CONFIDENTIAL OFFERING MEMORANDUM

This Amended and Restated Offering Memorandum constitutes an offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities and to those persons to whom they may be lawfully offered for sale. ***No securities commission or similar regulatory authority in Canada has reviewed this Offering Memorandum or has in any way passed upon the merits of the securities offered hereunder and any representation to the contrary is an offence.*** *No prospectus has been filed with any such authority in connection with the securities offered hereunder. This Offering Memorandum is confidential and is provided to specific prospective investors for the purpose of assisting them and their professional advisers in evaluating the securities offered hereby and is not to be construed as a prospectus or advertisement or a public offering of these securities.*

Continuous Offering **September 20, 2017**

NEWGEN EQUITY LONG-SHORT FUND RRSP

Mutual Fund Units

NewGen Equity Long-Short Fund RRSP (the "**Fund**") (formerly, NewGen Trading Fund RRSP) is a trust formed under the laws of the Province of Ontario to invest in securities. The primary objective of the Fund is to achieve superior absolute returns through an opportunistic trading strategy designed to exploit short-term market inefficiencies. The Fund intends to invest (long and short) primarily in listed equities. The Fund intends to achieve this investment objective through its investment strategy of investing all or substantially all of its assets in units of NewGen Equity Long-Short Fund LP (the "**Partnership**"). The Fund was formed as of August 1, 2015 and will continue until it is dissolved. NewGen Asset Management Limited (the "**Manager**"), is the trustee, investment fund manager and portfolio manager of the Fund, and the investment fund manager and portfolio manager of the Partnership. **The Fund is therefore a related issuer of the Manager**. The Manager will earn fees from the Partnership and will not earn similar fees at the Fund level. See "*Statement of Policies*". Purchasers of interests in the Fund, in the form of trust units (the "**Units**") become unitholders ("**Unitholders**") of the Fund and will be bound by the terms of a master declaration of trust dated as of August 1, 2015 (the "**Master Declaration of Trust**"), as amended from time to time, governing all investment funds created pursuant to it and of the regulation specific to the Fund dated August 1, 2015, as amended and restated on March 1, 2017 to reflect the name change of the Fund (the "**Regulation**" and together with the Master Declaration of Trust a "**Declaration of Trust**" for that investment fund).

SUBSEQUENT SUBSCRIPTION PRICE: NET ASSET VALUE
MINIMUM INITIAL INVESTMENT: $5,000 in Canadian dollars

An unlimited number of Units, issuable in different classes, is being offered on a continuous basis. Investors purchasing Units pursuant to this Offering Memorandum will generally be issued Class B Units denominated in Canadian dollars. Class B Units are available to investors meeting the minimum investment criteria. Class F Units and Class G Units will be available to investors who have accounts with registered dealers. Class M Units will be available to associates and affiliates of the Manager and its directors, officers and employees. Units are only being distributed to investors resident in various jurisdictions in Canada pursuant to available prospectus exemptions under the securities laws of those jurisdictions through registered dealers in such jurisdictions. See "*The Offering*". Units will be issued in series and each new series will be issued at an opening Net Asset Value per Unit equal to the Net Asset Value of the Series 1 Units of the same class. At the end of each year, some or all series of the same class of Units may be rolled

up into a single series, in the discretion of the Manager. Subscriptions may be accepted on the last Business Day of each month and on such other dates as the Manager may prescribe (each, a "**Valuation Date**") and Units will be deemed to be issued on the next Business Day. This offering is subject to a minimum subscription level of $5,000. Class B Units, Class F Units, and Class G Units may be redeemed on a Valuation Date commencing six (6) months following the purchase of such Units by a Unitholder and upon not less than thirty (30) days' written notice to the Manager. Class M Units are subject to a one (1) year lock-up period during which they may not be redeemed (subject to the Manager's discretion to waive this lock-up period in extraordinary circumstances).

These securities carry risk. A subscription for Units should be considered only by persons financially able to maintain their investment and who can bear the risk of loss associated with an investment in the Fund. As there is no market for these securities, it may be difficult or even impossible for the purchaser to sell them.

There is no market through which the Units may be sold and none is expected to develop. The Units of the Fund are also subject to resale restrictions under the Declaration of Trust and applicable securities legislation. Redemptions may be suspended and/or redemption proceeds paid partly in cash and partly in kind if there is insufficient liquidity in the Fund. There are certain additional risk factors associated with investing in the Units. Investors should consult their own professional advisers to assess the income tax, legal and other aspects of the investment. See "*Risk Factors*" and "*Transfer or Resale*".

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

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

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

CERTAIN INFORMATION CONTAINED IN THIS OFFERING MEMORANDUM MAY CONSTITUTE "FORWARD-LOOKING STATEMENTS," WHICH CAN BE IDENTIFIED BY THE USE OF FORWARD-LOOKING TERMINOLOGY SUCH AS "MAY," "WILL," "SHOULD," "EXPECT," "ANTICIPATE," "PROJECT," "ESTIMATE," "INTEND," "CONTINUE," OR "BELIEVE," OR THE NEGATIVES THEREOF OR OTHER VARIATIONS THEREON OR COMPARABLE TERMINOLOGY. DUE TO VARIOUS RISKS AND UNCERTAINTIES, INCLUDING THOSE SET FORTH UNDER "RISK FACTORS", ACTUAL EVENTS OR RESULTS OR THE ACTUAL PERFORMANCE OF THE FUND MAY DIFFER MATERIALLY FROM THOSE REFLECTED OR CONTEMPLATED IN SUCH FORWARD-LOOKING STATEMENTS.

ALL REFERENCES TO "DOLLARS" OR "$" ARE TO CANADIAN DOLLARS UNLESS OTHERWISE INDICATED.

TABLE OF CONTENTS

SUMMARY

The following is a summary of the principal features of this offering and should be read together with the more detailed information contained elsewhere in this Offering Memorandum.

The Fund	NewGen Equity Long-Short Fund RRSP (formerly, NewGen Trading Fund RRSP) is a mutual fund trust formed under the laws of Ontario as of August 1, 2015.
Investment Objectives and Strategies of the Fund:	The Fund's principal investment objective is to achieve superior absolute returns through an opportunistic trading strategy designed to exploit short term market inefficiencies. The Fund intends to achieve its investment objective through its investment strategy of investing all or substantially all of its assets in units of the NewGen Equity Long-Short Fund LP. The Fund has obtained exemptive relief from the Ontario Securities Commission to allow such investment into units of a related issuer.
The Partnership:	NewGen Equity Long-Short Fund LP (formerly known as NewGen Trading Fund LP and NewGen Mining Fund L.P.) is a limited partnership formed under the laws of the Province of Ontario on January 19, 2010. Investors of the Fund are entitled to receive from the Manager, or its affiliate, on request and free of charge, a copy of the offering memorandum of the Partnership.
Investment Objective and Activities of the Partnership:	The Partnership's principal investment objective is to achieve superior absolute returns through an opportunistic trading strategy designed to exploit short-term market inefficiencies. There is no assurance that the Partnership's investment objective will be achieved, and results may vary substantially over time. Any investment strategy pursued for the Partnership is in the absolute and sole discretion of the Manager. The Partnership is under no obligation to advise existing or potential investors of a change in investment styles or strategies.
The General Partner:	NewGen Trading Fund GP Limited is a corporation incorporated under the laws of the Province of Ontario and is the general partner of the Partnership. The General Partner was instrumental in the formation of the Partnership and is responsible for approving and monitoring the Partnership's various service providers, including the Manager. In exchange for its services, the General Partner will receive management fees and a share of Partnership profits. See "*The General Partner*".
The Trustee and Manager:	NewGen Asset Management Limited (formerly known as "New Generation Advisors Limited") is a corporation incorporated under the laws of the Province of Ontario. It was designated by order of the Ontario Securities Commission as trustee for the Fund under the *Loan and Trust Corporations Act* (Ontario). It directs the affairs of the Fund and was engaged by the General Partner to direct those of the Partnership. It provides day-to-day management services to the Fund and Partnership, including management of both the Fund's and the Partnership's portfolios on a discretionary basis and distribution of the Units of the Fund and of the Partnership. See "*The Manager*". It is registered in the categories of IFM, PM, and EMD in Ontario,

	IFM and EMD in Newfoundland and Labrador and Quebec, PM and EMD in Alberta, and EMD in British Columbia and Saskatchewan.
The Offering:	Four (4) classes of Units are currently being offered in series by the Fund. *Class B Units*. Class B Units are available to all investors who meet the minimum investment criteria. Class B Units are subject to a six (6) month lock-up period during which they may not be redeemed (as described under "*Redemptions*"). *Class F Units*. Class F Units are available to investors who maintain an investment account through a registered dealer and who are subject to a periodic asset based fee and who meet the minimum investment criteria. Class F Units are subject to a six (6) month lock-up period during which they may not be redeemed (as described under "*Redemptions*"). *Class G Units*. Class G Units are available to investors who maintain an investment account through a registered dealer, who are subject to commission charges on transactions and who meet the minimum investment criteria. Class G Units are subject to a six (6) month lock-up period during which they may not be redeemed (as described under "*Redemptions*"). *Class M Units.* Class M Units will generally only be issued to associates and affiliates of the Manager and its directors, officers and employees and to managed account clients who pay fees directly to the Manager. Class M Units are subject to a one (1) year lock-up period during which they may not be redeemed (as described under "*Redemptions*"). A new series of Units within each class will generally be issued each Valuation Date. The Fund is authorized to issue additional classes of Units from time to time containing financial terms and conditions that may differ from those set forth herein. Such new classes of Units may have preferential terms to the Units currently being offered, including, but not limited to, redemptions. The Units are being distributed only pursuant to available prospectus exemptions in Canada to investors (a) who are accredited investors under the *Securities Act* (Ontario) or National Instrument 45-106, as applicable, or (b) to whom Units may otherwise be sold without a prospectus under applicable securities legislation. All classes are denominated in Canadian dollars for subscription, redemption and valuation purposes. See "*The Offering*".
Price per Unit:	$100 for Series 1 Units of a class and, for subsequent series, the Net Asset Value of the Series 1 Units of the respective class.
Minimum Individual Investment:	The minimum initial investment is $5,000 in Canadian dollars, but may be reduced for accredited investors in the sole discretion of the Manager. Each additional investment must be in an amount that is not less than $5,000.

For investors who are not accredited investors and are not individuals, an additional investment may be made provided that (a) the investor initially

acquired Units of the Fund for an acquisition cost of not less than $150,000 and, at the time of the additional investment, the Units then held by the investor have an acquisition cost or a Net Asset Value equal to at least $150,000, or (b) another exemption is available.

At the time of making each additional investment, unless a new Subscription Agreement is executed, each investor will be deemed to have repeated and confirmed to the Manager the covenants and representations contained in the Subscription Agreement delivered by the investor to the Manager at the time of the initial investment. See "*Minimum Individual Subscriptions*".

Subscription Procedure: Subscriptions for Units must be made by completing and executing the subscription form provided by the Manager and by forwarding to the Manager such form together with payment of the subscription price (including through the facilities of FundSERV). Subscription orders may be sent to the Manager by courier, priority post, or electronic means (including through the facilities of FundSERV).

Subscriptions will be accepted on the Valuation Date, subject to the Manager's discretion to refuse subscriptions in whole or in part. A fully completed Subscription Agreement and subscription proceeds (in the form of a cheque, bank draft or confirmation of wire transfer) must be received by the Manager no later than 4:00 p.m. (Toronto time) on the designated Valuation Date in order for the subscription to be accepted as at that date; otherwise the subscription will be processed as at the next Valuation Date. See "*The Offering*".

Series Roll-up: At the end of each year, the Manager may roll some or all series of the same class of Units into a single series in order to reduce the number of outstanding series of such class. This will be accomplished by amending the Net Asset Value per Unit of all such series so that they are the same, and consolidating or subdividing the number of Units of each such series so the aggregate Net Asset Value of Units held by a Unitholder does not change. See "*The Offering*".

Redemptions: Redemptions of Units will be permitted on Redemption Date, pursuant to written notice that must be received by the Fund at least five (5) days' prior to the applicable Redemption Date. Redemption requests received through the FundSERV network are considered an acceptable form by the Manager.

The Manager, in its sole discretion, may permit redemptions of Units at other times or otherwise modify or waive such redemption conditions and requirements for redemptions of any Unitholder's Units at any time.

The redemption price shall equal the Net Asset Value per Unit of the applicable class and series of Units being redeemed, determined as of the close of business on the relevant Redemption Date.

A Unitholder may redeem its Class B Units, Class F Units, or Class G Units after such Units have been held by the redeeming Unitholder for a minimum of six (6) months from the date of issuance. Class M Units are subject to a one (1) year lock-up period during which they may not be redeemed.

Units redeemed prior to the expiration of the lock-up period will be subject to a redemption fee of five percent (5%) of the redemption proceeds of the Units being redeemed payable to the Fund. The Manager, in its sole discretion, may waive the lock-up period in extraordinary circumstances.

If a Unitholder is redeeming all of the Unitholder's Units, the Manager may, in its sole discretion, hold back up to 5% of the Net Asset Value of such Units pending completion of the Fund's annual year-end audit. The balance owing on redemption proceeds shall be paid out within thirty (30) days of the completion of such audit.

Redemptions may be deferred in certain circumstances, including where the Manager has suspended redemptions in the underlying Partnership, or if it is of the opinion, that there are insufficient liquid assets in the Fund to fund such redemptions entirely in cash or that the liquidation of assets would be to the detriment of the Fund generally.

In the event the General Partner suspends redemptions of Partnership Units, then thereafter there shall be no determination of the Net Asset Value of the Fund until the Manager declares the suspension at an end, except that the suspension shall terminate, in any event, on the first Business Day on which:

- the condition giving rise to the suspension shall have ceased to exist; and
- no other condition under which suspension is authorized shall exist.

During any suspension of valuation, the subscription, redemption, transfers and conversions of Partnership Units relevant class or series will also be suspended, and any unprocessed redemption requests may be withdrawn during the period of suspension.

Should there be a determination that the Partnership be wound up, then the Manager shall immediately take steps to wind up the Fund in accordance with the provisions of the Declaration of Trust.

The Manager has the right to require a Unitholder to redeem some or all of the Units owned by such Unitholder on a Redemption Date at the Net Asset Value per Unit thereof, by notice in writing to the Unitholder given at least thirty (30) days before the designated Redemption Date, which right may be exercised by the Manager in its absolute discretion.

If a Unitholder requests a redemption of Units and, as a result of such redemption, the Unitholder will hold Units having a Net Asset Value of $5,000

or less, the Manager may require the Unitholder to redeem the balance of such Unitholder's Units.

Transfer or Resale: Units of the Fund are not transferable by a Unitholder except by operation of law, with the written consent of the Manager or as contemplated in the Regulation. The transfer or resale of Units (which does not include a redemption of Units) is also subject to restrictions under applicable securities legislation. Accordingly, redemption of the Units in accordance with the provisions set out herein is likely to be the only means of liquidating an investment in the Fund. See "*Transfer or Resale*".

Management Fee: As the Manager will be entitled to receive a monthly management fee from the Partnership based on the net asset value of each class of Partnership Units of the underlying Partnership in which the Fund invests, the Manager shall not receive any management fee or other incentive distribution at the Fund level, thereby avoiding a duplication of incentive fees. The Net Asset Value per Unit of each Unit of the Fund will take into account the monthly management fee charged by the Manager for the applicable Class of Units of the Partnership and the profit allocation allocated to the General Partner of the Partnership.

See "*The General Partner – Management Fee*" and "*The General Partner – Profit Allocation*".

Payment of Expenses: The Fund is responsible for, and the Manager shall be entitled to reimbursement from the Fund for all costs and operating expenses that may be reasonably incurred by it in connection with the organization of the Fund and the ongoing activities of the Fund, including but not limited to:

(i) third party fees and administrative expenses of the Fund, which include the trustee's and Manager's fees, if any, accounting and legal costs, insurance premiums, custodial fees, registrar and transfer agency fees and expenses, bookkeeping and recordkeeping costs, all Unitholder communication expenses, organizational expenses, the cost of maintaining the Fund's existence, regulatory fees and expenses, and all reasonable extraordinary or non-recurring expenses; and

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

See "*Expenses*" below for additional information about the expenses of the Fund and the Partnership.

