per Unit</b>	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;
<b>Offering</b>	the offering by the Fund of an unlimited number of Class A Units and Class F Units on a continuous basis to investors in Alberta, British Columbia, Saskatchewan, Manitoba, Ontario, Québec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Yukon and the Northwest Territories pursuant to certain exemptions from the prospectus requirements contained in the securities legislation of those jurisdictions;
<b>Performance Fee</b>	the fee payable to the Manager, equal to 20% of the amount by which the current quarter-end Class Net Asset Value Per Unit exceeds the prior all-time quarter-end high Class Net Asset Value Per Unit plus 1.25% after any adjustments for unit distributions;
<b>Prime Broker</b>	NBF Inc., which provides trade execution, trade settlement and brokerage services pursuant to the Services Agreement;
<b>Services Agreement</b>	agreement entered into on May 20, 2015, as amended between NBF Inc. and the Manager, on behalf of the Fund, 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;
<b>SGGG- FSI Services Agreement</b>	agreement entered into on October 1, 2023 between SGGG-FSI and the Manager on behalf of the Fund, whereby SGGG-FSI will provide accounting, valuation, registry, transfer agency, administrative and trust accounting services to the Fund;
<b>Side Pocket Class</b>	Classes of Units created at the discretion of the Manager into which assets that have become illiquid or difficult to value may be placed, as more particularly described under

	Item 5.4 “ <i>Side Pockets</i> ”;
<b>Subscription Agreement</b>	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;
<b>Tax Act</b>	<i>Income Tax Act</i> (Canada), R.S.C. 1985 (5th Supp.) c.1, as amended from time to time;
<b>Trust Agreement</b>	Declaration of Trust dated January 3, 2018 and amended May 26, 2021, between the Trustee and the Manager creating the Fund;
<b>Trustee</b>	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;
<b>Unitholders</b>	those investors whose subscriptions to purchase Units offered under this Offering are accepted by the Fund and 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;
<b>Valuation Day</b>	the last Business Day of each month, or any other day on which the Manager determines valuation is necessary; and
<b>\$</b>	means Canadian dollars, unless otherwise indicated.

## ITEM 1. USE OF AVAILABLE FUNDS

### 1.1 Funds

The Fund sells Units on a continuous basis, with closings of the Offering occurring on the last Business Day of each month in which subscriptions are received, and at such other times as the Manager may determine. It is not possible to determine accurately what funds 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. There is no minimum or maximum number of Units that will be sold as part of the Offering. The Management Fee and the Performance Fee 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 were and are borne by the Manager out of its own funds, and repaid to the Manager by the Fund over a two-year period. Offering costs, including legal, accounting and audit fees are anticipated in the range of approximately \$63,000.00 per year. The Manager also pays, 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.

The Fund intends to sell the Units primarily through Harbourfront, as Selling Agent, but investors may also purchase Units through other, third party or affiliated Selling Agents. No finders' fees or commissions are paid by the Fund on the sale of Units to any Selling Agent. The Manager pays a portion of the Management Fee charged to the Fund in respect of the Class A Units to Selling Agents, in the form of an ongoing service fee known as a "trailing commission". No service fees are payable in respect of the Class F Units. For further details regarding fees and commissions payable to Selling Agents, see Item 9 "*Compensation Paid to Sellers and Finders*".

### 1.2 Use of Available Funds

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 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 below under the headings "*Investment Objectives*", "*Investment Strategies*" and "*Investment Policies and Restrictions*". See also Item 2.2 "*The Business*".

## ITEM 2. BUSINESS OF THE FUND AND OTHER INFORMATION AND TRANSACTIONS

### 2.1 Structure

#### ***Fund***

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 3, 2018 and amended May 26, 2021 (the "**Trust Agreement**").

The Fund is managed by Willoughby. Harbourfront, an affiliate of Willoughby, is a portfolio adviser and a Selling Agent of the Fund. Harbourfront is an independent investment dealer founded in 2013. Both Willoughby and Harbourfront are indirect, wholly-owned subsidiaries of HFW Holdings Inc. As of the date of the Offering Memorandum, Audax Group beneficially owned the majority of the issued and outstanding shares of HFW Holdings Inc. Audax Group is a US based investment manager founded in 1999 focused on middle market investing across the firm's private debt and private equity businesses. See Item 10 "*Risks Associated with an Investment in the Fund - 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 2.6 "*Material Contracts – 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: Class A and Class F. The attributes and characteristics of each Class of Unit are described under Item 5.1 “*Terms of Securities*”. 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 Fund is a “mutual fund trust” for purpose of the Tax Act. Accordingly, Units are qualified investments under the Tax Act for registered retirement savings plans (“**RRSPs**”), registered retirement income funds (“**RRIFs**”), tax-free savings accounts (“**TFSAs**”), registered education savings plans, registered disability savings plans and deferred profit plans (each a “**Registered Plan**” and, collectively, “**Registered Plans**”). See Item 8.3 “*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 Street, 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.

### ***Manager***

Willoughby, the Manager, is a corporation incorporated under the *Business Corporations Act* (British Columbia) on October 20, 2014 with offices in Vancouver, B.C. Willoughby is registered as an investment fund manager in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Newfoundland and Labrador, Yukon and Québec, 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 any statement made in this Offering Memorandum as to the investment policies, practices and objectives and investment restrictions.

### ***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, in arrears, but is calculated and accrues monthly 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 as follows:

<u><b>Class A:</b></u>	1/12 of 2.38% (2.38% per annum) of the Net Asset Value of the Class A Units of the Fund on each Valuation Day.
<u><b>Class F:</b></u>	1/12 of 1.00% (1.00% per annum) of the Net Asset Value of the Class F Units of the Fund on each Valuation Day.

Upon the redemption of any Class of Units by a Unitholder, the accrued portion of any Management Fee liability allocated to the redeemed Units for that Class will be payable by the Fund to the Manager. There is no Management Fee payable in respect of Class I Units.

### ***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 quarter-end Class Net Asset Value Per Unit exceeds the prior all-time quarter-end high Class Net Asset Value Per Unit plus 1.25% after any adjustments for unit distributions.

The Performance Fee in respect of the Class A Units and the 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 calendar quarter and paid to the Manager from the net assets of the Fund.

If the Performance Fee target is met on a given Valuation Day that is not a quarter-end Valuation Day, a Performance Fee accrual is made such that the aggregate Performance Fee accrual for the current quarter is equal to 20% of the amount by which the current Class Net Asset Value Per Unit exceeds the prior all-time quarter-end high Class Net Asset Value Per Unit plus 1.25% 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. There is no Performance Fee payable in respect of Class I Units.

### ***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 objective and in compliance with the Fund's investment policies and restrictions.

Harbourfront is a CIRO Dealer Member and registered investment dealer in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Yukon and Northwest Territories and is a registered derivatives dealer in Québec. Certain principals of Harbourfront are the same as those of the Manager. See Item 10.1 *"Risks Associated with an Investment in the Fund - Relationship Between the Fund, the Manager and Affiliates of the Manager and Potential Conflicts of Interest"*. As portfolio adviser, Harbourfront is paid by the Manager compensation in an amount equal to 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.

### ***Selling Agents***

Investors may purchase Units of the Fund through Harbourfront, as Selling Agent, or through other third party or affiliated Selling Agents retained by the Manager on behalf of the Fund.

No finders' fees or commissions are paid by the Fund on the sale of Units to any Selling Agent. The Manager will pay part of the 2.38% Management Fee charged to the Fund in respect of the Class A Units to each Class A Unitholder's Selling Agent in the form of an ongoing service fee known as a "trailing commission". No trailing commission is payable in respect of the Class F Units. Purchasers of Class F Units are required to pay an upfront account fee to the Selling Agent, and such fees may reduce the amount invested in the Units. **The amount of the account fee will vary based on account agreements in place between the Selling Agent and the investor.** See Item 9 *"Compensation Paid to Sellers and Finders"*.

Certain principals of Harbourfront are the same as those of the Manager. See Item 10.1 *"Risks Associated with an Investment in the Fund - Relationship Between the Fund, the Manager and Affiliates of the Manager and Potential Conflicts of Interest"*.

### ***Administrator, Custodian and Prime Broker***

SGGG-FSI is the Administrator of the Fund. As Administrator, SGGG-FSI 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 SGGG-FSI Services Agreement the Fund pays the Administrator a monthly fee of \$2,520.00 and certain additional periodic fees as set forth in the SGGG-FSI Services Agreement.

NBF Inc. is 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 fees that vary depending on a number of factors, including the specific nature of the service, number of trades, number of Unitholders, Fund Net Asset Value and Net Asset Value Per Unit at the time of service.