Allocations for Tax Purposes:	Net income for taxation purposes, dividends and taxable capital gains of the Fund for taxation purposes in each fiscal year will be allocated as at the last day of such year to Unitholders who hold Units at any time during such year generally based on the number, class and series held by such Unitholders, the dates of purchase and/or redemption, the respective Net Asset Values of each class and series of Units, the fees paid or payable in respect of each class and series of Units, and the date of realization of each such item of income, gain or loss, as the case may be.
Distributions to Unitholders:	The Fund intends to distribute in each year such portion of its net income and net realized capital gains as will result in the Fund paying no tax under Part I of the Tax Act, other than alternative minimum tax, if applicable, after taking into account any loss carry forwards and any entitlement to a capital gains refund. Generally, it is expected that such net income and net realized capital gains of the Fund will be calculated and made payable to each Unitholder of record as of the close of business on the last Valuation Date in each calendar year. The Manager has no intention of making any other distributions of allocated income to Unitholders. See "*Distributions*".
Fiscal Year End:	December 31 in each year.
Term:	The Fund has no fixed term. Dissolution may only occur on thirty (30) days written notice by the Manager to each Unitholder, or sixty (60) days following the removal of the trustee (unless the Unitholders vote to appoint a replacement trustee and continue the Fund) in accordance with the Declaration of Trust.
Financial Reporting:	Audited financial statements will be available and, where requested, delivered to Unitholders within ninety (90) days of each fiscal year end. Unaudited interim financial statements for the first six (6) months of each fiscal year will be available and, where requested, delivered to Unitholders within sixty (60) days of the end of such period. Unaudited financial information respecting the Net Asset Value per Unit will be provided on a monthly basis. If available, Unitholders may receive from the Manager, on request and free of charge, the annual and interim financial statements of the Partnership. See "*Reports to Unitholders*".
Eligibility for Investments through Registered Plans:	Provided the Fund is and continues to qualify as a "mutual fund trust" for the purposes of the Tax Act, Units will be qualified investments for trusts governed by Registered Plans. Notwithstanding the foregoing, if the Units are a "prohibited investment" (as defined in the Tax Act) for a trust governed by a TFSA, RRSP or RRIF, the holder of such TFSA or the annuitant of such RRSP or RRIF, as the case may be, will be subject to a penalty tax as set out in the Tax Act. The Units generally will not be a "prohibited investment" provided that the holder of a TFSA, or the annuitant under a RRSP or RRIF, as the case may be, deals at arm's length with the Fund and does not hold a "significant interest" (within the meaning of the Tax Act) in the Fund. In addition, the Units will not be a

	"prohibited investment" for a trust governed by a TFSA, RRSP or RRIF if the Units are "excluded property" as defined in the Tax Act for such trust. **Prospective investors should consult their own tax advisors regarding their particular circumstances.**
Tax Considerations:	Persons investing in an investment fund such as the Fund should be aware of the tax consequences of investing in, holding and/or redeeming Units. **Investors are urged to consult with their tax advisers to determine the tax consequences of an investment in the Fund.**
Release of Confidential Information:	Under applicable securities and anti-money laundering legislation, the Manager and/or the NAV Administrator are required to collect and may be required to release confidential information about Unitholders and, if applicable, about the beneficial owners of corporate Unitholders, to regulatory or law enforcement authorities.
Risk Factors:	Investors should consider a number of factors in assessing the risks associated with investing in Units including those generally associated with the investment techniques used by the Manager in respect of the underlying Partnership's assets. See "*Risk Factors*".
Dealer Compensation:	There is no commission payable by the purchaser to the Manager upon the purchase of the Units, however purchasers of Units may pay a negotiated fee if purchasing through a dealer. Subject to applicable law, the Manager may pay, out of the fees received by the Manager from the Partnership, a negotiated referral fee or trailing commission to dealers or other persons in connection with a sale of Units.
Legal Counsel:	AUM Law Professional Corporation, Toronto, Ontario
Auditor:	KPMG LLP, Toronto, Ontario
Prime Brokers of the Partnership:	Scotia Capital Inc., Toronto, Ontario CIBC World Markets Inc., Toronto, Ontario
Custodian of the Fund	Scotia Capital Inc., Toronto, Ontario
NAV Administrator:	SGGG Fund Services Inc., Toronto, Ontario

GLOSSARY

"**Business Day**" means any day on which the Toronto Stock Exchange is open for trading;

"**Class B Units**" means Class B Units;

"**Class F Units**" means Class F Units;

"**Class G Units**" means Class G Units;

"**Class M Units**" means Class M Units;

"**CRA**" means the Canada Revenue Agency;

"**Declaration of Trust**" means, collectively, the Master Declaration of Trust and the Regulation;

"**ETFs**" means exchange-traded funds;

"**EMD**" means exempt market dealer;

"**FATCA**" means the *Foreign Account Tax Compliance Act*;

"**Financial Instruments**" has the meaning assigned under "*Investment Strategies and Restrictions of the Partnership*";

"**Fund**" means the NewGen Equity Long-Short Fund RRSP (formerly, NewGen Equity Long-Short Fund RRSP);

"**Fund Property**" at any time means for the Fund, any and all securities, property and assets, real and personal, tangible and intangible, transferred, conveyed or paid to the Fund including:

a) all proceeds realized from the issuance of Units of the Fund;

b) all investments, sums or property of any type or description from time to time delivered to the trustee or held for its account and accepted by the trustee in accordance with the Declaration of Trust for the purposes of the Fund;

c) any proceeds of disposition of any of the foregoing property and assets; and

d) all income, interest, profit, gains and accretions and additional rights arising from or accruing to such foregoing property or such proceeds of disposition;

"**General Partner**" is NewGen Trading Fund GP Limited, a corporation incorporated under the laws of the Province of Ontario, and is the general partner of the Partnership;

"**IFRS**" means the International Financial Reporting Standards;

"**IFM**" means investment fund manager;

"**IGA**" means the Intergovernmental Agreement for the Enhanced Exchange of Tax Information under the Canada-U.S. Tax Convention;

"**Limited Partners**" means the limited partners of the Partnership holding Partnership Units;

"**Limited Partnership Agreement**" means the amended and restated limited partnership agreement dated August 21, 2017, as may be amended from time to time;

"**LP Act**" means the *Limited Partnerships Act* (Ontario);

"**Manager**" is NewGen Asset Management Limited (formerly known as "New Generation Advisors Limited") as the investment fund manager, portfolio manager and trustee of the Fund;

"**Master Declaration of Trust**" means the master declaration of trust dated as of August 1, 2015, governing all investment funds created pursuant to it, as amended from time to time;

"**Material Facts**" has the meaning assigned under each Offering Jurisdiction's respective *Securities Act*, but generally means a fact that significantly affects or would reasonably be expected to have a significant effect on the market price or value of the Units;

"**Misrepresentation**" has the meaning assigned under each Offering Jurisdiction's respective *Securities Act*, but generally means, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make any statement in the Offering Memorandum or any amendment thereto not misleading in light of the circumstances in which it was made;

"**NAV Administrator**" means a third party engaged by the Manager, in accordance with the Declaration of Trust, to calculate the Net Asset Value and is currently SGGG Fund Services Inc.;

"**Net Asset Value**" means the net asset value of the Funds or of a class or series, as the context may require;

"**New Asset Value per Unit**" means the Net Asset Value of a Unit of a class or series, as the context may require;

"**NI 45-106**" means National Instrument 45-106 *Prospectus Exemptions*;

"**NI 81-102**" means National Instrument 81-102 – *Investment Funds*;

"**Non-Residents**" has the meaning assigned under "*Who Should Invest";*

"**Offering Jurisdictions**" means each of the provinces and territories of Canada in which the units are lawfully being offered pursuant to prospectus exemptions through a registered dealer in those jurisdictions;

"**Other Agreements**" has the meaning assigned under "*Risk Factors – Side Letters"*;

"**Partnership**" means NewGen Equity Long-Short Fund LP (formerly known as NewGen Trading Fund LP and NewGen Mining Fund LP), a limited partnership formed under the laws of the Province of Ontario;

"**Partnership Units**" means the limited partnership units of the Partnership;

"**PM**" means portfolio manager;

"**Redemption Date**" means on the last Business Day of each month or on such other date as the Manager may permit;

"**Registered Plans**" means RRSPs, RRIFs, deferred profit sharing plans, registered education savings plans, registered disability savings plans and TFSAs;

"**RRIF**" means a registered retirement income fund;

"**RRSP**" means a registered retirement savings plan;

"**Regulation**" means the regulation specific to the Fund pursuant to the Master Declaration of Trust, as further amended from time to time, dated August 1, 2015 as amended and restated on March 1, 2017, to reflect the name change of the Fund;

"**Special Resolution**" means a resolution approved by not less than 66⅔% of the votes cast by those Unitholders holding Units who vote on the resolution, in person or by proxy, at a meeting of Unitholders, or at any adjournment thereof, called and held in accordance with the Declaration of Trust, or a written resolution signed by the Unitholders holding Units entitled to be voted on such a resolution with an aggregate Net Asset Value of not less than 66⅔% of the Net Asset Value of all the Units entitled to be voted on the resolution as provided herein;

"**Tax Act**" means the *Income Tax Act* (Canada) and the regulations thereunder, as amended from time to time;

"**Termination Event**" has the meaning assigned under "*Summary of the Master Declaration of Trust – Removal and Resignation of the Manager and Trustee";*

"**TFSA**" means a tax-free savings account;

"**Trustee Party**" means the Manager, its directors, officers, employees, agents and consultants;

"**Units**" means a trust unit of the Fund which represents the beneficial interest, rights and obligations of the holder thereof in the Fund at any time and having such attributes as described herein and "**Units**" means more than one Unit;

"**Unitholders**" refers collectively to the holders of Units, and a reference to a "**Unitholder**" will be to any one of the Unitholders;

"**Valuation Date**" means the last Business Day of each month and on such other dates as the Manager may prescribe; and

"**Valuation Time**" means the close of regular trading on the Toronto Stock Exchange, generally 4:00 p.m. (ET), on the subject Valuation Date.

THE FUND

NewGen Equity Long-Short Fund RRSP (formerly, NewGen Trading Fund RRSP) was formed as a mutual fund trust under the laws of the Province of Ontario as of August 1, 2015. On March 1, 2017, the Fund changed its name from NewGen Trading Fund RRSP to NewGen Equity Long-Short Fund RRSP. The Fund is governed by a Master Declaration of Trust which sets out rules common to all trust funds formed under it and by the Regulation describing the features specific to the Fund.

The principal place of business of the Fund is Commerce Court North, Suite 2900, 25 King Street West, P.O. Box 405, Toronto, Ontario, M5L 1G3. See "*Summary of Master Declaration of Trust*" below. Investors became Unitholders of the Fund by acquiring Units in the Fund.

THE MANAGER

The Manager is a corporation incorporated under the laws of the Province of Ontario. The principal place of business of the Manager is Commerce Court North, Suite 2900, 25 King Street West, P.O. Box 405, Toronto, Ontario M5L 1G3. It is registered in the categories of IFM, PM, and EMD in Ontario, IFM and EMD in Newfoundland and Labrador and Quebec, PM and EMD in Alberta, and EMD in British Columbia and Saskatchewan.

The Manager is the investment fund manager and portfolio manager of the Fund and Partnership.

The Manager is the trustee for the Fund. In its capacity as trustee of the Fund, the Manager directs the day-to-day business operations and affairs of the Fund, including management of the Fund's portfolio on a discretionary basis and distribution of the Units of the Fund. The Manager may delegate certain of these duties from time to time. See "*Summary of Master Declaration of Trust*".

Also, the General Partner has engaged the Manager to direct the day-to-day business, operations and affairs of the Partnership, with authority to provide the same range of services as described above for the Fund.

David Dattels is the majority beneficial owner of the Manager. The ownership of the Manager is available upon request by contacting the Manager at (416) 941-9111. The name and municipality of residence of the sole director and senior officer of the Manager and the office held by him (being his principal occupations) are as follows:

Name and Municipality of Residence	Office with the Investment Manager
David Dattels, CFA, Toronto, Ontario	President and Director

David Dattels, CFA

David Dattels is the President of NewGen and is co-Portfolio Manager for the Partnership. He has 13 years of capital markets experience with a background in fundamental research across a wide range of sectors. Prior to founding NewGen in 2009, he worked at RAB Capital PLC, a UK based hedge fund manager, where he was co-manager of the RAB Special Situation Fund (>$2 billion AUM), which was rated the Best Energy & Natural Resources Fund by Hedge Funds Review in 2007 and ranked No. 1 in Barron's Hedge Fund 50 Global rankings in 2007. Mr. Dattels was also a mining analyst for Canaccord Adams based in London, focusing on gold and base metal companies. He graduated in 2001 from the University of Western Ontario with a BA (Hons) in Economics and is a CFA Charterholder.

INVESTMENT OBJECTIVE AND STRATEGIES OF THE FUND

Investment Objective of the Fund

The Fund's principal investment objective is achieve superior absolute returns through an opportunistic trading strategy designed to exploit short term market inefficiencies. There is no assurance that the Fund's investment objective will be achieved, and results may vary substantially over time.

Investment Strategies of the Fund

In pursuing its investment objective, the Manager will replicate the investment strategies of the Partnership by investing all or substantially all of its assets in the Partnership. The Fund will invest in classes of Partnership Units corresponding to the classes of Units subscribed in the Fund. See "*Investment Objectives and Activities of the Partnership*" below. Consequently, the Fund adopts as its own the investment strategies of the Partnership as described below in "*Investment Objective and Strategies of the Partnership - Investment Strategies and Restrictions of the Partnership*".

MANAGEMENT FEE

As the Manager will be entitled to receive a monthly management fee from the Partnership based on the net asset value of each class of Partnership Units of the underlying Partnership in which the Fund invests, the Manager shall not receive any management fee or other incentive distribution at the Fund level, thereby avoiding a duplication of incentive fees. The Net Asset Value per Unit of each Unit of the Fund will take into account the monthly management fee charged by the Manager for the applicable Class of Units of the Partnership and the profit allocation allocated to the General Partner of the Partnership. See "*The General Partner – Management Fee*" and "*The General Partner – Profit Allocation*".

THE PARTNERSHIP

NewGen Equity Long-Short Fund LP (formerly known as NewGen Mining Fund LP and NewGen Trading Fund LP) was formed under the laws of Ontario and became a limited partnership by filing a Declaration of Limited Partnership under the LP Act on January 19, 2010. On January 21, 2014, the Partnership changed its name from NewGen Mining Fund LP to NewGen Trading Fund LP and on March 1, 2017, the Partnership changed its name from NewGen Trading Fund LP to NewGen Equity Long-Short Fund LP. The Partnership is governed by the Limited Partnership Agreement. The Limited Partnership Agreement replaces in its entirety an initial limited partnership agreement dated February 19, 2010. The principal place of business of the Partnership and of the general partner of the Partnership, NewGen Trading Fund GP Limited, is Commerce Court North, Suite 2900, 25 King Street West, P.O. Box 405, Toronto, Ontario M5L 1G3. Investors become Limited Partners of the Partnership by acquiring Partnership Units. Investors of the Fund are entitled to receive from the Manager, or its affiliate, on request and free of charge, a copy of the offering memorandum of the Partnership.

THE GENERAL PARTNER

The General Partner was incorporated under the *Business Corporations Act* (Ontario) on January 15, 2010. On January 21, 2014, the General Partner changed its name from NewGen Mining Fund GP Limited to NewGen Trading Fund GP Limited. The General Partner may act as general partner of other limited partnerships, but does not presently carry on any other business operations and currently has no significant assets or financial resources. The shareholders of the Manager own all of the issued and outstanding common shares of the General Partner. The General Partner may also become a Limited Partner by purchasing Partnership Units.

The General Partner is generally responsible for management and control of the business and affairs of the Partnership in accordance with the terms of the Limited Partnership Agreement. The General Partner has engaged the Manager to carry out its duties, including management of the Partnership on a day-to-day basis, including management of the Fund's portfolio and distribution of the Partnership Units, but remains responsible for supervising the Manager's activities on behalf of the Partnership. In exchange for its services, the General Partner will receive a management fees and a share of Partnership profits.

David Dattels is the sole director and officer and the majority beneficial owner of the General Partner.

Management Fee

Pursuant to an Amended and Restated Investment Management Agreement (the "**Investment Management Agreement**") between the Partnership and the Manager dated as of April 1, 2017, the Manager will be entitled to receive a monthly management fee (the "**Management Fee**") in arrears, on each Valuation Date that is the last business day of each calendar month, in an amount that is equal to 1/12 of:

- 1.8% of the aggregate Net Asset Value of the Class A Units of the Partnership as at such date (determined before deduction of an Incentive Distribution, if any, allocable to Class A Units of the Partnership);

- 2% of the aggregate Net Asset Value of the Class B Units of the Partnership and Class B USD Units of the Partnership as at such date (determined before deduction of an Incentive Distribution, if any, allocable to Class B Units of the Partnership and Class B USD Units of the Partnership);

- 1% of the aggregate Net Asset Value of the Class F Units of the Partnership and Class F USD Units of the Partnership as at such date (determined before deduction of an Incentive Distribution, if any, allocable to Class F Units of the Partnership and Class F USD Units of the Partnership); and

- 2% of the aggregate Net Asset Value of the Class G Units of the Partnership and Class G USD Units of the Partnership as at such date (determined before deduction of an Incentive Distribution, if any, allocable to Class G Units of the Partnership and Class G USD Units of the Partnership).

- No Management Fee will be payable by the Partnership in respect of Class M Units of the Partnership. In respect of Class I Units of the Partnership and Class H Units of the Partnership, the Manager will negotiate the applicable Management Fee with each investor.

The Management Fee is subject to any applicable federal and provincial taxes and will be deducted as an expense of the Partnership in the calculation of the Net Asset Value of the Partnership (attributable to the Units to which they relate).

Profit Allocation

Limited Partners and Partnership Units will effectively share in net profits and net losses of the Partnership by increases or decreases in the Net Asset Value of their Partnership Unit (following adjustment for any Incentive Distributions payable to the General Partner in respect of such Units of the Partnership).

The General Partner will share in the profits of the Partnership by receiving incentive distributions from the Partnership:

(a) on the last Valuation Date of the Partnership in each year, based on the increase, if any, in the Net Asset Value of each Class of Units of the Partnership including Class A Unit, Class B Unit, Class B USD Unit, Class F Unit, Class F USD Unit, Class G Unit, Class G USD Unit and/or Class I Unit outstanding on such date (including Units to be redeemed on such date), and

(b) on any Redemption Date that is not the last Valuation Date of the Partnership in a year, based on the increase, if any, in the Net Asset Value of each Class of Units of the Partnership including Class A Unit, Class B Unit, Class B USD Unit, Class F Unit, Class F USD Unit, Class G Unit, Class G USD Unit and/or Class I Unit redeemed on such date.

Except with respect to Class I Units of the Partnership, such distributions ("**Incentive Distributions**") are equal to 20% of the positive amount, if any, obtained when the High Water Mark for each such Unit is subtracted from the Adjusted Net Asset Value of such Unit on such Valuation Date of the Partnership or Redemption Date of the Partnership (if such amount is negative, the distribution in respect of such Unit shall be zero). With respect to each Class I Units of the Partnership, the Manager will negotiate the applicable Incentive Distributions with each investor subscribing for Class I Units of the Partnership. Any distribution paid to the General Partner will be deducted from the Net Asset Value (or redemption proceeds, as the case may be) of the respective Partnership Unit.

"**Adjusted Net Asset Value**" of a Partnership Unit on any date is equal to the Net Asset Value of such Partnership Unit on such date (calculated after deduction of the Management Fee and general expenses but before deduction of the Incentive Distribution, if any, allocable to such Partnership Unit) plus the amount of any distributions paid to the Limited Partner in respect of such Partnership Unit since the date as at which the High Water Mark of such Partnership Unit was established.