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. Fees vary depending on a number of factors, including the specific nature of the service, number of trades, number of Unitholders, Fund Net Asset Value and Net Asset Value Per Unit at the time of service.

### ***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 International Financial Reporting Standards.

## **2.2 The Business**

### ***Investment Objectives***

The fundamental investment objective of the Fund is to achieve consistent risk-adjusted returns with low volatility, primarily by investing in third party investment funds that hold a diverse portfolio of actively managed private debt and real estate-related private equity investments 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 primarily employ a fund of funds investment strategy; however, some portfolio investments may be direct. Specifically, the Fund will invest primarily in a portfolio of third party investment funds ("**Portfolio Funds**") (such as bridging and factoring funds, mortgage investment corporations, real estate investment trusts, infrastructure funds and other private debt and private equity real estate funds it deems suitable) that in turn will employ various private debt and real estate related strategies, including asset based lending ("**ABL**") to companies, mortgage lending, mezzanine lending, and direct investments in real property. The portfolio will not be subject to geographical or industry sector restrictions. However, it is intended that it will focus primarily on Portfolio Funds focused on investments in companies and assets based in Canada and/or the United States.

The ABL investments of a Portfolio Fund may have varying terms with respect to collateralization, seniority or subordination, purchase price, convertibility, interest terms, and maturity.

The collateral that a 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.

Portfolio Funds employing a mortgage investment strategy may have a diverse portfolio consisting of residential mortgages, residential construction financing, commercial, industrial and land development loans, as well as term mortgages made for the purpose of acquiring or re-financing income-producing properties.

Such Portfolio Funds may also invest in demand loans and term loans that are secured by income-producing real property.

Portfolio Funds employing a private equity 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, fully leased, 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, many 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, exchange traded funds (“ETFs”), and other mutual funds holding publicly traded securities, if it determines such investments to be 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.

### ***Investment Policies and Restrictions***

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

- 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 and private equity assets, public equities, cash, gold, bonds, commodities or ETFs and third-party managed funds representing these or other exposures.
- All Portfolio Funds will be offered on FundSERV and will be held in an acceptable securities location.
- At a minimum, 95% of the Fund's Portfolio Funds will have monthly 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 10% of the Fund's capital at any time.
- No more than 10% of the Net Asset Value of the Fund will be invested in any single underlying fund that offers redemptions with less frequency than the Fund.
- 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 20% 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.

## **2.3 Development of the Business**

The Fund was established on January 3, 2018 for investment purposes. Since being established, the Manager has focused on raising capital to achieve the Fund’s investment objectives.

On May 1, 2020, the Fund changed its name from “Rockridge Private Debt and Real Estate Pool” to “Rockridge Private Debt Pool”.

On May 26, 2021, the Trust Agreement was amended to authorize the creation from time to time of one or more Side Pocket Classes into which assets of the Fund which have become illiquid or difficult to value may be placed.

On May 28, 2021, the Manager established two new Side Pocket Classes (“**Class BFI-A**” and “**Class BFI-F**”) to which were allocated certain of the Fund’s illiquid investments, as at April 30<sup>th</sup>, 2021. The Manager allocated and distributed the Units of Class BFI-A pro rata in accordance with the number of Class A Units issued as at April 29<sup>th</sup>, 2021, and the Units of Class BFI-F pro rata in accordance with the number of Class F Units issued as at April 29<sup>th</sup>, 2021. The fair value of the side pocketed investments are determined by the Manager in accordance with the Fund’s valuation procedures (see Item 5.1 “*Terms of Securities – Valuation Procedures*”). The ultimate proceeds realized from these side pocketed investments could differ and the difference could be significant. See Item 5.4 “*Side Pockets*”.

In 2022, the Manager revisited the valuation of the side pocketed investments as presented on the December 31, 2021 audited financial statements, as these investment funds entered into receivership during that year. As the information disseminated by the receivers indicated a high degree of uncertainty in relation to the recoverable amounts for investors, the Manager determined that the fair value of the relevant fund investments should be restated. Accordingly, the recorded fair value of those investments was reduced and the Fund’s financial statements were restated.

On October 1, 2023, the Fund replaced NBF Inc. with SGGG-FSI as Administrator.

On March 26, 2025, the Manager established Class I, only available for subscriptions by WBY Private Markets Pool, and such other related investment trusts managed by the Manager. There is no Management Fee or Performance Fee payable in respect of Class I Units. See Item 5.1 “*Terms of Securities*” for further information.

Over the last two years, Canada, like many countries, has and continues to experience a period of high inflation and increased interest rates. The success of the Fund’s activities may be affected by general economic and market conditions, such as these fluctuating interest rates. See Item 8, “*Risk Factors*”.

## 2.4 Long Term Objectives

The Fund’s objectives subsequent to the next 12 months after the date of this Offering Memorandum are to continue to raise sufficient capital to enable the Fund to:

- (a) grow the Fund’s assets under management organically through a program of targeted investments in a diverse portfolio of actively managed private debt and real estate-related private equity investments based primarily in Canada and/or the United States; and
- (b) provide its Unitholders with consistent risk-adjusted returns with low volatility and a real estate focused private debt and private equity solution to their total portfolio.

## 2.5 Short Term Objectives

The Fund’s objectives for the next 12 months after the date of this Offering Memorandum are to continue offering Units and to execute the Fund’s investment objectives described above. The Manager will provide product knowledge education to the advisor teams of all Selling Agents.

## 2.6 Material Contracts

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

- (a) Trust Agreement, as described below and as described further in Item 5.1 “*Terms of Securities*”;
- (b) Services Agreement, as described below;
- (c) Custodial Agreement, as described below;
- (d) Master FX Agreement (as defined below), as described below;
- (e) SGGG-FSI Services Agreement, as described below; and
- (f) 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 Street, Vancouver, British Columbia.

### ***Trust Agreement***

The Trust Agreement is the constituting 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 5 “*Securities Offered*”.

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 the Class of Units to be consolidated or subdivided 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 a majority 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.
- *Trustee Fees.* The Fund or the Manager will pay the Trustee an annual retainer of \$11,000 and will pay or reimburse the Trustee, on request, for all reasonable expenses and disbursements incurred or made by the Trustee in the administration of its services and duties.

#### ***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. For further details, see Item 2.1 “Structure – Administrator, Custodian and Prime Broker”.

#### ***Custodial Agreement***

The Manager entered into the Custodial Agreement with NBF Inc. on December 29, 2017, as amended, with NBF Inc. pursuant to which NBF Inc. provides custodial, trade execution and settlement and certain other services to funds managed by the Manager, including 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. For further details, see Item 2.1 Structure – Administrator, Custodian and Prime Broker”.

#### ***Master FX Agreement***

The Manager and NBF Inc. entered into a Master FX Agreement dated December 29, 2017, as amended (the “**Master FX Agreement**”), which allows for foreign currency transactions.

### ***SGGG-FSI Services Agreement***

The Manager entered into the SGGG-FSI Services Agreement with SGGG-FSI on October 1, 2023, pursuant to which SGGG-FSI 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. For further details, see Item 2 “*Structure – Administrator, Custodian and Prime Broker*”.

### ***Investment Management Agreement***

The Manager entered into an Investment Management Agreement with Harbourfront, an affiliate of the Manager, on January 3, 2018, pursuant to which Harbourfront manages the investment of the Fund for a quarterly fee. Either party may terminate this agreement at any time on 30 days’ prior written notice.

### ***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 may pay the Fund’s service providers as invoices are received and then seek cost recovery from the Fund on a periodic basis throughout the year. Offering and organizational expenses are initially 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 3. COMPENSATION AND SECURITY HOLDINGS OF CERTAIN PARTIES**

### **3.1 Compensation and Securities Held**

The following table sets out information about: (a) each director and officer of the Manager and each promoter of the Fund, (b) each person that has beneficial ownership of, or direct or indirect control over, or a combination of beneficial ownership and direct or indirect control over, 10% or more of the Units of the Fund, and (c) any related party not specified in (a) or (b) that received compensation in the most recently completed financial year or is expected by the Fund to receive compensation in the current financial year.

<b>Name and municipality of principal residence or jurisdiction of organization</b>	<b>Positions held and the date of obtaining that position</b>	<b>Compensation paid by the Fund in the period ended December 31, 2024 and the compensation anticipated to be paid in the current financial year</b>	<b>Number, type and percentage of securities held as at the date of the Offering Memorandum</b>	<b>Number, type and percentage of securities held after completion of the Offering<sup>(5)</sup></b>
WILLOUGHBY ASSET MANAGEMENT INC. <sup>(1)</sup> BC	Promoter (since May 13, 2015)	Compensation for 2024: \$5,253,488 <sup>(2)</sup> Compensation for 2025: \$2,248,908 <sup>(2)</sup>	Nil	-
ZOHEB SOMANI Delta, BC	Chief Financial Officer & Secretary (since November 19, 2024), Director (since October 1, 2024)	Compensation for 2024: Nil <sup>(3)</sup> Compensation for 2025: Nil <sup>(3)</sup>	Nil	-

KIM THOMPSON Surrey, BC	Director (since September 30, 2025)	Compensation for 2024: Nil <sup>(3)</sup> Compensation for 2025: Nil <sup>(3)</sup>	Nil	-
LEONARD TRIGG North Vancouver, BC	President (since April 26, 2023); Ultimate Designated Person (since May 17, 2023), Director (since April 26, 2023)	Compensation to 2024: Nil <sup>(3)</sup> Compensation for 2025: Nil <sup>(3)</sup>	Nil	-
SUNDOS QADIR Milton, ON	Chief Compliance Officer (since February 22, 2024)	Compensation to 2024: Nil Compensation for 2025: Nil	Nil	-
JULIE SMULDERS Vancouver, BC	Chief Operating Officer (since September 28, 2023)	Compensation to 2024: Nil Compensation for 2025: Nil	Nil	-
HARBOURFRONT WEALTH MANAGEMENT INC. <sup>(1)</sup> BC	Selling Agent (since May 13, 2015)	Compensation to 2024: \$7,741 <sup>(4)</sup> Compensation for 2025: \$7,469 <sup>(4)</sup>	Nil	-

Notes:

- (1) Both the Manager and Harbourfront are indirect, wholly-owned subsidiaries of HFW Holdings Inc. As of the date of the Offering Memorandum, Audax Group beneficially owned 67.06% of the issued and outstanding shares of HFW Holdings Inc.
- (2) This amount is comprised of the Management Fee paid to the Manager for its services. See Item 2.1 “*Structure – Manager*” and Item 9 “*Compensation Paid to Sellers and Finders*”.
- (3) This individual is a director of the Manager. Although they do not receive compensation from the Fund, the Manager receives a Management Fee for its services. See Item 2.1 “*Structure – Manager*” and Item 9 “*Compensation Paid to Sellers and Finders*”.
- (4) As portfolio adviser, Harbourfront is paid by the Manager compensation in an amount equal to 10% of Management Fees charged to the Fund, calculated and paid in arrears on a quarterly basis. See Item 9 “*Compensation Paid to Sellers and Finders*”.
- (5) Figures disclosed is at the date of this Offering Memorandum, directly or through holding companies. The Manager, Harbourfront, and the directors and officers of the Manager and/or Harbourfront may acquire Units under the Offering; however, the number of Units, if any, which may be acquired is not known as at the date of this Offering Memorandum.

### 3.2 Management Experience

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 description of experience, associated with the occupation
ZOHEB SOMANI, CPA, Chief Financial Officer, Secretary, Director	Mr. Somani is Chief Financial Officer, Secretary and a director of Willoughby and Chief Financial Officer and a director of Harbourfront. He is also the Chief Financial Officer, Secretary and director of Harbourfront Estate Planning Services Inc., Harbourfront Wealth America Inc., Harbourfront Wealth Holdings Inc. and Harbourfront Wealth Counsel Inc. (collectively with Willoughby referred to as, the “Harbourfront Group of Companies”). Mr. Somani has over 14 years of industry experience in financial services. He brings expertise in data analytics and strategic financial management, has played a pivotal role in supporting organizational growth and innovation. Prior to joining the Harbourfront Group of Companies, Mr. Somani held key roles including Director of Financial Planning & Analysis at Aviso Wealth. He holds a CPA designation and Bachelor of Commerce degree from the University of British Columbia and has completed levels 1 and 2 of the CFA designation.



KIM THOMPSON Director	Ms. Thompson is a director of Willoughby. She is also the President and a director of Harbourfront and Harbourfront Wealth Counsel Inc. Ms. Thompson has over 35 years of experience in senior-level roles in wealth management and financial services. Prior to joining the Harbourfront Group of Companies, Ms. Thompson was the Senior Vice President of Strategy and Chief Transformation Officer at Aviso Wealth Management, Vice President of Sales at Connor, Clark & Lunn Financial Group and Fidelity Investments.
LEONARD TRIGG President, Ultimate Designated Person, Director	Mr. Trigg is the President, Ultimate Designated Person and a director of Willoughby. Mr. Trigg is also the Chief Technology Officer of Harbourfront. Mr. Trigg has over 20 years of industry experience and prior to joining the Harbourfront Group of Companies served as the Chief Operating Officer and Chief Technology Officer at a Canadian asset management firm. Mr. Trigg has also served in a consultant or executive capacity to a wide range of firms in Canada, the United States and Switzerland, specifically in the asset management and technology sectors.
SUNDOS QADIR Chief Compliance Officer	Ms. Qadir is the Chief Compliance Officer and Director of Operations of Willoughby. Ms. Qadir has over 10 years of industry experience and prior to joining the Harbourfront Group of Companies held Compliance and Operations roles at Canadian asset managers.
JULIE SMULDERS Chief Operating Officer	Ms. Smulders is the Chief Operating Officer of Willoughby. Ms. Smulders has over 15 years of industry experience in operations and fund accounting and prior to joining the Harbourfront Group of Companies was the Director of Operations and Head of Pooled Funds at Canadian asset managers.

### 3.3 Penalties, Sanctions, Bankruptcy, Insolvency and Criminal or Quasi-Criminal Matters

There are no penalties, sanctions, declarations of bankruptcy, voluntary assignments in bankruptcy, proposals under any bankruptcy or insolvency legislation, proceedings, arrangements or compromises with creditors, or appointments of a receiver, receiver manager or trustee to hold assets, that have occurred during the last 10 years, or an order restricting trading in securities (not including an order that was in effect for less than 30 consecutive days) during the last 10 years, in each case against or in connection with any of the directors, executive officers or control persons of the Fund or the Manager or any issuer of which any director, executive officer or control person of the Fund or the Manager was a director, executive officer or control person at that time.

Further, none of the Fund or any of the directors, executive officers or control persons of the Fund or the Manager has ever pled guilty to or been found guilty of any of the following: (a) summary conviction or indictable offence under the *Criminal Code* (Canada); (b) a quasi-criminal offence in any jurisdiction of Canada or a foreign jurisdiction; (c) a misdemeanor or felony under the criminal legislation of the United States of America, or any state or territory of the United States of America; or (d) an offence under the criminal legislation of any other foreign jurisdiction.

### 3.4 Certain Loans

There are no debentures, bonds or loan agreements between the Fund and a related party of the Fund.

## ITEM 4. CAPITAL STRUCTURE

### 4.1 Securities Except for Debt Securities

Description of Security <sup>(1)</sup>	Number authorized to be issued	Price Per Security as at August 31, 2025 <sup>(2)</sup>	Number outstanding as at August 31, 2025
Class A Units	Unlimited	\$10.2878 <sup>(2)</sup>	60,025.9706
Class F Units	Unlimited	\$10.8683 <sup>(2)</sup>	14,456,622.8581
Class F (USD) Units	Unlimited	\$10.7968	249,349.6617

Class BFI-A Units	64,946.57	\$1.6486 <sup>(2)</sup>	64,946.5696
Class BFI-F Units	9,615,044.26	\$1.6940 <sup>(2)</sup>	9,615,044.2558
Class BFI-F (USD) Units	84,129.8131	\$1.3998	84,129.8131
Class I Units	Unlimited	\$10.1453	36,638,264.0130
Class I (USD) Units	Unlimited	\$10.6850	51,241.5620

Notes:

- (1) The attributes and characteristics of each Class of Units is set forth under the heading Item 5.1 “*Terms of Securities*”.
- (2) 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. Therefore, the number of interim subscription units will be different from the final number of Units purchased, and the price per Unit will vary from the interim subscription units to the final number of Units purchased. Item 5.2 “*Subscription Procedure*”.

#### 4.2 Long Term Debt

The Fund has no long-term debt.

#### 4.3 Prior Sales

The table below discloses information regarding the Units that were issued during the 16-month period from April 1, 2024 to August 31, 2025.