"High Water Mark" in respect of a Unit of the Partnership as at any date means, (i) during the year in which it was issued, its subscription price, and thereafter (ii) the highest Net Asset Value per Unit of the Partnership recorded on the last business day of any previous fiscal year. The High Water Mark of a Partnership Unit will be appropriately adjusted in the event of a consolidation or subdivision of PArtersnhip Units.

The General Partner, in its sole discretion, may waive or modify the Incentive Distributions for Limited Partners that are members, employees or affiliates of the Investment Manager or the General Partner, or the relatives of such Limited Partners and for certain large or strategic investors. This may be effected through the creation of additional classes, subclasses or series of Units or by a separate agreement entered into between such Limited Partners and the General Partner.

INVESTMENT OBJECTIVE AND STRATEGIES OF THE PARTNERSHIP

Investment Objective of the Partnership

The Partnership's principal investment objective is to achieve superior absolute returns through an opportunistic trading strategy designed to exploit short-term market inefficiencies. The Manager will implement a number of investment techniques in pursuing its investment objectives.

Investment Strategies and Restrictions of the Partnership

Such techniques may include investing both long and short, engaging in hedging strategies in order to mitigate market exposure, investing in listed and over-the-counter derivative instruments and arbitrage strategies (e.g., establishing simultaneous long and short positions in order to capture mispricing of assets)

and employing leverage in the implementation of the foregoing investment strategies. The Partnership's portfolio will consist primarily of publicly-traded securities. The Partnership will hold no more than 10% of its net asset value in "illiquid" assets (as defined in NI 81-102).

The Manager will seek investment opportunities in all sectors and will evaluate opportunities across all market caps, as long as liquidity is available to correspond with the short-term nature of trades. The Manager will attempt to minimize market risk by maintaining low net exposure and appropriate cash levels depending on market conditions. In pursuing its investment objectives, the Partnership may trade, buy, sell (including sell short), and otherwise acquire, hold, dispose of (using margin and other forms of leverage) and deal in financial instruments and other rights and interests including, without limitation, listed and unlisted, registered and unregistered securities of various international issuers, including, but not limited to, equity and equity related securities (e.g., common stock, preferred stock, stock warrants and rights, convertible securities, "new issues" and indices related to any of the foregoing) or ETFS, other instruments, rights and interests in personal property, and such other instruments or interests as the Manager deems appropriate (hereinafter referred to collectively as "**Financial Instruments**").

Additionally, the Partnership may maintain assets in cash, deposit, call or current accounts or invest in short-term instruments, such as short-term debt instruments, money market funds, government securities, certificates of deposit, bankers' acceptances or similar temporary investments, to meet the expense needs of the Partnership and/or to fund redemptions or for such other purposes as may be determined by the Manager.

The Partnership's investment policy is to invest in a wide range of securities and financial instruments referred to above. The Partnership is unlikely to restrict this policy by applying any investment restrictions in relation to its Partnership Units. From time to time it may carry a significant cash holding or invest in a single security or instrument.

Portfolio concentration will generally be no more than or no less than 15% of the Partnership's overall net asset value in any individual investment.

The Partnership may utilise leverage to implement its investment policy. The leverage limit will be 200% of the net asset value as of the date of the borrowing. The Partnership's borrowing levels will be within the discretion of the Manager and will be monitored on a regular basis.

The Partnership will hold no more than 10% of its net assets in securities of other investment funds except securities of a money market fund (as defined in NI 81-102) and securities that are "index participation units" (as defined in NI 81-102) issued by an investment fund.

Statutory Caution

The foregoing disclosure of the Manager's investment strategies and intentions may constitute "forward-looking information" for the purpose of Ontario securities legislation, as it contains statements of the Manager's intended course of conduct and future operations of the Fund. These statements are based on assumptions made by the Manager of the success of its investment strategies in certain market conditions, relying on the experience of the Manager's officers and employees and their knowledge of historical economic and market trends. Investors are cautioned that the assumptions made by the Manager and the success of its investment strategies are subject to a number of mitigating factors. Economic and market conditions may change, which may materially impact the success of the Manager's intended strategies as well as its actual course of conduct. Investors are urged to read "Risk Factors" below for a discussion of other factors that will impact the operations and success of the Fund.

WHO SHOULD INVEST

The Fund is designed to attract investment capital which is surplus to an investor's basic financial requirements.

The Manager will not accept a subscription agreement from or register as the owner of any Unit of the Fund an entity that is or would be:

a) a "designated beneficiary" of the Fund within the meaning of Part XII.2 of the Tax Act if, as a consequence thereof, the Fund may become liable for tax under Part XII.2 of the Tax Act; or

b) a "financial institution" as defined in the Tax Act for the purposes of the mark-to-market rules, if, as a consequence thereof, the Fund would be considered to be a "financial institution" under such rules.

If at any time the Manager becomes aware that Units of a Fund are or may become beneficially owned by one or more entities in the circumstances described above, the Manager may cause the Fund to redeem all or such portion of the Units at the class or series Net Asset Value per Unit of such class or series on the Redemption Date, or on such other terms as the Manager in its sole discretion deems appropriate in the circumstances. All subscriptions for and/or transfers of Units will, if required by the Manager, be accompanied by evidence satisfactory to the Manager confirming that the investor making the subscription or transfer is not and will not be a "designated beneficiary" of the Fund.

At no time may non-residents of Canada and/or partnerships that are not "Canadian partnerships" (for purposes of the Tax Act) (collectively, "**Non-Residents**") be, in aggregate, the beneficial owners of a majority of Units of the Fund (on a number of Units or on a fair market value basis) if, as a consequence thereof, the Fund would not qualify as a "mutual fund trust" for purposes of the Tax Act. The Manager may require a declaration as to the jurisdiction in which a beneficial owner of Units is resident or, if a partnership, as to its status as a "Canadian partnership".

If the Manager becomes aware that the beneficial owners of more than 40% of Units of the Fund then outstanding (on a number of Units or on a fair market value basis) are, or may be, Non-Residents or that such a situation is imminent and the Manager determines, in its sole discretion, that such steps are required in order for the Fund to attain or maintain its status as a "mutual fund trust" under the Tax Act, the Manager shall not accept a subscription for Units or issue or register a transfer of Units to a person unless the person provides a declaration that the person is not a Non-Resident. If, notwithstanding the foregoing, the Manager determines that more than 45% of the then outstanding Units (on a number of Units or on a fair market value basis) are held by Non-Residents and the Manager determines, in its sole discretion, that such steps are required in order for the Fund to attain or maintain its status as a "mutual fund trust" under the Tax Act, the Manager will send a notice to Non-Resident Unitholders, chosen in such manner as the Manager may consider equitable and practicable, requiring them to redeem or transfer their Units or a portion thereof to residents of Canada within a specified period of not more than sixty (60) days. If the Unitholders receiving such notice have not redeemed or transferred the specified number of Units or provided the Manager with satisfactory evidence that they are not Non-Residents within such period, the Manager may arrange for the redemption or sale, on behalf of such Unitholders of such Units and until such Units are redeemed or sold, will suspend the voting and distribution rights attached to such Units. Upon such redemption or sale, the affected Unitholders shall cease to be Unitholders and their rights shall be limited to receiving the net proceeds of such redemption or sale.

FUND RISK CLASSIFICATION

The Manager identifies the investment risk level of the Fund as an additional guide to help you decide whether the Fund is right for you. The Manager's determination of the risk rating for the Fund is guided by the methodology recommended by the Fund Risk Classification Task Force (the "**Task Force**") of the Investment Fund Institute of Canada ("IFIC"). IFIC recommends that the most easily understood form of risk in this context is historical volatility risk as measured by the standard deviation of fund performance. The use of standard deviation as a measurement tool allows for a reliable and consistent quantitative comparison of the Fund's relative volatility and related risk. Standard deviation is widely used to measure volatility of return.

The Fund's risk is measured using rolling 1, 3 and 5-year standard deviation and comparing these values against other investment funds and an industry standard framework. The standard deviation represents, generally, the level of volatility in returns that an investment fund has historically experienced over the set measurement periods. Since, the Fund was only formed on August 1, 2015 it has a historical performance of less than three years. The Fund implements its investment strategy by investing all or substantially all of its assets directly into the Partnership. The investment strategies of the Partnership and the Fund are substantially the same. The Partnership has a strategy inception of February 1, 2014 and that strategy is the same as the NewGen Equity Long-Short Fund, which has a strategy inception of July 21, 2012.

The Manager uses standard deviation data from the Partnership from February 1, 2014 to present and data from the NewGen Equity Long-Short Fund from July 21, 2012 to January 31, 2014. In doing so, the Manager derives standard deviation data for 3 and 5-year periods. However, other types of risk, both measurable and non-measurable, may exist. Additionally, just as historical performance may not be indicative of future returns, the Fund's, the Partnership's and NewGen Equity Long-Short Fund's benchmark's historical volatility may not be indicative of its future volatility of the Fund.

In accordance with the methodology described above and comparing the calculated implied standard deviation of the Fund's, the Partnership's and NewGen Equity Long-Short Fund's to the standard deviation range as recommended by the Fund Risk Classification Task Force (the "**Task Force**") of the Investment Fund Institute of Canada in the chart below, the Manager has rated the Fund's investment risk as Medium on the following risk scale:

Low	Low to Medium	**MEDIUM**	Medium to High	High

The risk ratings set forth in the table above do not necessarily correspond to an investor's risk tolerance assessment. Investors are advised to consult their own professional advisors for advice regarding an individual investor's personal circumstances. Although monitored on a semi-annual basis, the Manager reviews the investment risk level of the Fund on an annual basis and each time a material change is made to the Fund's investment strategies and/or investment objective.

The standardized risk classification methodology used to identify the investment risk level of the Fund is available on request, at no cost, by calling (416) 941-9111 or by writing to Commerce Court North Suite 2900, 25 King Street West, P.O. Box 405, Toronto, Ontario, M5L 1G3.

THE OFFERING

Units are being offered on a continuous basis to investors resident in the Offering Jurisdictions. The Offering may only be made in the Offering Jurisdictions and is restricted to persons who have the capacity

and competence to enter into and be bound by the Declaration of Trust. Units may be acquired directly from the Manager or from a participating dealer.

The Manager has designated four (4) classes of Units, issuable in series, which are currently being offered:

Class B Units. Class B Units are available to all investors who meet the minimum investment criteria. Class B Units are subject to a six (6) month lock-up period during which they may not be redeemed (as described under "*Redemptions*").

Class F Units. Class F Units are available to investors who maintain an investment account through a registered dealer and who are subject to a periodic asset based fee and who meet the minimum investment criteria. Class F Units are subject to a six (6) month lock-up period during which they may not be redeemed (as described under "*Redemptions*").

Class G Units. Class G Units are available to investors who maintain an investment account through a registered dealer, who are subject to commission charges on transactions and who meet the minimum investment criteria. Class G Units are subject to a six (6) month lock-up period during which they may not be redeemed (as described under "*Redemptions*").

Class M Units. Class M Units will generally only be issued to associates and affiliates of the Manager and its directors, officers and employees and to managed account clients who pay fees directly to the Manager. Class M Units are subject to a one (1) year lock-up period during which they may not be redeemed (as described under "*Redemptions*").

A new series of Units within each class will generally be issued each month.

All classes are denominated in Canadian dollars for subscription, redemption and valuation purposes.

There is no commission payable by a purchaser to the Manager upon the purchase of the Units. Subscribers may pay negotiated commissions to their dealers (minimum investment requirements are net of any such fees). Subject to applicable law, the Manager may pay a negotiated referral fee or trailing commission to dealers or other persons in connection with a sale of Units.

Prospectus Exemptions

Units are being sold under available exemptions from the prospectus requirements under the NI 45-106. Unless an investor can establish to the Manager's satisfaction that another exemption is available, each investor must be investing as principal (and not for or on behalf of any other persons) and be an "accredited investor" pursuant to *Securities Act* (Ontario) or NI 45-106, as applicable. This minimum amount is net of any front end commissions paid by an investor to his or her agent. Investors (other than individuals) that are not accredited investors, or are accredited investors solely on the basis that they have net assets of at least $5,000,000, must also represent to the Manager (and may be required to provide additional evidence at the request of the Manager to establish) that such investor was not formed solely in order to make private placement investments which may not have otherwise been available to any persons holding an interest in such investor.

The so-called "Offering Memorandum Exemption" is not being relied on and investors do not have the benefit of certain additional protections that NI 45-106 gives to investors when an issuer relies on the Offering Memorandum Exemption.

A list of criteria for an accredited investor is set out in the Subscription Agreement delivered with this Offering Memorandum, and generally includes individuals who have net investment assets of at least $1,000,000, or personal income of at least $200,000, or combined spousal income of at least $300,000, in the previous two years with reasonable prospects of same in the current year. Subscribers who are also individuals relying on an "accredited investor" exemption because they meet financial criteria, will be required to deliver to the Manager a completed and signed prescribed risk acknowledgment form.

Purchasers will be required to make certain representations in the Subscription Agreement and the Manager will rely on such representations to establish the availability of the exemptions from prospectus requirements described above. No subscription will be accepted unless the Manager is satisfied that the subscription is in compliance with applicable securities laws.

Minimum Individual Investment

The minimum initial investment is $5,000 in Canadian dollars, but may be reduced for accredited investors in the sole discretion of the Manager.

Each additional investment must be in an amount that is not less than $5,000.

For investors who are not accredited investors and are not individuals, an additional investment may be made provided that (a) the investor initially acquired Units of the Fund for an acquisition cost of not less than $150,000 and, at the time of the additional investment, the Units then held by the investor have an acquisition cost or a Net Asset Value equal to at least $150,000, or (b) another exemption is available.

At the time of making each additional investment, unless a new Subscription Agreement is executed, each investor will be deemed to have repeated and confirmed to the Manager the covenants and representations contained in the Subscription Agreement delivered by the investor to the Manager at the time of the initial investment. See "*Minimum Individual Subscriptions*".

Subscriptions for Units must be made by completing and executing the subscription form (the "**Subscription Agreement**") provided by the Manager and by forwarding to the Manager such form together with payment of the subscription price (including through the facilities of FundSERV). Subscription orders may be sent to the Manager by courier, priority post, or electronic means (including through the facilities of FundSERV).

Individuals qualifying as "accredited investors" because they meet certain financial standards will also be required to complete and sign a prescribed acknowledgement of risk, also provided in the Subscription Agreement.

Subscriptions will be accepted on a Valuation Date, subject to the Manager's discretion to refuse subscriptions in whole or in part. A fully-completed Subscription Agreement and subscription proceeds (in the form of a cheque, bank draft or confirmation of wire transfer) must be received by the Manager no later than 4:00 p.m. (Toronto time) on the designated Valuation Date in order for the subscription to be accepted as at that date; otherwise the subscription will be processed as at the next Valuation Date. Units will be issued on the Business Day following the Valuation Date on which the subscription is accepted.

Units will be issued in series and, on the first closing, Units designated by the Manager as Series 1 Units will be issued at a price per Unit of $100. On each successive Valuation Date on which Units are issued, a new series of Units will be issued at an opening Net Asset Value per Unit equal to the Net Asset Value per Unit of the Series 1 Units of the same class. The Manager may change this policy in its sole discretion.

At the end of each year, and following the payment of all fees and expenses of the Fund, the Manager may determine that some or all series of the same class of Units will be redesignated as Series 1 Units (or other series, in the discretion of the Manager) in order to reduce the number of outstanding series of each class. This will be accomplished by amending the Net Asset Value per Unit of all such series so that they are the same, and consolidating or subdividing the number of Units of each such series so the aggregate Net Asset Value of Units held by a Unitholder does not change. Unitholder's rights will not be affected in any way as a result of this process.

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

TRANSFER OR RESALE

Units of the Fund are not transferable by a Unitholder except by operation of law, with the written consent of the Manager or as contemplated in the Regulation.

As the Units offered by this Offering Memorandum are being distributed pursuant to exemptions from the prospectus requirements under applicable securities legislation, the resale of these securities by investors is subject to restrictions. An investor should refer to applicable provisions in consultation with a legal adviser. Furthermore, no transfers of Units may be effected unless the Manager, in its sole discretion, approves the transfer and the proposed transferee in writing. There is no market for these Units and no market is expected to develop, therefore it may be difficult or even impossible for the purchaser to sell the Units.

Subscribers are advised to consult with their advisers concerning restrictions on resale and are further advised against reselling their Units until they have determined that any such resale is in compliance with the requirements of applicable legislation and the Declaration of Trust.

REDEMPTIONS

Subject to the six (6) month lock-up period applicable to Class B Units, Class F Units, and Class G Units, and the one (1) year lock-up period applicable to Class M Units, a Unitholder is entitled to redeem some or all of such Unitholder's Units on a Redemption Date, pursuant to written notice that must be received by the Fund at least five (5) days prior to the applicable Redemption Date. Redemption requests received through the FundSERV network are considered an acceptable form by the Manager.

The Manager may, at any time and in its sole discretion, permit redemptions at any other times or otherwise modify or waive any of the conditions or requirements for redemptions for any Unitholders, including affiliates of the Manager, without notice to or the consent of any Unitholders.

The redemption price shall equal the Net Asset Value per Unit of the applicable class and series of Units being redeemed, determined as of the close of business on the relevant Redemption Date.

If all of a Unitholder's Units are to be redeemed, the Manager may, in its sole discretion, hold back up to 5% of the Net Asset Value of such Units pending completion of the Fund's annual year-end audit. The balance owing on redemption proceeds shall be paid out within thirty (30) days of the completion of such audit.

If a redeeming Unitholder owns Units of more than one series, Units will be redeemed on a "first in, first out" basis, meaning that Units of the earliest series of the applicable class owned by the Unitholder will be

redeemed first, at the redemption price for Units of such series, until such Unitholder no longer owns Units of such series (although this policy may be amended depending on tax considerations).

The Manager will not permit redemptions (either in whole or in part) at any time the Manager is of the opinion in its sole discretion that there are insufficient liquid assets in the Fund to fund such redemptions or that the liquidation of assets would be to the detriment of the Fund generally.