Description of Security	Number of Units Issued	Average/Highest/Lowest Price per Unit <sup>(2)</sup>	Total funds received
Class A Units	4,384.9077	\$10.4212 \$10.4212 \$10.4212	\$45,696.00
Class F Units	9,464,994.9448	\$10.9273 \$11.0555 \$10.7724	\$103,503,564.13
Class F (USD) Units	58,938.3266	\$10.6396 \$11.1525 \$10.2246	\$633,467.81
Class BFI-A Units <sup>(1)</sup>	-	-	-
Class BFI-F Units <sup>(1)</sup>	-	-	-
Class BFI-F (USD) Units <sup>(1)</sup>	-	-	-
Class I Units	34,638,264.0130	\$10.0000 \$10.0000 \$10.0000	\$346,382,640.13
Class I (USD) Units	51,241.5620	\$10.0000 \$10.0000 \$10.0000	\$512,415.62

Notes:

- (1) See Item 5.1, “*Terms of Securities – Class BFI-A and Class BFI-F Units*”.
- (2) 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. Therefore, the number of interim subscription units will be different from the final number of Units purchased, and the price per Unit will vary from the interim subscription units to the final number of Units purchased. Item 5.2 “*Subscription Procedure*”.

## ITEM 5. SECURITIES OFFERED

### 5.1 Terms of Securities

The Fund is an open-end investment fund that was established on January 3, 2018 pursuant to the Trust Agreement.

#### *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. The Units of each Class of Units of the Fund shall be identical in all respects with every other Unit of that Class and shall represent an undivided interest in the Class Net Asset Value of the Fund that applies to such Class without distinction, preference or priority.

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 2.6 “*Material Contracts – Trust Agreement*”.

#### *Class A and Class F Units*

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

The subscription price for the Class A and Class F 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 is calculated as of that Valuation Day. The Net Asset Value Per Unit for subscriptions received and accepted after such time is calculated on the next following Valuation Day.

#### *Class BFI-A and Class BFI-F Units*

On May 28, 2021, the Fund established two new side pocket classes (“**Class BFI-A**” and “**Class BFI-F**”) to which were allocated the fund holdings of Bridging Income Fund LP and Bridging Mid-Market Debt Fund LP. Units of Class BFI-A and Class BFI-F were distributed pro rata in accordance with the number of Class A Units and Class F units respectively that were issued at that time. The fair value of the side pocketed investments are determined by the Manager in accordance with the Fund’s valuation procedures (see Item 5.1 “*Terms of Securities – Valuation Procedures*”). The ultimate proceeds realized from these side pocketed investments could differ and the difference could be significant. See Item 5.4 “*Side Pockets*”.

The Bridging Income Fund LP and Bridging Mid-Market Debt Fund LP, holdings in the Fund, were included in the Class BFI-A and Class BFI-F net asset value at the last known value, as at March 31, 2021, due to the suspension of those funds. The December 31, 2021 values were updated on August 26, 2022 based on the Manager’s best estimation made from the general information publicly available.

#### *Class I Units*

On March 26, 2025, the Manager established Class I, only available for subscriptions by WBY Private Markets Pool, and such other related investment trusts managed by the Manager (as accepted by the Manager). There is no

Management Fee or Performance Fee payable in respect of Class I Units.

The subscription price for Class I 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 is calculated as of that Valuation Day. The Net Asset Value Per Unit for subscriptions received and accepted after such time is calculated on the next following Valuation Day.

### ***Voting***

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.

### ***Certificates***

No certificates evidencing the ownership of Units will be issued.

### ***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 Management Fees or 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. For Class A, F and I Units purchased using the U.S. dollar purchase service option as described further below the Class Net Asset Value is converted to U.S. Dollars based on the 4 p.m. New York Bloomberg BFIX exchange rate (the “**Exchange Rate**”). 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 number of Units in each Class, 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 or traded on an over the counter market 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 on the Valuation Day 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 the lesser of their fair market value (determined on the basis of such price or yield equivalent quotations or arm’s length transaction or on such other appropriate basis), as determined by the Manager, and then historical cost, provided that if a higher price is established for such securities and other assets as a result of an arm’s length transaction, the value of such securities and other assets held by the Fund may be revalued to reflect such price;
- (d) the value of units of non-reporting securities 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 month 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 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 calculating 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 made to Unitholders, 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 made 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.

### ***Distribution of Income and Capital Gains to Unitholders***

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 paid to Unitholders as of the record date, by way of reinvestment in additional Units of the same Class 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.

### ***Trading and Resale Restrictions***

This Offering of Units is made 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 (transfers between Class A Units and Class F Units will generally be permitted in respect of Units purchased in the same currency) 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 “*Transfer Between Classes of Units*” below. Units may also be redeemed on the last Business Day of each month. See Item 5.3 “*Redemption Procedure*” below.

### ***Transfer Between Classes of Units***

A Unitholder of any Class (other than the Side Pocket Classes) may, at the discretion of the Manager, 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 in respect of Units purchased in the same currency, subject to such transfers being in compliance with applicable securities laws.

## **5.2 Subscription Procedure**

Investors may purchase Units of the Fund through Harbourfront, as Selling Agent, or through other third party or affiliated Selling Agents retained by the Manager on behalf of the Fund. The Manager will schedule closings at its principal office via electronic communication facilities.

Investors will pay either an upfront account fee or an annual commission based service fee, depending on the Class of Units purchased. For further details regarding fees and commissions payable to Selling Agents, see Item 9 “*Compensation Paid to Sellers and Finders*”.

The minimum initial investment in the Fund for 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 designee, 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 Valuation Day 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 final purchase price per Unit is an amount equal to the Net Asset Value Per Unit subscribed for and may vary from Class to Class. 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 will be calculated as of that Valuation Day. The Net Asset Value Per Unit for subscriptions received and accepted after such time will be calculated on the next following Valuation Day.

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.

Investors may purchase Units in either Canadian or U.S. dollars. See "*U.S. Dollar Purchase Option*".

The subscription amounts, Subscription Agreements and other documents will be held in trust by the Manager and released upon closing. Closings will occur on a continuous basis on the last Business Day of each month in which subscriptions are received.

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

#### ***U.S. Dollar Purchase Option***

The Manager in its discretion may make Units available for purchase in either Canadian or U.S. dollars. The U.S. dollar purchase option is a convenience to allow investors who already hold U.S. dollars to invest directly in the Fund without converting to Canadian dollars. When purchasing Units using the U.S. dollar purchase option, the Fund may either convert the investor's U.S. dollars to Canadian dollars by applying the Canadian-to-U.S. dollar Exchange Rate on the Valuation Day, or retain the investor's U.S. dollars in the Fund's U.S. dollar account for further investment into U.S. dollar denominated investments. In either event, the value of the investor's investment in the Fund will be translated to, and recorded on the books of the Fund in, Canadian dollars by applying the Canadian-to-U.S. dollar Exchange Rate on the Valuation Day.

Investors electing the U.S. dollar purchase option may similarly elect to receive U.S. dollars on redemption of their Units, in which event the Net Asset Value of their redeemed Units on the redemption date would be translated from Canadian dollars by applying the U.S.-to-Canadian dollar Exchange Rate on the redemption date. Redemption amounts received in U.S. dollars may be impacted by the currency movements of the Canadian dollar versus the U.S. dollar during the period that the investment is held and prior to the redemption settlement date.

Investors should be aware that buying the Fund's Units in U.S. dollars does not affect the investment return and, in particular, does not hedge - or protect - against losses caused by the exchange rate between the Canadian and U.S. dollars. Investors should also be aware that short-term variability in exchange rates can have a significant impact in investment returns. Fund returns expressed in U.S. dollars reflect the return of the Fund as well as the effect of exchange rate movements between the U.S. dollar and the Canadian dollar. Because currencies change in value against each other, it is possible that an unfavourable movement in the exchange rate may reduce, or even eliminate any increase in the value of an investment made in a different currency. For example, if Units are purchased using

the U.S. dollar purchase service, and the Canadian dollar subsequently weakens against the U.S. dollar, the returns of that Fund expressed in U.S. dollars will be lower than the equivalent Canadian dollar returns.

For tax purposes, capital gains and losses are calculated in Canadian dollars. As a result, if you buy and redeem units under the U.S. dollar purchase option, you need to calculate gains or losses based on the Canadian dollar value of your Units when they were purchased and when they were sold. In addition, although distributions are made in U.S. dollars, they must be reported in Canadian dollars for Canadian tax purposes. Therefore, all investment income is reported to you in Canadian dollars for income tax purposes.

### ***Qualified Investors***

The Manager is offering for sale an unlimited number of Units on a continuous basis in the provinces and territories listed below by way of private placement.

The Offering is being conducted in the provinces and territories of Alberta, British Columbia, Saskatchewan, Manitoba, Ontario, Québec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Yukon and Northwest Territories pursuant to the exemption from the prospectus requirements afforded by NI 45-106 and the *Securities Act* (Ontario), as applicable.

The exemption pursuant to Section 2.3 of NI 45-106 and, for residents of Ontario, Section 73.3 of the *Securities Act* (Ontario), is available for distributions to investors purchasing as principal who are “accredited investors” as defined in NI 45-106 and the *Securities Act* (Ontario), as applicable, and who otherwise comply with the conditions to the availability of the exemption.

The accredited investor exemption relieves the Fund from the provisions of the applicable securities laws of each of the provinces and territories of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, 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.

The exemption pursuant to Section 2.10 of NI 45-106 is available for distributions to non-individual investors purchasing as principals, and where the aggregate acquisition cost to the investor of the Units subscribed for is not less than \$150,000, paid in cash at the time of acquisition.

The foregoing exemptions relieve the Fund from the provisions of the applicable securities laws of each of the provinces and territories of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, 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 Business Days of their receipt by the Manager or its designee. 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 Business 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 Business Day right of withdrawal available to certain investors provided for herein, and subject further to applicable securities laws, the investor’s subscription may not be withdrawn, cancelled, terminated or revoked by the investor.

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 in amounts of at least \$5,000 or such other amount determined by the Manager at any time, in its discretion. For investments using the U.S. dollar purchase service option, the minimum investment amounts and all fees are in U.S. dollars. For more information on the U.S. dollar purchase service option, see Item 5.2 "*Subscription Procedure – U.S. Dollar Purchase Service Option*".

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. 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.

### **5.3 Redemption Procedure**

Each Unitholder is entitled to require payment of the Net Asset Value Per Unit of all or any of their Units of any Class 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.

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 Manager may, at its discretion, charge Unitholders a redemption charge in an amount up to a maximum of 2% of the Net Asset Value Per Unit of the Units being redeemed if their Units are redeemed before they have held them for 120 days. Further, in connection with redemption requests for amounts exceeding, in aggregate, 5% of the Net Asset Value of the Fund (determined prior to such redemption), the Manager may, in its discretion, also charge a transaction fee of up to 1% of the redemption amount, calculated as of the applicable Business Day on which the Units are redeemed (a "**Transaction Fee**"). 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.

The proceeds payable on redemption will be the applicable Net Asset Value of the Units so redeemed, which may vary from Class to Class, less any applicable redemption charges (the "**Redemption Amount**"). With respect to redemptions of Units other than Side Pocket Units, the Manager will arrange for the payment of the Redemption Amount in Canadian dollars within two Business Days after the applicable Valuation Day. Upon the redemption of any Class of Units by a Unitholder, the accrued portion of any Management Fee and Performance Fee liability allocated to the redeemed Units for that Class will be payable by the Fund within ten Business Days of the end of the month in which the Units were redeemed. See additional redemption procedures applicable to Side Pocket Units below under Item 5.4 "*Side Pockets – Redemption*".

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.

### ***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.

## 5.4 Side Pockets

### *Creation and Issuance*

The Manager may, in its sole discretion and at any time, create one or more classes of Units designated as a "Side Pocket Class" (Units of which class are referred to as "**Side Pocket Units**") and allocate and attribute to the Side Pocket Classes (i) such securities or other investments ("**Side Pocket Investments**") that the Manager determines, in its sole discretion, to be illiquid, difficult to value, subject to lock-up or non-redemption provisions, subject to other special circumstances, or which it may be prudent, necessary or desirable to segregate from other assets or investments of the Fund, and (ii) cash in such amount as the Manager deems appropriate to facilitate the payment of Management Fees, Performance Fees (if any) and expenses out of such Side Pocket Classes.

Each investor who is a Unitholder at the time an investment is designated a Side Pocket Investment by the Manager, shall be issued Side Pocket Units of the newly created Side Pocket Class pro rata to such Unitholder's percentage holding of Units (other than Side Pocket Units) at that time. No certificates evidencing ownership of the Side Pocket Units will be issued to a Unitholder. Unitholders will receive a written confirmation from the Administrator indicating details of the transaction, including the number and dollar value of the Side Pocket Units issued, the Net Asset Value Per Unit and the Class, number and dollar value of Side Pocket Units held by the Unitholder.

Subsequently admitted Unitholders will not acquire an interest in any existing Side Pocket Investments or in any existing Side Pocket Class to which such investments are allocated and shall accordingly not participate in the gain, loss or income of the Side Pocket Units constituting any such existing Side Pocket Class.

The designation by the Manager of a Side Pocket Investment and its allocation to a newly created Side Pocket Class may apply in respect of any type of investment. There is no limit on the size of any Side Pocket Class or on the portion of investments of the Fund which can be allocated to a particular Side Pocket Class or to Side Pocket Classes in aggregate. Valuation of Side Pocket Investments will be carried at their fair value as determined by the Manager (the "**Side Pocket Allocation Value**").

Each Side Pocket Class shall, for internal accounting and Net Asset Value calculation and valuation purposes and for the purposes of determining the rights and entitlements of holders of each class of Units (including such Side Pocket Class) to income and profits of the Fund between themselves, constitute and be treated as a separate pool of assets of the Fund and as a separate class of Units.

On each Valuation Day, the Manager shall cause a separate Net Asset Value to be calculated for each class of Units (including Side Pocket Classes) and a separate Net Asset Value Per Unit for each class of Units. The Net Asset Value per Side Pocket Unit of each Side Pocket Class shall be calculated by determining first the proportion of the Net Asset Value of the Fund as a whole attributable to such class (on the basis of the rules and principles set out under Item 5.1 "*Terms of Securities – Valuation Procedures*") and by then dividing the Net Asset Value attributable to such class by the number of outstanding Side Pocket Units of such class.

Any expenses relating specifically to a Side Pocket Class will be charged solely to the Unitholders participating in such class.

A Side Pocket Investment shall be valued at the Side Pocket Allocation Value unless and until the Manager in its sole discretion determines that in view of any change of circumstances (including, without limitation, when it becomes possible to re-value a previously difficult to value investment or when an originally illiquid investment becomes more or less liquid), it is appropriate to adjust the value of any Side Pocket Investment.

### ***Redemption***

Each Unitholder is entitled to redeem all or any of his Side Pocket Units by giving written notice to the Manager in accordance with, and otherwise subject to, the procedures set forth above under Item 5.3 “*Redemption Procedure*”.

Upon receipt of a redemption request, the Manager will arrange for the payment of the value of the Side Pocket Units being redeemed by electronic funds transfer (in such case, upon the transfer directions provided by the Unitholder with any fee for such funds transfer to be borne by the Fund) or by mailing or delivering a cheque in the relevant amount in Canadian funds to the Unitholder as soon as is reasonably practicable following a Realization Event in respect of the Side Pocket Class. If a Realization Event in respect of the Side Pocket Class does not occur within 90 days after the date of the redemption request, then payment will be made and satisfied through the issuance of a non-interest bearing promissory note in the principal amount equal to the applicable Net Asset Value of the Units redeemed determined on the first Valuation Day following the occurrence of a Realization Event in respect of the Side Pocket Class, net of fees and expenses, including any accrued Management Fees or Performance Fees payable with respect to such Side Pocket Units. The promissory note shall be repaid by the Fund within five Business Days following the first Valuation Day following the relevant Realization Event.

A promissory note received as payment in connection with a redemption of Side Pocket Units would not be a qualified investment for Registered Plans, which may give rise to adverse tax consequences to the Registered Plan or the annuitant, beneficiary, subscriber or holder thereof. Accordingly, each annuitant, beneficiary, subscriber or holder under or of a Registered Plan that owns or is distributed Side Pocket Units should consult with his or her own tax advisors before deciding to exercise the redemption rights attached to the Side Pocket Units.

### ***Realization Events***

A “**Realization Event**” occurs when (i) a Side Pocket Investment is liquidated, sold or otherwise disposed of by the Fund, or (ii) the Manager determines in its sole discretion that any investment held by the Fund no longer constitutes a Side Pocket Investment for any reason including, without limitation, that the investment has become sufficiently liquid, is appropriately priced or can be valued with reasonable accuracy, or if for any other reason in the opinion of the Manager it is no longer necessary or desirable for the investment to be segregated from other assets or investments of the Fund.