So long as the suspension of redemptions continues, then there shall be no determination of the Net Asset Value of the Fund until the Manager declares the suspension at an end, except that the suspension shall terminate, in any event, on the first Business Day on which:

- the condition giving rise to the suspension shall have ceased to exist; and
- no other condition under which suspension is authorized shall exist.

During any suspension of valuation, the subscription, redemption, transfers and conversions of Units of the relevant class or series will also be suspended, and any unprocessed redemption requests may be withdrawn during the period of suspension.

The Manager has the right to require a Unitholder to redeem some or all of the Units owned by such Unitholder on a Redemption Date designated by the Manager at the Net Asset Value per Unit thereof, by notice in writing to the Unitholder given at least thirty (30) days before the designated Redemption Date, which right may be exercised by the Manager in its absolute discretion. If a Unitholder requests a redemption of Units and, as a result of such redemption, the Unitholder will hold Units having a Net Asset Value of $5,000 or less, the Manager may require the Unitholder to redeem the balance of such Unitholder's Units.

NET ASSET VALUE

The Net Asset Value of the Fund and the Net Asset Value per Unit of each class and series of Units will be determined as at the Valuation Time on each Valuation Date by the Manager, or NAV Administrator, in accordance with the Declaration of Trust.

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

Valuation Principles

The fair market value of the assets of the Fund, to the extent they are represented by Partnership Units, will be determined to be the aggregate Net Asset Value of all of the Partnership Units held by the Fund. The fair market value of the assets and the amount of the liabilities of the Fund (the net result of which is the "**Net Asset Value**" of the Fund) will be calculated in Canadian dollars in such manner as the NAV Administrator, in consultation with the Manager, shall determine from time to time, subject to the following, which are similar to the valuation principles used by the Partnership in calculated its net asset value:

(i) The value of any cash on hand or on deposit, bills, demand notes, accounts receivable, prepaid expenses, dividends receivable (if such dividends are declared and the date of record is before the date as of which the Net Asset Value of the Fund is being determined)

and interest accrued and not yet received, shall be deemed to be the full amount thereof, unless the NAV Administrator, in consultation with the Manager, determines that any such deposit, bill, demand note, account receivable, prepaid expense, dividend receivable or interest accrued and not yet received is not worth the full amount thereof, in which event the value thereof shall be deemed to be such value as the NAV Administrator, in consultation with the Manager, determines to be the reasonable value thereof.

(ii) The value of any security which is listed or dealt in upon a public securities exchange will be valued at the last available trade price on the Valuation Date or, if the Valuation Date is not a Business Day, on the last Business Day preceding the Valuation Date. If no sales are reported on such day, such security will be valued at the average of the current bid and asked prices. Securities that are listed or traded on more than one public securities exchange or that are actively traded on over-the-counter markets while being listed or traded on such securities exchanges or over-the-counter markets will be valued on the basis of the market quotation which, in the opinion of the NAV Administrator, in consultation with the Manager, most closely reflects their fair value.

(iii) Any securities which are not listed or dealt in upon any public securities exchange will be valued at the earlier of the last financing price or grey market price (if available). The Manager may adjust the value of the unlisted securities to account for any other meaningful circumstances including business updates or movements in the listed prices of comparable securities. The process of valuing investments for which no published market exists is based on inherent uncertainties and the resulting values may differ from values that would have been used had a ready market existed for the investments and may differ from the prices at which the investments may be sold.

(iv) The Manager will at its discretion determine the appropriate discount, if any, on shares that are purchased with a restriction associated therewith.

(v) Securities held in private issuers are recorded at cost unless an upward adjustment is considered appropriate and supported by persuasive and objective evidence such as a significant equity financing by an unrelated investor at a transaction price higher than the valuation price. Downward adjustments to valuation price are made when there is evidence of other than a temporary decline in value as indicated by the assessment of the financial condition of the investment based on third-party financing, operational results, forecasts, and other developments since the previous valuation price was established. Options and warrants held in private issuers are carried at cost unless there is an upward or downward adjustment of the underlying privately-held company supported by persuasive and objective evidence such as significant subsequent equity financing by an unrelated investor at a transaction price higher or lower than the valuation price.

(vi) 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 available sources by the NAV Administrator to calculate Net Asset Value.

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

(viii) The value of any security or property to which, in the opinion of the NAV Administrator, in consultation with the Manager, the above principles cannot be applied (whether because no price or yield equivalent quotations are available or for any other reason), shall be the

fair value thereof determined in such manner as the NAV Administrator, in consultation with the Manager, may from time to time determine based on standard industry practice.

(ix) Short positions will be marked-to-market, i.e. carried as a liability equal to the cost of repurchasing the securities sold short applying the same valuation techniques described above.

(x) All other liabilities shall include only those expenses paid or payable by the Fund, including accrued contingent liabilities; however (A) organizational and start up expenses may both be amortized by the Fund over a 60 (sixty) month period; and (B) expenses and fees allocable only to a class and series of Units shall not be deducted from the Net Asset Value of the Fund prior to determining the Net Asset Value of each class and series, but shall thereafter be deducted from the Net Asset Value so determined for each such class and series.

The Manager may determine such other rules as they deem necessary from time to time, which rules may deviate from IFRS.

Net Asset Value calculated in this manner will be used for the purpose of calculating the Manager's service providers' fees and will be published net of all paid and payable fees and distributions. Such Net Asset Value will be used to determine the subscription price and redemption value of Units. To the extent that such calculations are not in accordance with IFRS, the financial statements of the Fund will include a reconciliation note explaining any difference between such published Net Asset Value and Net Asset Value for financial statement reporting purposes (which must be calculated either in accordance with IFRS).

SUMMARY OF MASTER DECLARATION OF TRUST

The rights and obligations of the Manager as trustee, investment fund manager and portfolio manager of the Fund, as well as of the Unitholders of the Fund are governed by the Master Declaration of Trust.

The following is a summary of the Master Declaration of Trust. This summary is not intended to be complete and each investor should carefully review the Master Declaration of Trust and the Regulation of the Fund which are provided to investors along with the Offering Memorandum) itself for full details of these provisions.

The Units

The Manager as trustee shall have sole discretion in determining whether the capital of the Fund is divided into one or more classes of Units and whether a class is issued in one or more series of Units and the attributes of each class or series. The number of Units, class or series of Units of the Fund that may be issued is unlimited. Additional classes or series of Units may be created and offered in the future at the sole discretion of the Manager and without notice to, or approval of, existing Unitholders of the Fund.

Each Unit of a Fund shall be without nominal or par value. Each whole Unit of a particular class or series shall entitle the holder thereof to one vote for each whole Unit owned by a Unitholder at all meetings of Unitholders.

The Manager will not vote any Partnership Units that are held by the Fund at a meeting of Limited Partners with respect to such Partnership Units. However, the Manager may pass on the right to vote on the Partnership Units held by the Fund to the Unitholders.

Fractional Units of a class or series may be issued up to three decimal places, and each fractional Unit shall be proportionately entitled to all the same rights as whole Units of that same class or series, except that fractional Units shall not, except to the extent that they may represent in the aggregate one or more whole Units of that class or series held by a Unitholder, entitle the holder thereof to notice of, or to attend or to vote at meetings of Unitholders.

Each Unit (including fractional Units) of a particular class or series of a Fund shall generally entitle the holder thereof to participate *pro rata*, in accordance with the provisions of the Master Declaration of Trust, with respect to all distributions to Unitholders of that class or series and, upon liquidation of the Fund, to participate *pro rata* with the other Unitholders of that same class or series in the class or series Net Asset Value of the series remaining after the satisfaction of outstanding liabilities of the Fund or class or series as provided in the Master Declaration of Trust.

There are no pre-emptive rights attaching to the Units and there are no cancellation or surrender provisions attaching to the Units except as set out in the Master Declaration of Trust. Once the subscription price has been paid, Units shall be non-assessable so that there shall be no liability for future calls or assessments with respect to the Units.

Units of the Fund are not transferable by a Unitholder except by operation of law, or with the written consent of the Manager or as contemplated in the Regulation pertaining to a particular Fund.

Subject to any tax considerations, limitations and requirements determined from time to time by the Manager and stated in the Master Declaration of Trust, any Unit of a particular class or series may, at the sole discretion of the Manager, be redesignated as a Unit of any other class or series based on the applicable class or series Net Asset Value per Unit for the two classes or series of Units on the date of the redesignation.

For certainty, a redesignation will be based on the respective class or series Net Asset Value of each class or series such that the aggregate Net Asset Value on the date of redesignation of Units held after redesignation is equal to the aggregate Net Asset Value of the Units held immediately prior to such redesignation. In addition, any benchmark, loss carry forward calculation or other criteria for determining fees payable must be equivalent (relative to the respective Net Asset Value per Unit of each class or series) or more advantageous to the Unitholders so affected.

Redemptions

Redemption rights are described under "*Redemptions*".

Distributions

The Fund intends to distribute in each year such portion of its net income and net realized capital gains as will result in the Fund paying no tax under Part I of the Tax Act, other than alternative minimum tax, if applicable, after taking into account any loss carry forwards and any entitlement to a capital gains refund. Generally, it is expected that such net income and net realized capital gains of the Fund will be calculated and made payable to each Unitholder of record as of the close of business on the last Valuation Date in each calendar year.

All such distributions made by a Fund will be automatically reinvested in additional Units of the applicable series at the Net Asset Value of the applicable series on the Valuation Date on which the distribution is made unless (a) requested in writing by the Unitholder that distribution be made in cash; or (b) if there is a special distribution like a management fee distribution or trust expense distribution, the Manager has agreed that it be paid in cash. Despite the foregoing, the Fund does not intend to make any cash distributions to

Unitholders, other than those made in connection with the redemption of Units. Immediately following the reinvestment of distributions, the number of Units of the relevant series outstanding will be automatically consolidated so that the Net Asset Value per Unit of the series after the reinvestment is the same as it was immediately before the amount was considered to have been declared as due and payable by the Funds (before any redesignation of Units from one series to another).

When a Unitholder redeems all or any of his, her or its Units, there may be a special distribution of net realized capital gains of the Fund in cash out of the redemption proceeds otherwise payable to such Unitholder to the time immediately prior to redemption, as determined by the Manager. In addition, the Manager has the sole discretion to determine the amount, if any, of the Fund's net realized capital gains for its taxation year and the sole discretion to allocate all or any portion of such net realized capital gains to a Unitholder who has redeemed Units at any time in that year. The balance of the amount paid to such Unitholder at the time of redemption shall be paid as proceeds of redemption.

The Manager has no intention of making any other distributions of allocated income to Unitholders.

Management Agreement

The Master Declaration of Trust sets out the powers and duties of the Manager, as manager of the Fund. In that capacity, the Manager directs the day-to-day business operations and affairs of the Fund, including management of the Fund's portfolio on a discretionary basis and distribution of the Units of the Fund and such other services as may be required from time to time.

The Manager may delegate certain of these duties from time to time.

As the Manager is entitled to receive management fees and incentive distributions from the Partnership and so long as all or substantially all of the Fund's assets are invested in the Partnership's assets, the Manager shall not be entitled to receive a management fee or incentive distribution from the Fund.

Amendment of the Master Declaration of Trust

Subject to applicable securities legislation, the Manager may amend the Master Declaration of Trust without the consent of Unitholders provided a sixty (60) day notice is given of such amendments. Notwithstanding the foregoing, the Manager may, without prior notice or consent from any Unitholder, amend the Master Declaration of Trust with respect to the Fund to: (i) provide additional protection for the Unitholders; (ii) to make any changes or correction in the Master Declaration of Trust of the Fund which are typographical corrections or changes or are required for the purpose of curing or correcting any ambiguity, defective or inconsistent provisions, clerical omissions, mistakes or manifest errors contained herein and which will not, in the opinion of the trustee, prejudice the rights of Unitholders; (iii) to make any technical amendments to the Master Declaration of Trust which are required to proceed with a reorganization, a merger or similar transaction of a Fund; (iv) to make any amendment to the investment strategy of any Fund without thereby amending its investment objective; (v) to permit separate pooled investment trusts, classes or series to be established or continued hereunder; (vi) to adapt the Fund to current practice and continuing compliance with applicable laws, rules and requirements of any governmental authorities having authority over the trustee of the Fund; (vii) to maintain or establish, as applicable, the status of the Fund under the Tax Act as a "unit trust" or "mutual fund trust" pursuant to paragraph 108(2)(a) thereof (as it may be amended from time to time) or under any applicable provincial taxation law; and (viii) to maintain or establish the status of the Fund under the Tax Act or make changes that may be necessary or desirable in order to comply with or as a result of provisions of (including proposed amendments to) the Tax Act or the taxation authorities' administrative practices under the Tax Act in such manner as the Manager may determine from time to time.

Any proposed change to the Master Declaration of Trust that would materially adversely affect the interest of the Unitholders of a Fund, may only take effect upon either:

(a) the approval by a Special Resolution of Unitholders of the Fund or the applicable class or series, as the case may be, duly called for the purpose of considering the proposed change, or by written resolution in accordance with the Master Declaration of Trust; or

(b) after sixty (60) days written notice (or such lesser or greater notice as set forth in the Regulation) of the proposed change has been given to the applicable Unitholders in accordance with the Master Declaration of Trust and each such Unitholder has been given the opportunity to redeem all of such Unitholder's Units prior to the effective date of such change.

For certainty, (a) a change in investment objective; (b) an increase in fees; or (c) change of the Manager as trustee or manager (other than to an affiliate of the Manager) will be deemed a material adverse change. All persons remaining or becoming Unitholders after the effective date of such change shall be bound by such change. No amendment to the Master Declaration of Trust may be made without the consent of the Manager.

Resolutions in Writing

A written resolution forwarded to all Unitholders entitled to vote on such resolution and signed by the holders of the requisite number of Units to obtain approval of the matter addressed in such resolution is as valid as if it had been passed at a meeting of Unitholders provided that all Unitholders entitled to vote on such resolution are provided a copy of the resolution as soon as practicable and in any event prior to the effective date of such resolution.

Removal and Resignation of the Manager and Trustee

Unless otherwise specified in the Regulation, the Manager may be removed by 75% of the votes cast at a meeting of Unitholders in the event that the Manager is in material breach or default of the Master Declaration of Trust and if capable of being cured, such breach or default has not been cured within thirty (30) Business Days' of the Manager being made aware of such breach or default. The Unitholders' resolution documenting the vote to remove the Manager must specify the date of removal of the Manager, which shall not be less than sixty (60) days from the date of the vote removing the Manager. If the Manager is the trustee of the Fund, a removal of the Manager by a vote of Unitholders shall constitute a removal of the Manager as trustee and a Termination Event unless a new trustee has been appointed by the date of removal of the Manager and such appointment been accepted by the new trustee.

The Manager or any successor trustee may resign as trustee of the Fund by giving written notice to the Unitholders ninety (90) days prior to the date when such resignation shall take effect. Despite the foregoing, such resignation will not be effective until the appointment of, and acceptance of such appointment by, a new trustee. The resignation shall take effect on the date specified in such notice unless, at or prior to such date, a successor trustee shall be appointed by the Manager, in which case such resignation shall take effect immediately upon the appointment of such successor trustee.

Any successor trustee shall be required to assume all obligations of the Manager (as trustee) under the Master Declaration of Trust in respect of the Fund.

The Manager, as trustee, shall be deemed to have resigned without notice if:

(a) an order is made, a corporate resolution is passed, or other proceeding is taken for the dissolution of the Manager;

(a) the Manager consents to or makes a general assignment for the benefit of creditors, or makes a proposal to creditors under any insolvency laws, or is declared bankrupt, or if a liquidator or trustee in bankruptcy, custodian or receiver or receiver and administrator or interim receiver or other officer with similar powers is appointed in respect of the Manager;

(b) the Manager ceases to be resident in Canada for the purposes of the Tax Act; or

(c) the Manager ceases to be qualified to act as trustee under applicable laws.

Unless otherwise specified in the Regulation, in any such situation, the Manager may appoint a successor trustee and notify the Unitholders about the appointment of the successor trustee.

Liability and Indemnification of the Manager as Trustee

A Trustee Party shall not be liable to the Fund, any Unitholder or any other person for any loss, damage, cost, charge, judgment or expense (including reasonable legal costs) relating to any matter regarding the Fund, including without restriction or limitation any loss or diminution in the value of the Fund or of the Fund Property, for any reason except to the extent attributed to the Trustee Party's breach of the standard of care.

Each Trustee Party shall at all times be indemnified and saved harmless out of the assets of the Fund from and against all claims whatsoever (including costs, charges and expenses in connection therewith) brought, commenced or prosecuted against any of them for or in respect of any act, deed matter or thing whatsoever made, done, acquiesced in or omitted in or about or in relation to the execution of the Trustee Party's duties,

and all other costs, charges, and expenses which any of them sustain or incur in or about or in relation to the affairs of the Fund, except to the extent the Trustee Party does not meet the standard of care set out in the Master Declaration of Trust.

Reports to Unitholders

Audited financial statements will be available and, where requested, delivered to Unitholders within ninety (90) days of each fiscal year end. Unaudited interim financial statements for the first six (6) months of each fiscal year will be available and, where requested, delivered to Unitholders within sixty (60) days of the end of such period. Unaudited financial information respecting the Net Asset Value per Unit will be provided on a monthly basis. If available, Unitholders may receive from the Manager, on request and free of charge, the annual and interim financial statements of the Partnership.

Fiscal Year

The fiscal year of the Fund shall end on December 31 in each year.

Unitholder Meetings

The Manager may, at any time, convene a meeting of Unitholders of a Fund as a whole or of any class or series of Units.

Unless otherwise stated in the Regulation of the Fund, in the event a request to call a meeting of Unitholders is made by Unitholders of the Fund holding not less than 30% of the Net Asset Value of all outstanding Units of the Fund where all Unitholders vote together or by Unitholders holding not less than 30% of the Net Asset Value of a particular class or series where that particular class or series vote separately as a class or series, the Manager shall convene a meeting of Unitholders and provide notice of such meeting within fifteen (15) days of the receipt of the request for such meeting. Despite the foregoing, the Manager shall not be obliged to call any such meeting until it has been or agreed to be indemnified by such Unitholders against all costs of calling and holding such meeting.