Upon the occurrence of a Realization Event, the Manager may in its discretion take any one or more of the following actions: (a) sell or otherwise dispose of the Side Pocket Investment, redeem such portion of the Side Pocket Units as is equivalent in value (based on the re-calculated Net Asset Value per Side Pocket Unit after the disposition of the Side Pocket Investment) to the net proceeds of disposition (after deducting any costs, expenses, taxes and other liabilities relating to such disposition), and distribute to the relevant Unitholders their respective redemption proceeds by issuance of Class A Units or Class F Units, as applicable (at the then prevailing Net Asset Value Per Unit for such class) equal in value to such net proceeds of disposition of the Side Pocket Investment less any accrued Management Fees or Performance Fees attributable to such Side Pocket Investment; or (b) re-value such investments which no longer constitute a Side Pocket Investment, allocate and attribute such investments from the Side Pocket Class to the Class A Units or Class F Units, as applicable and thereafter redeem such portion of the Side Pocket Units as is equivalent in value to the value of such investments (re-valued as aforesaid) and distribute to the relevant Unitholders their respective redemption proceeds by issuance of Class A Units or Class F Units, as applicable (at the then prevailing Net Asset Value Per Unit for such class) of equivalent value, less any accrued Management Fees or Performance Fees attributable to such Side Pocket Investment. Class A Units or Class F Units, as applicable issued to Unitholders in accordance with the foregoing provisions may be subsequently redeemed at the option of Unitholders subject to the then prevailing redemption restrictions and limitations of the Fund.

### ITEM 6. REPURCHASE REQUESTS

The Fund received redemption requests from Unitholders as follows during the two most recently completed financial years:

Description of security	Date of end of financial year	Number of securities with outstanding repurchase requests on the first day of the year	Number of securities for which investors made repurchase requests during the year	Number of securities repurchased during the year	Average price paid for the repurchased securities	Source of funds used to complete the repurchases	Number of securities with outstanding repurchase requests on the last day of the year
Class A Units	December 31, 2023	0	\$72,496.11	\$72,496.11	\$10.4577	(1)	0
	December 31, 2024	0	\$86,700.62	\$86,700.62	\$10.3894	(1)	0
Class F Units	December 31, 2023	0	\$123,247,146.31	\$123,247,146.31	\$10.9507	(1)	0
	December 31, 2024	0	\$139,294,767.71	\$139,294,767.71	\$10.9768	(1)	0
Class F (USD) Units	December 31, 2023	0	\$960,632.96	\$960,632.96	\$11.0353	(1)	0
	December 31, 2024	0	\$1,714,474.49	\$1,714,474.49	\$10.8794	(1)	0
Class BFI-A Units	December 31, 2023	0	0	0	\$0	(1)	0
	December 31, 2024	0	0	0	\$0	(1)	0
Class BFI-F Units	December 31, 2023	0	0	0	\$0	(1)	0
	December 31, 2024	0	0	0	\$0	(1)	0
Class BFI-F (USD) Units	December 31, 2023	0	0	0	\$0	(1)	0
	December 31, 2024	0	0	0	\$0	(1)	0

Notes:

- (1) Repurchases are funded from monies received from the sale of Units to subscribers, sale of the underlying securities in the Fund and/or cash available in the Fund. .

From January 1, 2025 to August 31, 2025, the Fund has received redemption requests from Unitholders as follows:

<b>Description of security</b>	<b>Beginning and end dates of the period</b>	<b>Number of securities with outstanding repurchase requests on the first day of the year</b>	<b>Number of securities for which investors made repurchase requests during the period</b>	<b>Number of securities repurchased during the period</b>	<b>Average price paid for the repurchased securities</b>	<b>Source of funds used to complete the repurchases</b>	<b>Number of securities with outstanding repurchase requests on the last day of the period</b>
Class A Units	January 1, 2025 - August 31, 2025	0	\$151,865.35	\$151,865.35	\$10.3235	(1)	0
Class F Units	January 1, 2025 - August 31, 2025	0	\$34,172,365.05	\$34,172,365.05	\$10.8582	(1)	0
Class F (USD) Units	January 1, 2025 - August 31, 2025	0	\$350,818.27	\$350,818.27	\$10.4829	(1)	0
Class BFI-A Units	January 1, 2025 - August 31, 2025	0	0	0	\$0	(1)	0
Class BFI-F Units	January 1, 2025 - August 31, 2025	0	0	0	\$0	(1)	0
Class BFI-F (USD) Units	January 1, 2025 - August 31, 2025	0	0	0	\$0	(1)	0
Class I Units	January 1, 2025 - August 31, 2025	0 <sup>(2)</sup>	0	0	\$0	(1)	0
Class I (USD) Units	January 1, 2025 - August 31, 2025	0 <sup>(2)</sup>	0	0	\$0	(1)	0

Notes:

- (1) Repurchases are funded from monies received from the sale of Units to subscribers, sale of the underlying securities in the Fund and/or cash available in the Fund.
- (2) The Manager established Class I on March 26, 2025.

## ITEM 7. CERTAIN DIVIDENDS OR DISTRIBUTIONS

The Fund has not, in the two most recently completed financial years, or any subsequent interim period, paid any dividends or any distributions that exceeded cash flow from operations as at the date of this Offering Memorandum.

## ITEM 8. INCOME TAX CONSEQUENCES AND RRSP ELIGIBILITY

### 8.1 Independent Tax Advice

**You should consult your own professional advisers to obtain advice on the income tax consequences that apply to you.**

### 8.2 Income Tax Consequences

The following summary is provided by the Manager and describes the principal Canadian federal income tax considerations pursuant to 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 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. Units of the Fund purchased under the U.S. dollar purchase option may realize a foreign exchange gain or loss for tax purposes as a result of a change in the value of the U.S. dollar during the period the units were held.

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.

### **8.3 Eligibility for Registered Tax Plans**

**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.**

The Fund is a "mutual fund trust" for purposes of the Tax Act. Accordingly, the Units are qualified investments under the Tax Act for Registered Plans.

The Fund must have 150 or more Unitholders 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.

### **8.4 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, or certain of whose stakeholders 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 Unitholders in the Fund who are, or certain of whose stakeholders 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) and report certain information (including certain financial information) with respect to such Unitholders 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 9. COMPENSATION PAID TO SELLERS AND FINDERS**

Units are distributed primarily through Harbourfront, an affiliate of the Manager, as Selling Agent, but may also be purchased through other third party or affiliated Selling Agents.

Units are subject to either an upfront account fee or an annual commission based service fee, depending on the Class of Units purchased.

Purchasers of Class F Units will pay an upfront account fee to their Selling Agent in an amount agreed in the account agreement between the Selling Agent and the purchaser, and such fees may reduce the amount invested in the Units.



The Manager will pay part of the 2.38% Management Fee charged to the Fund in respect of the Class A Units to Selling Agents of the Class A Unitholders in the form of an annual service fee, known as a “trailing commission”. Service fees are equal to 1% per annum of the aggregate Net Asset Value of the Class A Units held by the Unitholder, calculated on each Valuation Day (1/12 of 1%) and payable annually. The service fee is paid to a Selling Agent for ongoing advice and service provided by that Selling Agent to its clients who have invested in Class A Units of the Fund. This service fee is payable by the Manager for as long as the Selling Agent’s clients’ investments remain in the Fund.

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

There are no fees payable in respect of Class I Units.

## **ITEM 10. RISK FACTORS**

An investment in the Fund involves a significant degree of risk, relating both to the types of investments contemplated by the Fund as well as the Fund’s ability to achieve its investment objectives and therefore should be undertaken only by those investors capable of evaluating the risks of the Fund and bearing the risks it represents. Before purchasing Units, prospective investors should carefully consider, among other factors, the following risk factors, as well as other information provided in this Offering Memorandum. The following risk factors do not purport to be a complete list or explanation of all risks involved in an investment in the Fund.

### **10.1 Risks Associated with Market Conditions**

#### ***General Economic Conditions***

The success of the Fund’s activities may be affected by general economic and market conditions both in Canada and globally, such as interest rates, availability of credit, inflation rates, economic uncertainty, export and import restrictions, tariffs and trade barriers, changes in laws, and national and international political circumstances (including war, terrorism, disease outbreaks, recessions or other events that could have a significant negative impact on global economic and market conditions). Material changes and fluctuations in the economic environment, particularly of the type experienced since 2008 that caused significant dislocations, illiquidity and volatility in the wider global economy, may affect the Fund’s ability to make investments and the value of investments held by the Fund or the Fund’s ability to dispose of investments. The short-term and the longer-term impact of these events are uncertain, but they could continue to have a material effect on general economic conditions, consumer and business confidence and market liquidity. Investments can be expected to be sensitive to the performance of the overall economy. Moreover, a serious pandemic, natural disaster, armed conflict, threats of terrorism, terrorist attacks and the impact of military or other action could severely disrupt global, national and/or regional economies. A resulting negative impact on economic fundamentals and consumer and business confidence may negatively impact market value, increase market volatility and reduce liquidity, all of which could have an adverse effect on the performance of investments, the Fund’s returns and the Fund’s ability to make and/or dispose of investments. No assurance can be given as to the effect of these events on the investments or the Fund’s investment objectives.