Subject to the Regulation of the Fund, at any meeting of Unitholders of the Fund, including any meeting convened to consider a matter requiring the approval of Unitholders, a quorum shall consist of Unitholders of the Fund present in person or by proxy and holding not less than 30% of the outstanding Units of the Fund (or of a class or series of the Fund only if such class or series is affected by the change). In the event of such quorum not being present on the day for which the meeting is called within fifteen (15) minutes after the time fixed for the holding of such meeting, the meeting, if convened upon the request of Unitholders, shall be cancelled, but in any other case, the meeting shall be adjourned to another day not more than fourteen (14) days later. The Unitholders present at any adjourned meeting will constitute a quorum.

Notice of all meetings of Unitholders shall be given by mail or electronically to each Unitholder at his, her, or its address of record, not less than ten (10) days nor more than sixty (60) days before the meeting unless the Manager decides in its sole discretion to vary the time period for the notice requirement.

Liability and Indemnification of Unitholders

No Unitholder shall be held to have any personal liability as such and no resort shall be had to any Unitholder’s private property for satisfaction of any obligation or claim arising out of or in connection with any contract or obligation of the Fund or Manager or any obligation over which a Unitholder would

otherwise have to indemnify the Manager for any personal liability incurred by the Manager as such, but rather, only the Fund's assets is intended to be liable and subject to levy or execution for such satisfaction.

The Fund shall indemnify and hold each of its Unitholders harmless from and against all claims and liabilities to which any such Unitholder may become subject by reason of being or having been a Unitholder of the Fund and shall reimburse such Unitholder for all legal and other expenses reasonably incurred in connection with any such claim or liability. The rights accruing to a Unitholder under the Master Declaration of Trust shall not exclude any other right to which such Unitholder may be lawfully entitled nor shall anything herein contained restrict the right of the Fund to indemnify or reimburse a Unitholder in any appropriate situation even though not specifically provided for herein; provided, however, that the Fund shall not have liability to reimburse Unitholders for taxes assessed against them by reason of their ownership of Units nor for any losses suffered by reason of changes in the value of Units.

Term and Termination of the Fund

A Fund has no fixed term.

The Manager may in its discretion terminate a Fund or a particular class or series of the Fund at any time (such termination to be effective as of the date determined by the Manager, subject to a prior written notice of thirty (30) days to Unitholders of the Fund or that class or series or other conditions required under securities legislation) and is empowered to take all steps necessary to effect such termination, including ceasing the distribution or redemption of Units and liquidating the assets of the Fund or class or series, as applicable, or redesignating all of the class or series of Units of a Fund into the class or series of Units of the same Fund as described in the Master Declaration of Trust.

The Fund may be automatically terminated upon a "**Termination Event**" which includes (i) a 30 days prior written notice of termination of the Fund delivered by the Manager to the Unitholders; (ii) removal of the Manager as trustee or any successor trustee by 75% of the votes cast at a meeting of Unitholders as described earlier under the "*Removal and Resignation of Trustee*" unless a new trustee has been approved as of the date of removal of the trustee and acceptance of the appointment by the new trustee; (iii) (c) the Manager or successor trustee has been declared bankrupt or insolvent or has entered into liquidation or winding up, whether compulsory or voluntary (and not merely a voluntary liquidation for the purposes of amalgamation or reconstruction); (iv) the Manager or the successor trustee makes a general assignment for the benefit of creditors or otherwise acknowledges its insolvency; or (v) assets of the Manager or the successor trustee have become subject to seizure or confiscation by any public or governmental authority.

Distribution on Termination

On the effective date of termination of the Fund or class or series of Units of the Fund, or as soon thereafter as the Manager deems advisable, the Manager shall sell all non-cash assets of the Fund, or those attributable to the particular class or series of Units, as the case may be. The Manager shall be entitled to retain out of any monies in its hands full provision for all costs, charges, expenses, claims and demands incurred, made or apprehended by the Manager in connection with or arising out of the termination of the Fund or class or series of Units and the distribution of the assets attributable thereto to affected Unitholders and out of the monies so retained to be indemnified and saved harmless against any such costs, charges, expenses, claims and demands. The Manager shall distribute from time to time to Unitholders of record affected by the termination as of the date of termination their proportionate share (as defined in the Master Declaration of Trust) of all property and assets of the Fund attributable to the class or series of Units held by the Unitholder available at that time for the purpose of such distribution. As of the effective date of such termination, the rights of Unitholders with respect to redemption of Units shall cease. The foregoing does not apply where a class or series of Units of the Fund is terminated through the redesignation of the Units of the class or

series into Units of another class or series of the Fund.

Following the termination date, no further activities with respect to a Fund and/or class or series of the Fund, as the case may be, will be carried out, except for the winding-up thereof.

DEALER COMPENSATION

Units will be distributed in the Offering Jurisdictions through registered dealers, including the Manager, and such other persons as may be permitted by applicable laws. There is no commission payable by the purchaser to the Manager upon the purchase of the Units, however purchasers of Units may pay a negotiated fee if purchasing through a dealer. Subject to applicable law, the Manager may pay, out of the fees received by the Manager from the Partnership, a negotiated referral fee or trailing commission to dealers or other persons in connection with a sale of Units.

EXPENSES

Expenses of the Fund

The Fund is responsible for, and the Manager shall be entitled to reimbursement from the Fund for all costs and operating expenses that may be reasonably incurred by it in connection with the organization of the Fund and the ongoing activities of the Fund, including but not limited to:

(i) third party fees and administrative expenses of the Fund, which include the trustee's and Manager's fees, if any, accounting and legal costs, insurance premiums, custodial fees, registrar and transfer agency fees and expenses, bookkeeping and recordkeeping costs, all Unitholder communication expenses, organizational expenses, the cost of maintaining the Fund's existence, regulatory fees and expenses, and all reasonable extraordinary or non-recurring expenses; and

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

The Manager may in its sole discretion from time to time pay all or a portion of the operating expenses of the Fund, including on a class or series basis, as applicable. The Manager, at its discretion may bear some of the costs of the initial organization of the Fund and such organizational costs may be amortized over a period of five years. The Manager may at any time cease to assume such expenses at its sole discretion without prior notice. Please see "*Net Asset Value*" for more information on amortization of organizational expenses.

Certain expenses and liabilities of the Fund, as set out here or as determined by the Manager, in its sole discretion, are attributed exclusively to a particular class of Units or, if a class of Units is issued in series, to a particular series of Units.

Expenses of the Partnership

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

(i) third party fees and expenses, which include the Manager's fees, accounting and legal costs, insurance premiums, custodial fees, registrar and transfer agency fees and expenses, bookkeeping and recordkeeping costs, Limited Partner communication expenses,

organizational expenses, the cost of maintaining the Partnership's existence and regulatory fees and expenses, and all reasonable extraordinary or non-recurring expenses; and

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

Each class of Partnership Units is responsible for the expenses specifically relating to that class and a proportionate share of expenses that are common to all classes of Partnership Units. The Manager shall allocate expenses to each class of Partnership Units in its sole discretion, as it deems fair and reasonable in the circumstances.

To the extent that such expenses are borne by the General Partner or the Manager, the General Partner or the Manager, as the case may be, shall be reimbursed by the Partnership from time to time. Expenses attributable to a particular class or series of Partnership Units will be deducted from the net asset value of such class or series.

ELIGIBILITY FOR INVESTMENTS

Provided the Fund is and continues to qualify as a "mutual fund trust", Units will be qualified investments for trusts governed by Registered Plans.

Notwithstanding the foregoing, if the Units are a "prohibited investment" (as defined in the Tax Act) for a trust governed by a TFSA, RRSP or RRIF, the holder of such TFSA or the annuitant of such RRSP or RRIF, as the case may be, will be subject to a penalty tax as set out in the Tax Act. The Units generally will not be a "prohibited investment" provided that the holder of a TFSA, or the annuitant under a RRSP or RRIF, as the case may be, deals at arm's length with the Fund and does not hold a "significant interest" (within the meaning of the Tax Act) in the Fund. In addition, the Units will not be a "prohibited investment" for a trust governed by a TFSA, RRSP or RRIF if the Units are "excluded property" as defined in the Tax Act for such trust. **Annuitants of RRSPs, RRIFs and holders of TFSAs should consult with their own tax advisers regarding their particular circumstances.**

CANADIAN INCOME TAX CONSIDERATIONS AND CONSEQUENCES

Investors are urged to consult with their tax advisers respecting the purchase, holding and disposition of Units of the Fund. Investors should be aware of the tax considerations and consequences associated with an investment in a limited partnership generally and in an actively managed investment pool in particular.

INTERNATIONAL TAX REPORTING

Pursuant to the Canada-United States Enhanced Tax Information Exchange Agreement and related Canadian legislation found in Part XVIII of the Tax Act, "reporting Canadian financial institutions" have certain due diligence and reporting obligations in respect of their "U.S. reportable accounts". The Fund falls within the meaning of "reporting Canadian financial institution" and may be required to provide information to the CRA in respect of its respective Unitholders who are "US reportable accounts". Accordingly, Unitholders may be requested to provide information to the Fund to identify U.S. persons holding the Units. If a Unitholder is a U.S. person (including a U.S. citizen) or if a Unitholder does not provide the requested information, Part XVIII of the Tax Act will generally require information about the Limited Partner's investments held in the financial account maintained by the Fund to be reported to the CRA, unless the investments are held within a Registered Plan. The CRA is expected to provide that information to the U.S. Internal Revenue Service.

In addition, Part XIX of the Tax Act was enacted to implement the Organization for Economic Co-operation and Development Common Reporting Standard (the "**CRS**"), which will require the Fund to provide information to the CRA about accounts maintained for individuals and entities whose residency for tax purposes is in a jurisdiction other than Canada. The CRA will then provide that information to foreign jurisdictions with which it has established a partnership in the context of the CRS. The Fund were required to begin collecting information on new client accounts no later than July 1, 2017. Beginning in 2018, the Fund will report the information collected in 2017 (and other information, generally related to distributions from, and value of, the accounts) on any new Unitholders whose residency for tax purposes is in a jurisdiction other than Canada. Any holders of pre-existing accounts whose residency for tax purposes is in a jurisdiction other than Canada will be reported to the CRA starting in 2019. Each subsequent year, the accounts of the preceding year will be reported.

If the Fund is unable to comply with its obligations under Part XVIII and Part XIX of the Tax Act, it could face the imposition of withholding taxes and/or penalties under the Tax Act, which could affect the net asset value of the Fund and may result in reduced investment returns to Unitholders of such Fund. The administrative cost of compliance with Part XVIII and Part XIX of the Tax Act may also cause an increase in the operating expenses of the Fund, further reducing returns to Unitholders. If a Unitholder does not provide the information required to comply with obligations under Part XVIII and Part XIX of the Tax Act, the Limited Partner's Units may be redeemed by the Investment Manager. Unitholders should consult with their own tax advisors regarding the possible implications of the reporting obligations for them and their investments.

RISK FACTORS

Before investing, prospective investors should carefully consider the following risks. Because at any time all or substantially all of the Fund's assets are invested in Partnership Units, risks related to an investment in the Fund will be significantly the same as those for investments in the Partnership. The risk of loss in investing in the Fund can be substantial. An investment in the Fund carries risk and is not intended as a complete investment program. A subscription for Units should be considered only by persons financially able to maintain their investment and who can bear the risk of loss associated with an investment in the Fund. Investors should review closely the investment objective and investment strategies to be utilized by the Fund as outlined herein to familiarize themselves with the risks associated with an investment in the Fund.

Risks Associated with an Investment in the Fund

The value of an investment fund may change every day, reflecting changes in economic conditions, and market and company news. Therefore, when an investor redeems his, her, or its Units in the Fund, the investor may receive less than the full amount originally invested. The full amount of the investor's investment in the Fund is not guaranteed.

One risk of the Fund is that, in exceptional circumstances, requests to redeem Units of the Fund may not be accepted or the delivery of redemption proceeds may be delayed.

The value of the Fund is directly related to the value of the investments held by the Partnership and the Fund. The value of the investments in the Partnership can change due to, among other things, general market conditions, changes in interest rates and political and economic developments. The value of the Partnership may change substantially over time.

It is very important that an investor be aware of the risks associated with investing in the Fund, its relative return over time and its volatility. The principal risks that may be associated with investing in the Fund are described below.

Specific risks in respect of the Fund

Other than as disclosed in the Offering Memorandum, the Fund is not subject to the disclosure requirements or investment restrictions applicable to publicly offered investment funds which includes limits on the ability of such investment funds' to use derivatives and leverage, concentrate investments, engage in securities lending, repurchase or reverse repurchase transactions.

Although all securities investments involve the potential loss of capital, the Fund may employ investment strategies and techniques whose risks may increase during periods of unusual speculative activity or market volatility. Investors should consider the following risk factors before investing. The following list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment in the Fund.

Tax Risks

The Fund intends to continue to qualify as a mutual fund trust for purposes of the Tax Act. A suspension of redemption of Units may result in the loss of such status and the Units would then not be qualified investments for Registered Plans. If the Fund did not qualify as a mutual fund trust, the Fund and certain Unitholders could be subject to material and adverse tax consequences.

The CRA can assess the Fund for a failure of the Fund to withhold tax on distributions made by it to non-resident Unitholders that are subject to withholding tax, and typically would do so rather than assessing the non-resident Unitholders directly. Accordingly, any such re-determination by the CRA may result in the Fund being liable for unremitted withholding taxes on prior distributions made to Unitholders who were not resident in Canada for the purposes of the Tax Act at the time of the distribution. As the Fund may not be able to recover such withholding taxes from the non-resident Unitholders whose Units were redeemed, payment of any such amounts by the Fund would reduce the Net Asset Value of the Fund.

Trust Loss Restriction

If the Fund experiences a "trust loss restriction event" (i) the Fund will be deemed to have a year-end for tax purposes, and (ii) the Fund will become subject to the loss restriction rules generally applicable to corporations that experience an acquisition of control. In such circumstances, Unitholders that do not have a December 31 year-end may be required to recognize income or gains in an earlier period, and the Fund may be subject to adverse tax consequences.

SIFT Rules

It is intended that securities of the Fund will not be listed or traded on a stock exchange or other public market (within the meaning of the Tax Act), and that the Fund would not otherwise be subject to the rules in the Tax Act applicable to specified investment flow-through trust (the "**SIFT Rules**"). If the SIFT Rules were applicable, there could be material and adverse tax consequences to the Fund, the Partnership and Unitholders.

U.S. Withholding Tax Risk

Pursuant to the IGA, and related Canadian legislation, each fund and the Manager are required to report certain information with respect to Unitholders who are U.S. 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 certain Registered Plans), to the CRA. The CRA will then exchange the information with the U.S. Internal Revenue Service pursuant to the provisions of the *Canada-U.S. Income Tax Convention*. If the Fund is unable to comply with any of its obligations under the IGA, the imposition of a 30% U.S. withholding tax on certain specified payments (i.e., "withholdable payments" as defined under the regulations to FATCA) made to the Fund, as well as penalties under the Tax Act, may affect the Net Asset Value of the Fund and may result in reduced investment returns to Unitholders of the Fund. The administrative costs of compliance with FATCA may also cause an increase in the operating expenses of the fund further reducing returns to Unitholders. Unitholders should consult their own tax advisers regarding the possible implications of this legislation on them and their investments.

Tax Liability Risk

The Fund is not required to distribute its income in cash. If the Fund has taxable income for Canadian federal income tax purposes for a fiscal year, such income may be distributed to Unitholders in accordance with the provisions of the Declaration of Trust in cash or reinvested in additional Units. Unitholders will be required to include all such distributions in computing their income for tax purposes, even if that cash may not have been distributed to such Unitholders. Cash distributions to a particular Unitholder may not correspond to the economic gains and losses which such Unitholder may experience.

Status Risk

The Fund is not a trust company and, accordingly, the Fund is not registered under the trust company legislation of any jurisdiction. Units are not "deposits" within the meaning of the *Canada Deposit Insurance Corporation Act* (Canada) and are not insured under provisions of that statute or any other legislation.

Marketability and Transferability of Units

There is no market for the Units and their resale, transfer and redemption are subject to restrictions imposed by the Declaration of Trust and applicable securities legislation. See "*Transfer or Resale*". Consequently, holders of Units may not be able to liquidate their investment in a timely manner and the Units may not be readily accepted as collateral for a loan.

Reliance on Manager and Track Record

The success of the Fund will be primarily dependent upon the skill, judgment and expertise of the Manager and its principals. Although persons involved in the management of the Fund and the service providers to the Fund have had long experience in their respective fields of specialization, the Fund has no operating or performing history upon which prospective investors can evaluate the Fund's likely performance. Investors should be aware that the past performance by those involved in the investment management of the Fund should not be considered as an indication of future results.

In the event of the loss of the services of the Manager, or of a key person of the Manager, the business of the Fund may be adversely affected.

Income

An investment in the Fund is not suitable for an investor seeking an income from such investment, as the Fund does not intend to distribute to its Unitholders, income earned by it other than as set out above under "*Distributions*".

Not a Public Mutual Fund

The Fund is not subject to the restrictions placed on public mutual funds to ensure diversification and liquidity of the Fund's portfolio. The Fund's strategy to invest all or substantially all of its assets in Partnership Units has been permitted by a discretionary relief order of the Ontario Securities Commission dated June 28, 2015.

Indirect Risks Associated with an Investment by the Fund in the Partnership

Changes in Trading Approach

The Manager may alter its trading approach in the Partnership, without prior approval by, or notice to, a Limited Partner (such as the Fund) or a Unitholder, if the Manager determines that such change is in the best interest of the Partnership.

Tax Liability

Net asset value of the Partnership and net asset value per Partnership Unit will be marked to market and therefore calculated on the basis of both realized trading gains and losses and accrued, unrealized gains and losses. In computing each Limited Partner's (such as the Fund's) share of income or loss for tax purposes, only realized gains and other factors, including the date of purchase or redemption of Partnership Unit by a Limited Partner in a fiscal year, will be taken into account. Therefore, the change in net asset value of a Limited Partner's Partnership Units may differ from his share of income and loss for tax purposes. Furthermore, investors may be allocated income for tax purposes and not receive any cash distributions from the Partnership.