#### ***Inflation and Interest Rate Risk***

Inflation could directly adversely affect the Fund’s investments. If an investment is unable to increase its revenue in times of higher inflation, then its profitability and ability to distribute dividends may be adversely affected. Some of the Fund’s investments may have long-term rights to income linked to some extent to inflation, whether by government regulations, contractual arrangement or otherwise. Typically, as inflation rises, an investment will earn more revenue, but will incur higher expenses; as inflation declines, the investment may not be able to reduce expenses in line with any resulting reduction in revenue. Many businesses rely on concessions to mitigate the inflation risk to cash flows through escalation provisions linked to the inflation rate. While these provisions may protect against certain risks, they may not protect against the risk of a rise in real interest rates, which is likely to create higher financing costs for an investment and a reduction in the amount of cash available for distribution to Investors that have invested in the Fund. In addition, the market value of an investment may decline in times of higher inflation rates given that the most commonly used methodologies for valuing investments (e.g., discounted cash flow analysis) are sensitive to rising inflation and real interest rates. Finally, wage and price controls have been imposed at times in certain countries in an attempt to control inflation, which could significantly affect the operation of investments. Accordingly, changes in the rate of inflation may affect the forecasted profitability of an investment.

### ***US Trade Policies and Practices***

The United States has imposed tariffs on US imports on a number of countries, including Canada and Mexico, and it is possible that the United States may impose additional tariffs or increase tariffs on imports. Such tariffs could have the effect of, among other things, raising prices for consumers and eliciting reciprocal tariffs, which may slow the global economy and lead to increased market volatility and heightened inflation and interest rate risk, all of which may adversely affect fund performance.

### ***Foreign Currency Exposure***

It is expected that a significant proportion of the investments held by the Fund will 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, or the underlying funds in which the Fund invests, may hedge exposure to foreign currencies 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 investments. Changes in non-Canadian currency exchange rates may also affect the value of dividends and interest earned, and the level of gains and losses realized on the sale of such investments. The rates of exchange between the Canadian dollar and other currencies are affected by many factors, including forces of supply and demand in the non-Canadian currency exchange markets. Exchange rates also are affected by the international balance of payments and other economic and financial conditions, government intervention, speculation and other factors.

### ***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 8 "*Income Tax Consequences and RRSP Eligibility*" would be materially and adversely different in certain respects.

## **10.2 Risks Associated with an Investment in the Fund**

### ***General Investment Risk***

An investment in the Fund is risky. Investors must be able to bear the risk of a complete loss of their investment. Investing in the Fund is only suitable for investors who understand and are capable of bearing the risks of their investment. As is the case with any investment that does not offer a principal guarantee, all investments in underlying third-party funds and securities made by the Fund carry the risk the loss of invested capital, in part or in whole. While the Manager believes that the Fund's investment policies and underlying investment decisions 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 a positive return in the short or long term, and may produce negative returns. The value of the Units may increase or decrease depending on market, economic, political, regulatory and other conditions affecting the Fund's portfolio. An investment in Units may be more volatile and risky than some other forms of investments. Investors must be able to bear the risk of a partial or 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.

### ***Liquidity Risk***

Liquidity risk refers to the inability to sell a financial instrument or to only be able to sell the instrument at a price that represents a substantial discount to its true value. 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. In a normal market environment, Units may generally be redeemed on any Business Day. However, the redemption of

Units may be subject to certain fees (including a redemption fee or Transaction Fee) and restrictions (including the Redemption Gate or suspension of redemptions). If one or more redemption requests are received by the Manager for the redemption of Units on any Valuation Day which represent more than 5% of the Net Asset Value of the Fund, the Manager may, at its discretion, implement the Redemption Gate, in which event redemption request(s) will be satisfied in instalments on immediately succeeding Valuation Days, up to the amount of the Redemption Gate on each such Valuation Day. If the Manager activates the Redemption Gate and such redemption requests are received from more than one Unitholder, the requests will be implemented pro rata up to the amount of the Redemption Gate on each Valuation Day. The Manager may also suspend redemptions in certain circumstances, including in the event of redemptions exceeding, in aggregate, 5% of the Net Asset Value of the Fund and in the event the Manager determines that conditions are such that the disposal of the assets of the Fund is not reasonably practicable, in the best interest of all Unitholders, or it is not reasonably practicable to determine fairly the value of the Fund's assets. As such, Unitholders may not be able to liquidate their investments in a timely manner or in the event of an emergency. 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. The Fund's underlying holdings, whether a third-party fund, an exchange traded fund or a direct security, may also be difficult to sell because the securities are not well known or do not have an active liquid market. Smaller funds, small capitalization securities, or emerging market securities are all examples of direct securities that may not offer liquidity. Finally, illiquidity in the Fund's Units can affect liquidity in its underlying holdings. Substantial redemptions of Units could require the Fund to liquidate underlying 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 that remain outstanding. See Item 5.3 "*Redemption Procedure*".

### ***Reliance on Management***

The success of the Fund depends in substantial part upon the skill and expertise of the investment professionals who will be providing investment advice with respect to the Fund. There can be no assurance that these key investment professionals will continue to be associated with the Manager, or manager of the underlying funds in which the Fund invests, throughout the life of the Fund. In addition, the key investment professionals devote their time and attention to the Manager and various investments and investment products of Manager, which includes the activities of the Fund. While certain investment professionals will devote such time as they believe is reasonably required to the Fund, the composition of the team dedicated to the Fund may change from time to time without notice to the Unitholders. Accordingly, the make-up of the pool of investment professionals with responsibility for the investment strategy of the Fund may evolve over time. The loss of key personnel could have a material adverse effect on the Fund's ability to realize its investment objectives.

### ***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, RDSPs, TFSA's 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.

### ***Portfolio Concentration***

While diversification is an objective of the Fund, and the Fund's investment objectives and restrictions includes certain diversification limitations, there is no assurance as to the degree of diversification that will actually be achieved in the Fund's investments and it is likely that the asset mix of the Fund will differ from that which would result if diversification was the Fund's primary investment focus. To the extent that the Fund or an underlying fund concentrates its investments in a particular geographic region, security, investment sector or stage of investment, such investments may become more susceptible to fluctuations in value resulting from adverse economic or business conditions applicable to such region, type of security, investment sector or stage of investment.

### ***Not a Public Mutual Fund***

The Fund is not a reporting mutual fund 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 mutual funds under such laws are not available to Unitholders.

### ***Fund of Fund Risk***

The Fund may invest all or a portion of its assets in one or more third party managed underlying funds. The proportion of underlying funds held by the Fund will be selected and varied by the Manager, in its sole discretion, in the interest of achieving the investment objectives of the Fund. To the extent that the Fund invests in underlying funds, it has exposure to the same risks as its underlying funds.

Purchasers of Units in the Fund will not have a direct interest in any underlying fund in which the Fund invests. Accordingly, Unitholders will not have any rights under the governing documents of the underlying fund and will have no standing or recourse against the underlying fund in any respect. None of the Fund, the Manager or any of their respective affiliates has the power to legally bind or commit the underlying fund parties.

A copy of the offering document or other similar disclosure document of an underlying fund (if any) in which the Fund invests its assets are available, free of charge, upon request. Unitholders acknowledge that none of the Fund, the Manager or any of their respective affiliates have made any representations and/or warranties in respect of any of the information set forth in any underlying fund disclosure document.

### ***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.

### ***Large Unitholder Risk***

Where the Fund has one or more Unitholders owning a significant percentage of its total Units, certain actions by a large Unitholder may have an impact on the Fund. If a large Unitholder withdraws from the Fund (by redeeming Units), the redemption may force the Fund to liquidate some of its portfolio securities in an untimely manner to pay the redemption price to the large Unitholder. The sale of portfolio securities might trigger capital gains tax for the remaining Unitholders. It might also increase the transaction costs, which the Fund must pay, thereby reducing the net asset value of the Fund.

### ***Relationship Between the Fund, the Manager and Affiliates of the Manager and Potential Conflicts of Interest***

Harbourfront is the Fund's portfolio adviser and principal Selling Agent. Harbourfront, a CIRO Dealer Member and registered investment dealer, is an affiliate of the Manager. Both the Manager and Harbourfront are indirect, wholly-owned subsidiaries of HFW Holdings Inc. As of the date of the Offering Memorandum, Audax Group beneficially owned the majority of the issued and outstanding shares of HFW Holdings Inc. and as such has the ability to elect and appoint the directors and officers of Harbourfront and the Manager.

These relationships create various conflicts of interest for the Fund.

Investors may purchase Units of the Fund through 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.

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 directors and officers 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 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).

The Manager, Harbourfront and their respective officers, directors, employees, or shareholders and their respective affiliates and associates 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 independent management oversight and will rely exclusively upon the Manager to manage the business of the Fund and to provide investment managerial skill. The directors, officers, employees and shareholders of the Manager may have a conflict of interest in allocating their time among the business of the Manager, Harbourfront and 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.

#### ***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.

#### ***Lack of Independent 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.

#### ***Broad Authority of the Manager***

The Trust Agreement gives the Manager broad discretion over the conduct of the Fund's business, the selection of the securities in which the Fund invests and the types of transactions in which the Fund engages.

#### ***Incentive Fee to the Manager***

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

### ***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.

## **10.3 Risks Associated with the Fund's Investments**

### ***Risks of Investing in Private Debt***

The security in respect of loans within an underlying 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 underlying 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 underlying 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 underlying fund may be prohibited by contract from selling certain securities for a period of time. If the underlying fund is required to liquidate all or a portion of its portfolio positions quickly, then the underlying fund may realize significantly less than the value at which the underlying fund previously recorded those investments.

### ***Interest rate risk***

Changes in interest rates may adversely affect the value of debt securities held directly or indirectly by an investment fund. The interest rate on a bond or other debt security is set when it is issued. When interest rates fall, the price of existing bonds will rise because existing bonds pay higher rates than new bonds and are therefore worth more and the value of investment fund may increase. On the other hand, when interest rates rise, the price of existing bonds will fall, and so will the value of the investment fund as a result of holding such bonds. This risk exists whether securities are fixed rate or floating rate investments. The degree to which an investment is affected by a change in interest rates is reflected in its term-to-maturity. Longer dated loans or fixed income instruments are more sensitive to changes in interest rates vs. shorter term securities.

### ***Exchange Traded Fund Risk***

The Funds may invest in ETFs, which qualify as "index participation units" under NI 81-102. These ETFs seek to provide returns similar to the performance of a market index or industry sector index. ETFs may not achieve the same return as their benchmark market or industry sector indices due to, among other things, differences in the actual weights of securities held in the ETF versus the weights in the relevant index (any such differences are usually small), and due to the operating and management expenses of the ETFs. ETFs may also be subject to currency risk. An ETF

may, for a variety of reasons, also fail to accurately track the market segment or index that underlies its investment objective. ETF units may trade below, at, or above their respective net asset values per unit. The price of an ETF can also fluctuate and the value of Funds that invest in securities offered by ETFs will change with these fluctuations.

### ***Leverage Risk***

The underlying funds in which the Fund invests may employ leverage in the acquisition, operation and ownership of its investments and may refinance its investments, if desirable. Debt could take the form of mortgage or other financing at the property level or ownership level. Leverage may be secured on the underlying fund's property assets. Such use of leverage generally magnifies a fund's opportunities for gain and its risk of loss from a particular investment. Leverage exposes a fund to movements in loan interest rates and the possibility that if the values of properties fall, the fund's capital repayment commitments may exceed the capital value of the fund's assets. The ability to obtain financing quickly and on reasonable terms is important to the success of a fund and such availability is uncertain. No assurance can be given that the leverage contemplated will be available at commercially acceptable rates. The cost and availability of leverage is highly dependent on the state of the broader credit markets (and such credit markets may be impacted by regulatory restrictions and guidelines), which state is difficult to accurately forecast, and at times it may be difficult to obtain or maintain the desired degree of leverage. The use of leverage involves financial risk and generally magnifies a fund's opportunities for gain and its risk of loss from a particular investment and will also result in interest expense and other costs to the fund that may not be covered by distributions made to the fund or appreciation of its investments. Should the credit markets be limited or costly at the time that an underlying fund determines that it is desirable to sell all or a part of an investment, the fund may not achieve an exit capitalization rate consistent with its forecasts. An underlying fund may also borrow money or guarantee indebtedness (such as a guarantee of an investment's debt) or otherwise be liable therefor, and in such situations, it is not expected that the fund would be compensated for providing such guarantee or exposure to such liability. To the extent that an underlying fund incurs leverage (or provides such guarantees), such amounts may be secured by commitments made by the fund's investors, including the Fund, and such investors' contributions may be required to be made directly to one or more lenders instead of the underlying fund. The underlying fund may engage in portfolio financing, whereby several properties or all assets of the relevant portfolio are cross-collateralized, and multiple properties may be subject to the risk of loss. As a result, the underlying fund could be divested of performing properties in the event such properties are cross-collateralized with poorly performing or non-performing properties. In addition, any use of recourse debt with respect to an investment will subject the other assets of the fund to risk of loss.

### ***Credit risk***

The Fund (or underlying funds in which the Fund invests) may invest in private debt, bonds and other fixed income securities. Credit risk is the possibility that an issuer of a bond or other fixed income investment may not be able to pay interest or to repay the principal at maturity. The risk of this occurring is greater with some issuers than with others. For example, the risk of default is generally low for government and high-quality corporate securities. Where the risk is considered greater, the interest rate that must be paid by the company on its fixed income securities is generally higher than for a company where the risk is considered to be lower.

Credit risk is comprised of default risk, credit spread risk, downgrade risk and collateral risk. Each can have a negative impact on the value of a debt security.

***Default risk*** is the risk that the issuer will not be able to pay the obligation, either on time or at all. Generally, lower quality debt securities involve a greater risk of default on interest and/or principal payments.

***Credit spread risk*** is the risk that there will be an increase in the difference between the interest rate of an issuer's bond and the interest rate of a bond that is considered to have little associated risk (such as a government guaranteed bond or treasury bill). The difference between these interest rates is called a "credit spread". Credit spreads are based on macroeconomic events in the domestic or global financial markets. An increase in credit spread will decrease the value of debt securities.

***Downgrade risk*** is the risk that a specialized credit rating agency, such as DBRS (Dominion Bond Rating Services), Standard & Poor's or Moody's Investors Services, will reduce the credit rating of an issuer's securities. Downgrades in credit rating will decrease the value of those debt securities.

***Collateral risk*** is the risk that the value of any assets securing an issuer's obligation may be deficient or difficult to liquidate. As a result, the value of those debt securities may decline significantly in value.

***Small- and mid-capitalization company risk***

The Fund may invest in underlying third-party strategies that lend to small and mid-capitalization companies. The securities of small- and mid-capitalization companies can be riskier than the securities of larger companies, and more sensitive to economic cycles. Credit risk can be higher in these securities.

***Foreign and Emerging Markets***

The Fund may invest indirectly via third-party strategies, or directly via individual securities, in foreign countries that face increased risk because of differences in accounting standards, accounting, financial reporting, which may not be as stringent as Canada and the US. These differences may mean portfolio managers receive less complete or transparent information on foreign securities. Most notably, there are political risks to trading in foreign markets. Investor rights are not protected in equal fashion across geographies. Governments can impose regulatory changes that affect shareholder rights or currency valuations. Many foreign markets are also less liquid and are more volatile than Canadian and US markets. International market risk may be particularly high in emerging markets, where market structures, regulation and shareholder rights are less developed or protected. Emerging markets have historically exhibited higher instances of political instability, government intervention, hyper-inflation, currency devaluation versus the dollar, lower trading and liquidity challenges versus developed market economies. 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.

***Securities Lending Risk***

The Fund (or underlying funds in which the Fund invests) may engage in securities lending transactions in order to earn additional income. Securities lending involves lending securities held by a fund to qualified borrowers who have posted collateral. In lending its securities, a fund is subject to the risk that the borrower may not fulfill its obligations, leaving the fund holding collateral worth less than the securities it has lent, resulting in a loss to the fund.

***Use of Derivatives***

The Fund (or underlying funds in which the Fund invests) 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 a 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 (or underlying funds in which the Fund invests) 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.

**ITEM 11. REPORTING OBLIGATIONS**

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 within 180 days after the last day of each fiscal year of the Fund, or as soon as practicable thereafter. Interim unaudited financial statements of the Fund are available to Unitholders upon request. **Unitholders will not receive any other information regarding the Fund's portfolio on an ongoing basis.**

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 12. RESALE RESTRICTIONS**

Unless permitted under securities legislation, you cannot trade the securities before the date that is 4 months and a day after the date the Fund becomes a reporting issuer in any Canadian province or territory.



## ITEM 13. PURCHASERS' RIGHTS

### 13.1 Statements Regarding Purchaser's Rights

If you purchase these securities, you will have certain rights, 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 they prove that 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) or section 2.10 of NI 45-106 and this document contains a misrepresentation, subject to the exceptions set out above, 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.**