Possible Loss of Limited Liability

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

Funding Deficiencies

Other than with respect to the possible loss of the limited liability as outlined above, no Limited Partner shall be obligated to pay any additional assessment on the Partnership Unit held or subscribed. However, if, as a result of a distribution by the Partnership, the Partnership's capital is reduced and the Partnership is unable to pay its debts as they become due, the Limited Partners may have to return to the Partnership any such distributions received by them to restore the capital of the Partnership. If the Partnership does not have sufficient funds to meet its requirements and must default because the deficiency is not funded, Limited Partners may lose their entire investment in the Partnership.

Side Letters

The Manager or the General Partner, on behalf of the Partnership, may from time to time, without the approval of or notice to any Limited Partner, enter into agreements ("**Other Agreements**") with certain prospective investors or existing Limited Partners whereby such Limited Partners or investors may be subject to terms and conditions that are more advantageous than those set forth here. For example, such terms and conditions may provide for special redemption rights, rebates or reductions in fees to be paid by the Limited Partner or other investor, rights to receive reports from the Partnership on a more frequent basis

or that include information not provided to other Limited Partners or investors (including, without limitation, more detailed information regarding portfolio positions) and such other rights as may be negotiated with such Limited Partners or other investors. Any such Other Agreements will be solely at the discretion of Manager or the General Partner and may, among other things, be based on the size of the Limited Partner's or investor's investment in the Partnership, an agreement by such Limited Partner or other investor to maintain a minimum investment in the Partnership for a specified period of time, or other similar commitment by the Limited Partner or other investor.

Custody Risk and Broker or Dealer Insolvency

The Partnership does not control the custodianship of all of its securities. The Partnership's assets will be held in one or more accounts maintained for the Partnership by its prime brokers or at other brokers. Such brokers are subject to various laws and regulations in various jurisdictions that are designed to protect their customers in the event of their insolvency. However, the practical effect of these laws and their application to the Partnership's assets are subject to substantial limitations and uncertainties. Because of the large number of entities and jurisdictions involved and the range of possible factual scenarios involving the insolvency of a prime broker or any sub-custodians, agents or affiliates, it is impossible to generalize about the effect of their insolvency on the Partnership and its assets. Investors (such as the Fund) should assume that the insolvency of any of the prime brokers or such other service providers would result in the loss of all or a substantial portion of the Partnership's assets held by or through such prime broker and/or the delay in the payment of withdrawal proceeds. Similar considerations would apply in respect of the custody of the Fund's assets, which currently consist only of Partnership Units.

Trading Errors

In the course of carrying out trading and investing responsibilities on behalf of the Partnership, employees of the Manager may make "trading errors" — i.e., errors in executing specific trading instructions. Examples of trading errors include: (i) buying or selling an investment asset at a price or quantity that is inconsistent with the specific trading instructions generated by a particular strategy; or (ii) buying rather than selling a particular investment asset (and vice versa). Trading errors are an intrinsic factor in any complex investment process, and will occur notwithstanding the exercise of due care and special procedures designed to prevent trading errors. Trading errors are, therefore, distinguishable from errors in judgment, due diligence or other factors leading to a specific trading instruction being generated, as well as from unauthorized trading or other improper conduct by employees of the Manager. Consequently, the Manager will (unless the Manager otherwise determines) treat all trading errors (including those which result in losses and those which result in gains) as for the account of the Partnership, unless they are the result of conduct by the Manager which is inconsistent with the Manager's standard of care.

Potential Indemnification Obligations

Under certain circumstances, the Partnership might be subject to significant indemnification obligations in favour of the General Partner, the Manager, other service providers to the Partnership or certain persons related to them. The Partnership will not carry any insurance to cover such potential obligations and, to the General Partner's knowledge, none of the foregoing parties will be insured for losses for which the Partnership has agreed to indemnify them. Any indemnification paid by the Partnership would reduce the Partnership's net asset value, and in turn, the Fund's Net Asset Value.

Valuation of the Partnership's Investments

While the Partnership is independently audited by its auditor on an annual basis in order to ensure as fair and accurate a pricing as possible, valuation of the Partnership's securities and other investments may

involve uncertainties and judgmental determinations and, if such valuations should prove to be incorrect, the net asset value of the Partnership could be adversely affected. Independent pricing information may not at times be available regarding certain of the Partnership's securities and other investments. Valuation determinations will be made in good faith in accordance with the Limited Partnership Agreement.

Although the Partnership generally will invest in exchange-traded and liquid over-the-counter securities, the Partnership may from time to time have some of its assets in investments which by their very nature may be extremely difficult to value accurately. To the extent that the value assigned by the Partnership to any such investment differs from the actual value, the net asset value per Partnership Unit may be understated or overstated, as the case may be. In light of the foregoing, there is a risk that a Limited Partner who redeems all or part of its Partnership Units while the Partnership holds such investments will be paid an amount less than such Limited Partner would otherwise be paid if the actual value of such investments is higher than the value designated by the Partnership. Similarly, there is a risk that such Limited Partner might, in effect, be overpaid if the actual value of such investments is lower than the value designated by the General Partner in respect of a redemption. In addition, there is risk that an investment in the Partnership by a new Limited Partner (or an additional investment by an existing Limited Partner) could dilute the value of such investments for the other Limited Partners if the actual value of such investments is higher than the value designated by the General Partner. Further, there is risk that a new Limited Partner (or an existing Limited Partner that makes an additional investment) could pay more than it might otherwise if the actual value of such investments is lower than the value designated by the General Partner. The Partnership does not intend to adjust the net asset value of the Partnership retroactively.

Possible Effect of Redemptions

Substantial redemptions of Partnership Units could require the Partnership to liquidate positions more rapidly than otherwise desirable to raise the necessary cash to fund redemptions and achieve a market position appropriately reflecting a smaller asset base. Such factors could adversely affect the value of the Partnership Units redeemed and of the Partnership Units remaining outstanding, including those of the Fund.

Charges to the Partnership

The Partnership is obligated to pay administration fees, brokerage commissions and legal, accounting, filing and other expenses regardless of whether the Partnership realizes profits.

Lack of Independent Experts Representing Limited Partners

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

Potential Conflicts of Interest

The business of the Manager is the trading of accounts for its clients. The orders of the Partnership will be executed in competition with the other accounts managed by the Manager. The Manager generally trades all accounts under management in a parallel fashion, where lots and prices are distributed proportionally, according to equity. Using this method of allocation and executions, no account or accounts can be traded "in front of" or have positions opposite of the other accounts under management. Since the Manager may

manage common interests for accounts on different financial terms, there may be an incentive to favour certain accounts over others. However, it is generally the policy and practice of the Manager never to favour any account over another. Clients should be aware however, that the Manager may trade accounts differently based on the dictates of the individual clients. For example, a client may request the Manager to exclude a designated market in trading for the account. As a result client portfolios with similar mandates may not have identical portfolios.

Unaudited Financial Statements

At the time of a redemption by a Limited Partner, an interim closing will occur on the basis of unaudited financial statements. Because there may be a greater risk of error when unaudited financial statements are used, individual Limited Partners (such as the Fund) may be adversely affected by errors, if any, in such unaudited financial statements.

No Involvement of Unaffiliated Selling Agent

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

Possible Effect of General Partner Distributions

The General Partner will receive distributions based on net realized and unrealized income and gains in a year, which distributions might theoretically exceed taxable income and taxable capital gains in such year. The Partnership will not be entitled to claim such difference as an expense nor will the General Partner have an obligation to the Partnership to repay any such distribution, having an adverse effect on the net asset value of the Partnership Units.

Possible Negative Impact of Regulation of Hedge Funds

The regulatory environment for hedge funds is evolving and changes to it may adversely affect the Partnership. To the extent that regulators adopt practices of regulatory oversight in the area of hedge funds that create additional compliance, transaction, disclosure or other costs for hedge funds, returns of the Partnership may be negatively affected. In addition, the regulatory or tax environment for derivative and related instruments is evolving and may be subject to modification by government or judicial action that may adversely affect the value of the investments held by the Partnership. The effect of any future regulatory or tax change on the portfolio of the Partnership is impossible to predict.

Legal, Tax and Regulatory Risks

Legal, tax and regulatory changes to laws or administrative practice could adversely affect the Partnership. Interpretation of law or administrative practice may affect the characterization of the Partnership's earnings as capital gains or income, which may increase the level of tax borne by the investor as a result of increased allocations of taxable income from the Partnership. The Partnership may receive dividends on shares held in foreign companies and such dividends may be subject to foreign withholding taxes. Changes to foreign tax laws could adversely affect the net amount of dividends received by the Partnership.

Risks Associated with the Partnership's Underlying Investments

Investment and Trading Risks in General

All trades made by the Manager risk the loss of capital. The Manager may utilize trading techniques or instruments, which can, in certain circumstances, maximize the adverse impact to which a client's account may be subject. No guarantee or representation is made that the Partnership's investment program will be successful, and investment results may vary substantially over time. Many unforeseeable events, including actions by various government agencies, and domestic and international economic and political developments may cause sharp market fluctuations that could adversely affect the Partnership's portfolio and performance.

Industry Risk

The Partnership intends to seek investment opportunities in all sectors and across all market caps. Some of these investments may be highly susceptible to fluctuations in the underlying price of commodities (which are themselves highly volatile). Additionally as the Partnership may invest internationally, the Partnership's investments will also be at risk from volatility in global currency exchange rates.

General Economic and Market Conditions

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

Currency Exchange Exposure and Currency Hedging

Although the Partnership Units will be issued in exchange for Canadian dollars or U.S. dollars, as applicable, the Partnership's investments may be made in other currencies. Accordingly, the value of such assets may be affected favourably or unfavourably by fluctuations in currency exchange rates.

Liquidity of Underlying Investments

Some of the securities in which the Partnership intends to invest may be thinly traded. There are no restrictions on the investment of Partnership assets in illiquid securities. It is possible that the Partnership may not be able to sell or repurchase significant portions of such positions without facing substantially adverse prices. If the Partnership is required to transact in such securities before its intended investment horizon, the performance of the Partnership could suffer.

Availability of Investment Strategies

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

Portfolio Turnover

The Partnership has not placed any limits on the rate of portfolio turnover and portfolio securities may be sold without regard to the time they have been held when, in the opinion of the Manager, investment

considerations warrant such action. A high rate of portfolio turnover involves correspondingly greater expenses than a lower rate.

Highly Volatile Markets

The prices of financial instruments in which the Partnership's assets may be invested can be highly volatile and may be influenced by, among other things, specific corporate developments, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. The Partnership also is subject to the risk of the failure of any of the exchanges on which the Partnership's positions trade or of their clearinghouses.

Fixed Income Securities

The Partnership may invest in bonds or other fixed income securities of U.S., Canadian and other issuers, including, without limitation, bonds, notes and debentures issued by corporations; debt securities issued or guaranteed by the federal, state or provincial government in the United States or Canada or a governmental agency; and commercial paper. Fixed income securities pay fixed, variable or floating rates of interest. The value of fixed income securities in which the Partnership invests will change in response to fluctuations in interest rates. In addition, the value of certain fixed-income securities can fluctuate in response to perceptions of credit worthiness, political stability or soundness of economic policies. Fixed income securities are subject to the risk of the issuer's inability to meet principal and interest payments on its obligations (i.e., credit risk) and are subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (i.e., market risk). If fixed income investments are not held to maturity, the Partnership may suffer a loss at the time of sale of such securities.

Equity Securities

To the extent that the Partnership holds equity portfolio investments, it will be influenced by stock market conditions in those jurisdictions where the securities held by the Partnership are listed for trading and by changes in the circumstances of the issuers whose securities are held by the Partnership.

Options

Selling call and put options is a highly specialized activity and entails greater than ordinary investment risk. The risk of loss when purchasing an option is limited to the amount of the purchase price of the option, however investment in an option may be subject to greater fluctuation than an investment in the underlying security. In the case of the sale of an uncovered option there can be potential for an unlimited loss. To some extent this risk may be hedged by the purchase or sale of the underlying security.

Small Companies

The Partnership may invest a portion of its assets in small and/or unseasoned companies. While smaller companies generally have potential for rapid growth, they often involve higher risks because they may lack the management experience, financial resources, product diversification, and competitive strength of larger companies. In addition, in many instances, the frequency and volume of their trading may be substantially less than is typical of larger companies. As a result, the securities of smaller companies may be subject to wider price fluctuations. When making large sales, the Partnership may have to sell portfolio holdings at discounts from quoted prices or may have to make a series of small sales over an extended period of time due to the trading volume of smaller company securities.

Purchases of Securities

The Partnership may make purchases of securities that the Manager believes to be undervalued or that may be the subject of acquisition attempts, exchange offers, cash tender offers or corporate reorganisations. There can be no assurances that securities which the Manager believes to be undervalued are in fact undervalued, or that undervalued securities will increase in value. Further, in such cases, a substantial period of time may elapse between the Partnership's purchase of the securities and the acquisition attempt or reorganisation. During this period, a portion of the Partnership's funds would be committed to the securities purchased and the Partnership may finance such purchase with borrowed funds on which it would have to pay interest.

Shorting

Selling a security short ("**shorting**") involves borrowing a security from an existing holder and selling the security in the market with a promise to return it at a later date. Should the security increase in value during the shorting period, losses will incur to the Partnership. There is in theory no upper limit to how high the price of a security may go. Another risk involved in shorting is the loss of a borrow, a situation where the lender of the security requests its return. In cases like this, the Partnership must either find securities to replace those borrowed or step into the market and repurchase the securities. Depending on the liquidity of the security shorted, if there are insufficient securities available at current market prices, the Partnership may have to bid up the price of the security in order to cover the short position, resulting in losses to the Partnership.

Currency and Exchange Rate Risks

The Partnership's cash assets may be held in currencies other than the Canadian dollar, and gains and losses in securities transactions may be in currencies other than the Canadian dollar. Accordingly, a portion of the income received by the Partnership will be denominated in non-Canadian currencies. The Partnership nevertheless will compute and distribute its income in Canadian dollars. Thus changes in currency exchange rates may affect the value of the Partnership's portfolio and the unrealized appreciation or depreciation of investments. Further, the Partnership may incur costs in connection with conversions between various currencies. The Manager may also engage in other hedging activities to minimize currency exposures to the extent possible, however, the success of any hedging activities undertaken by the Manager cannot be guaranteed.

Counterparty and Settlement Risk

Some of the markets in which the Partnership will affect its transactions may be "over the counter" or "interdealer" markets. The participants in such markets are typically not subject to credit evaluation and regulatory oversight as are members of "exchange-based" markets. This exposes the Partnership to the risk

that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Partnership to suffer a loss. In addition, in the case of a default, the Partnership could become subject to adverse market movements while replacement transactions are executed. Such "counterparty risk" is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where the Partnership has concentrated its transactions with a single or small group of counterparties. The Partnership is not restricted from dealing with any particular counterparty or from concentrating any or all of its transactions with one counterparty. Moreover, neither the Partnership nor the Manager has an internal credit function which evaluates the creditworthiness of its counterparties. The ability of the Partnership to transact business with any one or number of counterparties, the lack of any meaningful and independent evaluation of such counterparties' financial capabilities and the absence of a regulated market to facilitate settlement may increase the potential for losses by the Partnership.

Leverage

The Partnership may use financial leverage by borrowing funds against the assets of the Partnership. Leverage increases both the possibilities for profit and the risk of loss for the Partnership. From time to time, the credit markets are subject to periods in which there is a severe contraction of both liquidity and available leverage. The combination of these two factors can result in leveraged strategies being required to sell positions typically at highly disadvantageous prices in order to meet margin requirements, contributing to a general decline in a wide range of different securities. Illiquidity can be particularly damaging to leveraged strategies because of the essentially discretionary ability of dealers to raise margin requirements, requiring leveraged strategy to attempt to sell positions to comply with such requirements at a time when there are effectively no buyers in the market at all or at any but highly distressed prices. These market conditions have in the past resulted in major losses to a substantial number of private investment funds. Such conditions, although unpredictable, can be expected to recur.

Data Security and Privacy Breaches

The cybersecurity risks faced by the Manager and the Fund, service providers and Unitholders have increased in recent years due to the proliferation of cyber-attacks that target computers, information systems, software, data and networks. Cyber-attacks include, among other things, unauthorized attempts to access, disable, modify or degrade information systems and networks, the introduction of computer viruses and other malicious codes such as "ransomware", and fraudulent "phishing" emails that seek to misappropriate data and information or install malware on users' computers. The potential effects of cyber-attacks include the theft or loss of data, unauthorized access to, and disclosure of, confidential personal and business-related information, service disruption, remediation costs, increased cyber-security costs, lost revenue, litigation and reputational harm which can materially affect the Fund. The Manager continuously monitors security threats to its information systems and implements measures to manage these threats, however the risk to the Manager and the Fund and therefore Unitholders cannot be fully mitigated due to the evolving nature of these threats, the difficulty in anticipating such threats and the difficulty in immediately detecting all such threats.

The foregoing statement of risks does not purport to be a complete explanation of all the risks involved in purchasing the Units in the Fund. Potential investors should read this entire Offering Memorandum and consult with their legal, tax and financial advisers, before making a decision to invest in Fund Units.

STATEMENT OF POLICIES

As a portfolio manager, the Manager may occasionally face conflicts between its own interests and those of its clients, or between the interests of one client and the interests of another. The Manager has adopted certain policies to minimize the occurrence of such conflicts or to deal fairly where those conflicts cannot be avoided. In no case will the Manager put its own interests ahead of those of its clients.

Fairness Policy

As an adviser in the category of portfolio manager, the Manager and its employees shall conduct themselves with integrity and honesty and act in an ethical manner in all of their dealings with the Manager's clients.

The Manager shall not knowingly participate or assist in the violation of any statute or regulation governing securities and investment matters.

The responsible persons shall exercise reasonable supervision over subordinate employees subject to their control to prevent any violation by such persons of applicable statutes or regulations.

The Manager shall exercise diligence and thoroughness on taking an investment action on behalf of the Fund as it does with all of its clients and the Manager shall have a reasonable and adequate basis for such actions, supported by appropriate research and investigations.

Before initiating an investment transaction for the Fund, the Manager will consider its appropriateness and suitability. The Manager will manage the Fund's account within the guidelines set out herein.

The Manager shall ensure that each client account is supervised separately and distinctly from our other clients' accounts. The Manager owes a duty to each client and, therefore, the Manager has an obligation to treat each client fairly.

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

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

- where orders are entered simultaneously for execution at the same price, or where a block trade is entered and partially filled, fills are allocated proportionately and equally on the amount of equity of each client's account;

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

- in the case of hot issues and IPOs, participation is split equally between clients based proportionately on the equity in each account;

- in the case of a new securities issue, where the allotment received is insufficient to meet the full requirements of all accounts on whose behalf orders have been placed, allocation is made on a pro rata basis. However, if such prorating should result in an inappropriately small position for a client, the allotment would be reallocated to another account. Depending on the number of new issues, over a period of time, every effort will be made to ensure that these prorating and reallocation policies result in fair and equal treatment of all clients, and

- trading commissions for block trades are allocated on a *pro rata* basis, in accordance with the foregoing trade allocation policies.

Whichever method is chosen, it must be followed in the future where similar conditions exist. Where it is impossible to achieve uniform treatment, every effort shall be made by the Manager and its employees to compensate at the next opportunity in order that every client, large or small, over time, receives equitable treatment in the filling of orders.

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

Some of the Manager's clients have selected a dealer to act as custodian for the clients' assets and direct the Manager to execute transactions through that dealer. It is not the Manager's practice to negotiate commission rates with such dealers. For clients who grant the Manager brokerage discretion, the Manager will block orders and all client transactions will be done at the same standard institutional per share commission rate

The Manager may purchase or sell securities from or to other managed accounts provided that the transaction is effected through an independent broker at the current market price of the security or at the mid-point of the current market bid/ask price, unless a deviation is permitted in writing by the Chief Investment Officer, or equivalent.

Transactions for clients shall have priority over personal transactions so that the Manager's and its employees' personal transactions do not act adversely to the Fund's interest.

The Manager will at all times preserve confidentiality of information communicated by a client concerning matters within the scope of a confidential relationship.

The above sets out in general terms the standards of fairness that the Manager and its employees will exercise in its dealings with the Fund and all of its clients.

Soft Dollar Arrangements

The negotiation of commissions on brokerage transactions executed on behalf of the Manager of a portfolio or fund is governed by the general obligation of the Manager to act in the best interest of its clients (including the beneficiaries of the funds managed by the Manager).

In selecting brokers to carry out portfolio trades on behalf of clients, the Manager may select brokers who have agreed to provide services at no cost to the Manager. These services are limited to order execution services and investment decision-making services. These arrangements are known as soft dollar arrangements and are intended to reduce some of the Manager's administrative costs. These savings are generally indirectly shared by all of the Manager's clients. The Manager shall strive to ensure that, over all, its clients are treated equally in this regard, and will never enter into a soft dollar arrangement which will knowingly prejudice one client to the benefit of another.

All soft dollar agreements are documented and are conducted in accordance with applicable law.

Personal Trading

The Manager has adopted a policy intended to restrict and monitor all personal trading by the employees of the Manager in order to ensure that there is no conflict between such personal trading and the interests of the investment funds managed by the Manager and the Manager's other clients.

Referral Arrangements

The Manager may enter into referral arrangements whereby it pays a fee for the referral of a client to the Manager or to one of the funds it manages. No such payments will be made unless the referred investors are first advised of the arrangement and all applicable securities laws are complied with.

Related and Connected Issuers

The Manager is registered in the categories of IFM, PM, and EMD in Ontario, IFM and EMD in Newfoundland and Labrador and Quebec, PM and EMD in Alberta, and EMD in British Columbia and Saskatchewan. As a result, potential conflicts of interest could arise in connection with the Manager acting in these capacities. As an exempt market dealer, the Manager intends only to sell interests in related and/or connected limited partnership and other pooled funds organized by the Manager, and will not be remunerated by such limited partnerships or other pooled funds for acting in that capacity.

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

The Manager acts as the manager of the Fund and of the Partnership and earns fees for managing the Partnership. The Manager acts as an exempt market dealer in connection with the marketing and sale of units of the Fund. However, no commissions are paid to the Manager in connection with the sale of such Units. The General Partner of the Partnership is an affiliate of the Manager and receives distributions of profits from the Partnership. David Dattels is the sole officer and director of the General Partner of the Partnership and of the Manager. Mr. Dattels is majority beneficial owner of the Manager and the majority beneficial owner of the General Partner of the Partnership. From time to time, other employees of the Manager and/or the General Partner may be permitted to acquire equity of the Manager and/or the General Partner. **Accordingly, the Fund may be considered a related and/or connected issuer of the Manager under applicable securities legislation.**

Statement of Related Registrants

Ontario securities legislation also requires securities dealers and advisers to inform their clients if the dealer or adviser has a principal shareholder, director or officer that is a principal shareholder, director or officer of another dealer or adviser and of the policies and procedures adopted by the dealer or adviser to minimize the potential for conflicts of interest that may result from this relationship.

The Manager has no related registrants as of the date of this Offering Memorandum.

ANTI-TERRORISM AND ANTI-MONEY LAUNDERING LEGISLATION

The Manager the Fund are required to comply with all applicable laws, regulations and administrative pronouncements concerning money laundering and other criminal activities ("**Anti-Money Laundering Laws**"). In furtherance of those efforts, an investor for Units will be required to provide certain information and documentation and make a number of representations to the Manager regarding the source of subscription monies and other matters. The Subscription Agreement contains detailed guidance on whether identification verification materials will need to be provided with the Subscription Agreement and, if so, a list of the documents and information required.

A Unitholder will be required to promptly notify the Manager if, to the knowledge of the Unitholder, any of its representations with respect to Anti-Money Laundering Laws cease to be true and accurate. A Unitholder must agree to provide to the Manager, promptly upon receipt of the Manager's written request therefor, any additional information regarding the Unitholder or their authorized signatory(ies) and/or beneficial owner(s) that the Manager deem necessary or advisable to ensure compliance with all Anti-Money Laundering Laws. If at any time it is discovered that a Unitholder's representations with respect to Anti-Money Laundering Laws are incorrect, or if otherwise required by Anti-Money Laundering Laws, the Manager may undertake appropriate actions to ensure that the Manager and the Fund are in compliance with all such Anti-Money Laundering Laws. The Manager may release confidential information about a Unitholder and, if applicable, any underlying beneficial owner(s), to governmental authorities, as required by Anti-Money Laundering Laws.

LANGUAGE OF DOCUMENTS

Upon receipt of this document, each investor hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of securities described herein (including for greater certainty any purchase confirmation or notice) be drawn up in the English language only. Par la réception de ce document, chaque investisseur confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.

Rights of Action for Damages or Rescission

Securities legislation in certain of the provinces of Canada provides purchasers of Units with, in addition to any other right they may have at law, rights of rescission or damages, or both, where this Offering Memorandum and any amendment thereto contains a misrepresentation. As used herein, except where otherwise specifically defined, "**Misrepresentation**" means an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement in the offering memorandum not misleading in light of the circumstances in which it was made. A "**material fact**" means a fact that significantly affects, or would reasonably be expected to have a significant effect on, the market price or value of the Units. Such rights must be exercised by the purchaser within the prescribed time limits. Purchasers should refer to the applicable provisions of the securities legislation of their province for the particulars of these rights or consult with a legal adviser. The following is a summary of the rights of rescission or damages, or both, available to purchasers under the securities legislation of certain of the provinces of Canada.

Ontario

Section 130.1 of the *Securities Act* (Ontario) (the "**Ontario Act**") provides that every purchaser of securities pursuant to an offering memorandum (such as this offering memorandum) or any amendment thereto shall have a statutory right of action for damages or rescission against the issuer and any selling security holder in the event that the offering memorandum contains a misrepresentation (as defined in the Ontario Act). A purchaser who purchases securities offered by the offering memorandum during the period of distribution has, without regard to whether the purchaser relied upon the misrepresentation, a right of action for damages or, alternatively, while still the owner of the securities, for rescission against the issuer and any selling security holder provided that:

(a) if the purchaser exercises its right of rescission, it shall cease to have a right of action for damages as against the issuer and the selling security holders, if any;

(b) the issuer and the selling security holders, if any, will not be liable if they prove that the purchaser purchased the securities with knowledge of the misrepresentation;

(c) the issuer and the selling security holders, if any, will not be liable for all or any portion of damages that it proves do not represent the depreciation in value of the securities as a result of the misrepresentation relied upon; and

(d) in no case shall the amount recoverable exceed the price at which the securities were offered.

Section 138 of the Ontario Act provides that no action shall be commenced to enforce these rights more than:

(a) in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or

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

  (i) 180 days after the date that the purchaser first had knowledge of the facts giving rise to the cause of action; or

  (ii) three years after the date of the transaction that gave rise to the cause of action.

This offering memorandum is being delivered in reliance on certain exemptions from the prospectus requirements, including those contained under section 2.3 (the "accredited investor exemption") and section 2.10 (the "minimum amount exemption") of NI 45-106. The rights referred to in section 130.1 of the Ontario Act do not apply in respect of an offering memorandum (such as this offering memorandum) delivered to a prospective purchaser in connection with a distribution made in reliance on the accredited investor exemption if the prospective purchaser is:

(a) a Canadian financial institution or a Schedule III bank (each as defined in NI 45-106);

(b) the Business Development Bank of Canada incorporated under the Business Development Bank of Canada Act (Canada); or

(c) a subsidiary of any person referred to in paragraphs (a) and (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary.

The rights of action for rescission or damages are in addition to and do not derogate from any other right that the purchaser may have at law.

Saskatchewan

Section 138 of *The Securities Act, 1988* (Saskatchewan), as amended (the "**Saskatchewan Act**") provides that in the event that an offering memorandum (such as this offering memorandum) or any amendment to it sent or delivered to a purchaser contains a misrepresentation (as defined in the Saskatchewan Act), a purchaser who purchases Units covered by the offering memorandum or any amendment to it has a right of action against the issuer or a selling security holder on whose behalf the distribution is made or has a right of action for damages against:

(a) the issuer or a selling security holder on whose behalf the distribution is made;

(b) every promoter and director of the issuer or the selling security holder, as the case may be, at the time the offering memorandum or any amendment to it was sent or delivered;

(c) every person or company whose consent has been filed respecting the offering, but only with respect to reports, opinions or statements that have been made by them;

(d) every person who or company that, in addition to the persons or companies mentioned in (a) to (c) above, signed the offering memorandum or the amendment to the offering memorandum; and

(e) every person who or company that sells securities on behalf of the issuer or selling security holder under the offering memorandum or amendment to the offering memorandum.

Such rights of rescission and damages are subject to certain limitations including the following:

(a) if the purchaser elects to exercise its right of rescission against the issuer or selling security holder, it shall have no right of action for damages against that party;

(b) in an action for damages, a defendant will not be liable for all or any portion of the damages that he, she or it proves do not represent the depreciation in value of the securities resulting from the misrepresentation relied on;

(c) no person or company, other than the issuer or a selling security holder, will be liable for any part of the offering memorandum or any amendment to it not purporting to be made on the authority of an expert and not purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person or company failed to conduct a reasonable investigation sufficient to provide reasonable grounds for a belief that there had been no misrepresentation or believed that there had been a misrepresentation;

(d) in no case shall the amount recoverable exceed the price at which the securities were offered; and

(e) no person or company is liable in an action for rescission or damages if that person or company proves that the purchaser purchased the securities with knowledge of the misrepresentation.

In addition, no person or company, other than the issuer or selling security holder, will be liable if the person or company proves that:

(a) the offering memorandum or any amendment to it was sent or delivered without the person's or company's knowledge or consent and that, on becoming aware of it being sent or delivered, that person or company gave reasonable general notice that it was so sent or delivered; or

(b) with respect to any part of the offering memorandum or any amendment to it purporting to be made on the authority of an expert, or purporting to be a copy of, or an extract from, a report, an opinion or a statement of an expert, that person or company had no reasonable grounds to believe and did not believe that there had been a misrepresentation, the part of the offering memorandum or any amendment to it did not fairly represent the report, opinion or statement of the expert, or was not a fair copy of, or an extract from, the report, opinion or statement of the expert.

Not all defences upon which the issuer or others may rely are described herein. Please refer to the full text of the Saskatchewan Act for a complete listing.

Similar rights of action for damages and rescission are provided in section 138.1 of the Saskatchewan Act in respect of a misrepresentation in advertising and sales literature disseminated in connection with an offering of securities.

Section 138.2 of the Saskatchewan Act also provides that where an individual makes a verbal statement to a prospective purchaser that contains a misrepresentation relating to the security purchased and the verbal statement is made either before or contemporaneously with the purchase of the security, the purchaser has, without regard to whether the purchaser relied on the misrepresentation, a right of action for damages against the individual.

Section 141(1) of the Saskatchewan Act provides a purchaser with the right to void the purchase agreement and to recover all money and other consideration paid by the purchaser for the securities if the securities are sold in contravention of the Saskatchewan Act, the regulations to the Saskatchewan Act or a decision of the Saskatchewan Financial Services Commission.

Section 141(2) of the Saskatchewan Act also provides a right of action for rescission or damages to a purchaser of securities to whom an offering memorandum or any amendment to it was not sent or delivered prior to or at the same time as the purchaser enters into an agreement to purchase the securities, as required by Section 80.1 of the Saskatchewan Act.

Section 147 of the Saskatchewan Act provides that no action shall be commenced to enforce any of the foregoing rights more than:

(a) in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or

(b) in the case of any other action, other than an action for rescission, the earlier of:

(i) one year after the plaintiff first had knowledge of the facts giving rise to the cause of action; or

(ii) six years after the date of the transaction that gave rise to the cause of action.

The Saskatchewan Act also provides a purchaser who has received an amended offering memorandum delivered in accordance with subsection 80.1(3) of the Saskatchewan Act has a right to withdraw from the agreement to purchase the securities by delivering a notice to the person who or company that is selling the securities, indicating the purchaser's intention not to be bound by the purchase agreement, provided such notice is delivered by the purchaser within two business days of receiving the amended offering memorandum.

The rights of action for damages or rescission under the Saskatchewan Act are in addition to and do not derogate from any other right which a purchaser may have at law.

Manitoba

Section 141.1 of the *Securities Act* (Manitoba), as amended (the "**Manitoba Act**") provides that where an offering memorandum (such as this offering memorandum) or any amendment to it contains a misrepresentation, a purchaser who purchases a security offered by the offering memorandum is deemed to have relied on the representation if it was a misrepresentation at the time of purchase and has a right of rescission against the issuer or has a right of action for damages against (i) the issuer, (ii) every director of the issuer at the date of the offering memorandum, and (iii) every person or company who signed the offering memorandum.

Such rights of rescission and damages are subject to certain limitations including the following:

(a) if the purchaser chooses to exercise a right of rescission against the issuer, the purchaser shall have no right of action for damages against the parties (i), (ii) and (iii) listed above;

(b) in an action for damages, a defendant will not be liable for all or any part of the damages that he or she proves do not represent the depreciation in value of the security as a result of the misrepresentation;

(c) in no case shall the amount recoverable exceed the price at which the securities were offered under the offering memorandum; and

(d) no person or company is liable in an action for rescission or damages if that person or company proves that the purchaser had knowledge of the misrepresentation.

In addition, no person or company, other than the issuer, will be liable if the person or company proves that:

(a) the offering memorandum was sent to the purchaser without the person's or company's knowledge or consent, and that, after becoming aware that it was sent, the person or company promptly gave reasonable notice to the issuer that it was sent without the person's or company's knowledge and consent;

(b) with respect to any part of the offering memorandum purporting to be made on the authority of an expert or to be a copy of, or an extract from, an expert's report, opinion or statement, the person or company proves that the person or company did not have any reasonable grounds to believe and did not believe that (i) there had been a misrepresentation, or (ii) the relevant part of the offering memorandum (A) did not fairly represent the expert's report, opinion or statement, or (B) was not a fair copy of, or an extract from, the expert's report, opinion or statement; or

(c) with respect to any part of the offering memorandum not purporting to be made on an expert's authority and not purporting to be a copy of, or an extract from, an expert's report, opinion or statement, unless the person or company (i) did not conduct an investigation sufficient to provide reasonable grounds for a belief that there had been no misrepresentation, or (ii) believed there had been a misrepresentation.

Not all defences upon which the issuer or others may rely are described herein. Please refer to the full text of the Manitoba Act for a complete listing.

Section 141.2 of the Manitoba Act provides that a purchaser of a security to whom an offering memorandum was required to be sent in compliance with Manitoba securities legislation, but was not sent within the prescribed time has a right of action for rescission or damages against the dealer, offeror or issuer who did not comply with the requirement.

Section 141.3 of the Manitoba Act also provides that a purchaser of a security to whom an offering memorandum is required to be sent may rescind the contract to purchase the security by sending a written notice of rescission to the issuer not later than midnight on the second day, excluding Saturdays and holidays, after the purchaser signs the agreement to purchase the securities.

Section 141.4 of the Manitoba Act provides that no action may be commenced to enforce any of the foregoing rights:

(a) in the case of an action for rescission, more than 180 days after the day of the transaction that gave rise to the cause of action; or

(b) in the case of any other action, other than an action for rescission, the earlier of:

(i) 180 days after the day that the plaintiff first had knowledge of the facts giving rise to the cause of action, or

(ii) two years after the day of the transaction that gave rise to the cause of action.

The rights of action for damages or rescission under the Manitoba Act are in addition to and do not derogate from any other right which a purchaser may have at law.

Nova Scotia

The right of action for damages or rescission described herein is conferred by section 138 of the *Securities Act* (Nova Scotia) (the "**Nova Scotia Act**"). Section 138 of the Nova Scotia Act provides, in relevant part, that in the event that an offering memorandum (such as this offering memorandum), together with any amendment thereto, or any advertising or sales literature (as such terms are defined in the Nova Scotia Act) contains a misrepresentation (as defined in the Nova Scotia Act), the purchaser will be deemed to have relied upon such misrepresentation if it was a misrepresentation at the time of purchase and has, subject to certain limitations and defences, a statutory right of action for damages against the issuer and, subject to certain additional defences, every director of the issuer at the date of the offering memorandum and every person who signed the offering memorandum or, alternatively, while still the owner of the securities purchased by the purchaser, may elect instead to exercise a statutory right of rescission against the issuer, in which case the purchaser shall have no right of action for damages against the issuer, directors of the issuer or persons who have signed the offering memorandum, provided that, among other limitations:

(a) no action shall be commenced to enforce any of the foregoing rights more than 120 days after the date on which the initial payment was made for the securities;

(b) no person will be liable if it proves that the purchaser purchased the securities with knowledge of the misrepresentation;

(c) in the case of an action for damages, no person will be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the securities as a result of the misrepresentation relied upon; and

(d) in no case will the amount recoverable in any action exceed the price at which the securities were offered to the purchaser.

In addition, a person or company, other than the issuer, will not be liable if that person or company proves that:

(a) the offering memorandum or amendment to the offering memorandum was sent or delivered to the purchaser without the person's or company's knowledge or consent and that, on becoming aware of its delivery, the person or company gave reasonable general notice that it was delivered without the person's or company's knowledge or consent;

(b) after delivery of the offering memorandum or amendment to the offering memorandum and before the purchase of the securities by the purchaser, on becoming aware of any misrepresentation in the offering memorandum or amendment to the offering memorandum the person or company withdrew the person's or company's consent to the offering memorandum or amendment to the offering memorandum, and gave reasonable general notice of the withdrawal and the reason for it; or

(c) with respect to any part of the offering memorandum or amendment to the offering memorandum purporting (i) to be made on the authority of an expert, or (ii) to be a copy of, or an extract from, a report, an opinion or a statement of an expert, the person or company had no reasonable grounds to believe and did not believe that (A) there had been a misrepresentation, or (B) the relevant part of the offering memorandum or amendment to offering memorandum did not fairly represent the report, opinion or statement of the expert, or was not a fair copy of, or an extract from, the report, opinion or statement of the expert.

Furthermore, no person or company, other than the issuer, will be liable with respect to any part of the offering memorandum or amendment to the offering memorandum not purporting (a) to be made on the authority of an expert or (b) to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person or company (i) failed to conduct a reasonable investigation to provide reasonable grounds for a belief that there had been no misrepresentation or (ii) believed that there had been a misrepresentation.

If a misrepresentation is contained in a record incorporated by reference into, or deemed incorporated by reference into, the offering memorandum or amendment to the offering memorandum, the misrepresentation is deemed to be contained in the offering memorandum or an amendment to the offering memorandum.

The rights of action for rescission or damages under the Nova Scotia Act are in addition to and do not derogate from any other right the purchaser may have at law.

New Brunswick

Section 150 of the *Securities Act* (New Brunswick) (the "**New Brunswick Act**") provides that where an offering memorandum (such as this offering memorandum) contains a misrepresentation, a purchaser who purchases securities shall be deemed to have relied on the misrepresentation if it was a misrepresentation at the time of purchase and:

(a) the purchaser has a right of action for damages against the issuer and any selling security holder(s) on whose behalf the distribution is made, or

(b) where the purchaser purchased the securities from a person referred to in paragraph (a), the purchaser may elect to exercise a right of rescission against the person, in which case the purchaser shall have no right of action for damages against the person.

This statutory right of action is available to New Brunswick purchasers whether or not such purchaser relied on the misrepresentation. However, there are various defences available to the issuer and the selling security holder(s). In particular, no person will be liable for a misrepresentation if such person proves that the purchaser purchased the securities with knowledge of the misrepresentation when the purchaser purchased the securities. Moreover, in an action for damages, the amount recoverable will not exceed the price at which the securities were offered under the offering memorandum and any defendant will not be liable for all or any part of the damages that the defendant proves do not represent the depreciation in value of the security as a result of the misrepresentation.

If the purchaser intends to rely on the rights described in (a) or (b) above, such purchaser must do so within strict time limitations. The purchaser must commence an action for rescission within 180 days after the date of the transaction that gave rise to the cause of action. The purchaser must commence its action for damages within the earlier of:

(a) one year after the purchaser first had knowledge of the facts giving rise to the cause of action; or

(b) six years after the date of the transaction that gave rise to the cause of action.

The foregoing summary is subject to the express conditions of the New Brunswick Act and the regulations promulgated thereunder and specific reference should be made to same. The rights of action for rescission or damages under the New Brunswick Act are in addition to and do not derogate from any other right the purchaser may have at law.

Prince Edward Island

Section 112 of the *Securities Act* (Prince Edward Island) (the "**PEI Act**") provides to a purchaser who purchases, during the distribution period, a security offered by an offering memorandum (such as this offering memorandum) containing a misrepresentation, without regard to whether he or she relied on the misrepresentation, a right of action for damages against (a) the issuer, (b) the selling security holder on whose behalf the distribution is made, (c) every director of the issuer at the date of the offering memorandum, and (d) every person who signed the offering memorandum.

If an offering memorandum contains a misrepresentation, a purchaser, as described above, has a right of action for rescission against the issuer or the selling security holder on whose behalf the distribution is made. If the purchaser elects to exercise a right of action for rescission, the purchaser shall have no right of action for damages.

In addition, no person or company, other than the issuer and selling security holder, will be liable if the person proves that:

(a) the offering memorandum was sent to the purchaser without the person's knowledge or consent and that, on becoming aware of its being sent, the person had promptly given reasonable notice to the issuer that it had been sent without the knowledge and consent of the person;

(b) the person, on becoming aware of the misrepresentation in the offering memorandum, had withdrawn the person's consent to the offering memorandum and had given reasonable notice to the issuer of the withdrawal and the reason for it; or

(c) with respect to any part of the offering memorandum purporting to be made on the authority of an expert or purporting to be a copy of, or an extract from, a report, statement or opinion of an expert, the person had no reasonable grounds to believe and did not believe that (i) there had been a misrepresentation, or (ii) the relevant part of the offering memorandum (A) did not fairly represent the report, statement or opinion of the expert, or (B) was not a fair copy of, or an extract from, the report, statement or opinion of the expert.

Not all defences upon which the issuer or others may rely are described herein. Please refer to the full text of the PEI Act for a complete listing.

In an action for damages, the defendant is not liable for any damages that he or she proves do not represent the depreciation in value of the security resulting from the misrepresentation. In addition, the amount recoverable must not exceed the price at which the securities purchased by the purchaser were offered.

Section 121 of the PEI Act provides that no action may be commenced to enforce any of the foregoing rights more than:

(a) in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or

(b) 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) three years after the date of the transaction giving rise to the cause of action.

The rights of action for rescission or damages conferred are in addition to and do not derogate from any other right that the purchaser may have at law.

Newfoundland and Labrador

Section 130.1 of the *Securities Act* (Newfoundland and Labrador) provides that if an offering memorandum (such as this offering memorandum) contains a misrepresentation, a purchaser who purchases Units offered by the offering memorandum is deemed to have relied on the representation if it was a misrepresentation at the time of purchase, and the purchaser has:

(a) a right of action for damages against:

(i) the issuer;

(ii) every director of the issuer at the date of the offering memorandum;

(iii) every person or company who signed the offering memorandum; and

(b) a right of rescission against the issuer.

If the purchaser chooses to exercise a right of rescission against the issuer, the purchaser has no right of action for damages against a person or company referred to above.

If a misrepresentation is contained in a record incorporated by reference in, or is deemed to be incorporated into, the offering memorandum, the misrepresentation is deemed to be contained in the offering memorandum.

When a misrepresentation is contained in the offering memorandum, no person or company other than the issuer, is liable:

(a) if the person or company proves

(i) that the offering memorandum was sent to the purchaser without the person's or company's knowledge or consent, and

(ii) that, after becoming aware that it was sent, the person or company promptly gave reasonable notice to the issuer that it was sent without the person's or company's knowledge and consent;

(b) if the person or company proves that, after becoming aware of the misrepresentation, the person or company withdrew the person's or company's consent to the offering memorandum and gave reasonable notice to the issuer of the withdrawal and the reason for it;

(c) if, with respect to any part of the offering memorandum purporting to be made on the authority of an expert or to be a copy of, or an extract from, an expert's report, opinion or statement, the person or company proves that the person or company did not have any reasonable grounds to believe and did not believe that (i) there had been a misrepresentation, or (ii) the relevant part of the offering memorandum (A) did not fairly represent the expert's report, opinion or statement, or (B) was not a fair copy of, or an extract from, the expert's report, opinion or statement; or

(d) with respect to any part of the offering memorandum not purporting to be made on an expert's authority and not purporting to be a copy of, or an extract from, an expert's report, opinion or statement, unless the person or company (i) did not conduct an investigation sufficient to provide reasonable grounds for a belief that there had been no misrepresentation, or (ii) believed there had been a misrepresentation.

The amount recoverable shall not exceed the price at which the Units were offered under the offering memorandum.

In an action for damages, the defendant is not liable for all or any part of the damages that the defendant proves do not represent the depreciation in value of the security as a result of the misrepresentation.

All or any one or more of the persons or companies that are found to be liable or accept liability in an action for damages are jointly and severally liable. A defendant who is found liable to pay a sum in damages may recover a contribution, in whole or in part, from a person who is jointly and severally liable to make the same payment in the same cause of action unless, in all circumstances of the case, the court is satisfied that it would not be just and equitable.

No action shall be commenced to enforce these contractual rights more than:

(a) in the case of an action for rescission, 180 days after the purchaser signs the agreement to purchase the Units; or

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

(i) 180 days after the purchaser first has knowledge of the facts giving rise to the cause of action; or

(ii) three years after the date the purchaser signs the agreement to purchase the Units.

Northwest Territories

Securities legislation in the Northwest Territories provides that if an offering memorandum (such as this offering memorandum) contains a misrepresentation, a purchaser who purchases a security offered by the offering memorandum during the period of distribution has, without regard to whether the purchaser relied on the misrepresentation:

(a) a right of action for damages against

(i) the issuer;

(ii) the selling security holder on whose behalf the distribution is made;

(iii) every director of the issuer at the date of the offering memorandum; and

(iv) every person who signed the offering memorandum; and

(b) a right of rescission against:

(i) the issuer; or

(ii) the selling security holder on whose behalf the distribution is made.

If the purchaser chooses to exercise a right of rescission against the issuer, the purchaser has no right of action for damages against a person or company referred to above.

If a misrepresentation is contained in a record incorporated by reference in, or is deemed to be incorporated into, an offering memorandum, the misrepresentation is deemed to be contained in the offering memorandum.

If a misrepresentation is contained in the offering memorandum, no person is liable if the person proves that the purchaser purchased the securities with knowledge of the misrepresentation.

A person, other than the issuer or selling security holder, is not liable in an action for damages if the person proves that:

(a) the offering memorandum was sent to the purchaser without the person's knowledge or consent, and that, on becoming aware of its being sent, the person had promptly given reasonable notice to the issuer that it had been sent without the person's knowledge and consent;

(b) the person, on becoming aware of the misrepresentation, had withdrawn the person's consent to the offering memorandum and had given reasonable notice to the issuer of the withdrawal and the reason for it; or

(c) with respect to any part of the offering memorandum purporting to be made on the authority of an expert or to be a copy of, or an extract from, a report, opinion or statement of an expert, the person had no reasonable grounds to believe and did not believe that

    (i) there had been a misrepresentation, or

    (ii) the relevant part of the offering memorandum

        (A) did not fairly represent the report, opinion or statement of the expert, or

        (B) was not a fair copy of, or an extract from, the report, opinion or statement of the expert.

A person, other than the issuer or selling security holder, is not liable in an action for damages with respect to any part of the offering memorandum not purporting to be made on the authority of an expert and not purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person

(a) failed to conduct a reasonable investigation to provide reasonable grounds for a belief that there had been no misrepresentation; or

(b) believed there had been a misrepresentation.

The amount recoverable shall not exceed the price at which the securities were offered under the offering memorandum. In an action for damages, the defendant is not liable for all or any part of the damages that the defendant proves do not represent the depreciation in value of the security as a result of the misrepresentation.

All or any one or more of the persons or companies that are found to be liable or accept liability in an action for damages are jointly and severally liable. A defendant who is found liable to pay a sum in damages may recover a contribution, in whole or in part, from a person who is jointly and severally liable to make the

same payment in the same cause of action unless, in all circumstances of the case, the court is satisfied that it would not be just and equitable.

The issuer, and every director of the issuer at the date of the offering memorandum who is not a selling security holder, is not liable if the issuer does not receive any proceeds from the distribution of the securities and the misrepresentation was not based on information provided by the issuer, unless the misrepresentation

(a) was based on information previously publicly disclosed by the issuer;

(b) was a misrepresentation at the time of its previous public disclosure; and

(c) was not subsequently publicly corrected or superseded by the issuer before completion of the distribution of the securities being distributed.

No action may be commenced to enforce a right more than,

(a) in the case of an action for rescission, 180 days after the date of the transaction giving rise to the cause of action; or

(b) in the case of any action other than an action for rescission,

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

(ii) three years after the date of the transaction giving rise to the cause of action,

whichever period expires first.

The rights of action for rescission or damages conferred are in addition to and do not derogate from any other right that the purchaser may have at law.

Yukon

Securities legislation in the Yukon provides that if an offering memorandum (such as this offering memorandum) contains a misrepresentation, a purchaser who purchases a security offered by the offering memorandum during the period of distribution has, without regard to whether the purchaser relied on the misrepresentation:

(a) a right of action for damages against:

(i) the issuer;

(ii) the selling security holder on whose behalf the distribution is made;

(iii) every director of the issuer at the date of the offering memorandum; and

(iv) every person who signed the offering memorandum; and

(b) a right of rescission against:

(i) the issuer; or

(ii) the selling security holder on whose behalf the distribution is made.

If the purchaser chooses to exercise a right of rescission against the issuer, the purchaser has no right of action for damages against a person or company referred to above.

If a misrepresentation is contained in a record incorporated by reference in, or is deemed to be incorporated into, an offering memorandum, the misrepresentation is deemed to be contained in the offering memorandum.

If a misrepresentation is contained in the offering memorandum, no person is liable if the person proves that the purchaser purchased the securities with knowledge of the misrepresentation.

A person, other than the issuer or selling security holder, is not liable in an action for damages if the person proves that:

(a) the offering memorandum was sent to the purchaser without the person's knowledge or consent, and that, on becoming aware of its being sent, the person had promptly given reasonable notice to the issuer that it had been sent without the person's knowledge and consent;

(b) the person, on becoming aware of the misrepresentation, had withdrawn the person's consent to the offering memorandum and had given reasonable notice to the issuer of the withdrawal and the reason for it; or

(c) with respect to any part of the offering memorandum purporting to be made on the authority of an expert or to be a copy of, or an extract from, a report, opinion or statement of an expert, the person had no reasonable grounds to believe and did not believe that

(i) there had been a misrepresentation, or

(ii) the relevant part of the offering memorandum (A) did not fairly represent the report, opinion or statement of the expert, or (B) was not a fair copy of, or an extract from, the report, opinion or statement of the expert.

A person, other than the issuer or selling security holder, is not liable in an action for damages with respect to any part of the offering memorandum not purporting to be made on the authority of an expert and not purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person

(a) failed to conduct a reasonable investigation to provide reasonable grounds for a belief that there had been no misrepresentation, or

(b) believed there had been a misrepresentation.

The amount recoverable shall not exceed the price at which the securities were offered under the offering memorandum. In an action for damages, the defendant is not liable for all or any part of the damages that the defendant proves do not represent the depreciation in value of the security as a result of the misrepresentation.

All or any one or more of the persons or companies that are found to be liable or accept liability in an action for damages are jointly and severally liable. A defendant who is found liable to pay a sum in damages may recover a contribution, in whole or in part, from a person who is jointly and severally liable to make the same payment in the same cause of action unless, in all circumstances of the case, the court is satisfied that it would not be just and equitable.

The issuer, and every director of the issuer at the date of the offering memorandum who is not a selling security holder, is not liable if the issuer does not receive any proceeds from the distribution of the securities and the misrepresentation was not based on information provided by the issuer, unless the misrepresentation

(a) was based on information previously publicly disclosed by the issuer;

(b) was a misrepresentation at the time of its previous public disclosure; and

(c) was not subsequently publicly corrected or superseded by the issuer before completion of the distribution of the securities being distributed.

No action may be commenced to enforce a right more than,

(a) in the case of an action for rescission, 180 days after the date of the transaction giving rise to the cause of action; or

(b) in the case of any action other than an action for rescission,

(i) 180 days after the plaintiff first had knowledge of the facts giving rise to the cause of action, or
(ii) three years after the date of the transaction giving rise to the cause of action,

whichever period expires first.

The rights of action for rescission or damages conferred are in addition to and do not derogate from any other right that the purchaser may have at law.

British Columbia, Alberta and Quebec

Notwithstanding that the *Securities Act* (British Columbia), the *Securities Act* (Alberta) and the *Securities Act* (Quebec) do not provide, or require the issuer to provide to purchasers resident in the Province of Alberta purchasing under the exemption contained in section 2.3 (the "accredited investor exemption") of NI 45-106 and to purchasers resident in British Columbia or Quebec any rights of action in circumstances where this offering memorandum or an amendment hereto contains a misrepresentation, the issuer hereby grants to such purchasers contractual rights of action that are equivalent to the statutory rights of action set forth above with respect to purchasers resident in Ontario.

The rights summarized above are in addition to and without derogation from any other rights or remedy which investors may have at law.

NewGen Asset Management Limited
Commerce Court North
Suite 2900
25 King Street West
P.O. Box 405
Toronto, Ontario
M5L 1G3
Tel No.: (416) 941-9111
Fax No.: (416) 941-0012
www. newgenfunds.com