CONFIDENTIAL OFFERING MEMORANDUM

*This confidential offering memorandum (the "**Offering Memorandum**") constitutes an offering of the securities described herein only in those jurisdictions where, and to those persons to whom, they may be lawfully offered for sale. This Offering Memorandum is not, and under no circumstances is it to be construed as, a prospectus or an advertisement or a public offering of these securities. No securities commission or similar regulatory authority in Canada has reviewed this Offering Memorandum nor has it 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 Canada in connection with the securities offered hereunder.*

This Offering Memorandum is for the confidential use of only those persons to whom it is transmitted in connection with this offering. By their acceptance of this Offering Memorandum, recipients agree that they will not transmit, reproduce or make available to anyone, other than their professional advisors, this Offering Memorandum or any information contained herein. No person has been authorized to give any information or to make any representation not contained in this Offering Memorandum. Any such information or representation which is given or received must not be relied upon.

Continuous Offering **April 1, 2020**

BRIDGING MID-MARKET DEBT RSP FUND

Class A, Class UA (USD Class), Class F, Class UF (USD Class), Class I and Class UI (USD Class) trust units (collectively, the "**Units**") of the Bridging Mid-Market Debt RSP Fund (the "**Fund**") are being offered on a private placement basis pursuant to exemptions from the prospectus requirements and, where applicable, the registration requirements under applicable securities legislation. Units are being offered on a continuous basis to an unlimited number of eligible subscribers who are prepared to invest a minimum initial subscription amount of $1,000 if the subscriber qualifies as an "accredited investor" under applicable securities legislation. If the subscriber does not qualify as an "accredited investor" then the minimum initial subscription amount for Units is $150,000 pursuant to the "minimum amount investment" exemption under National Instrument 45-106 – *Prospectus Exemptions* ("**NI 45-106**"); provided that such subscriber is (i) not an individual, and (ii) not created or used solely to rely on the "minimum amount investment" exemption. Bridging Finance Inc. (the "**Manager**"), the manager of the Fund, may, in its sole discretion, accept subscriptions for lesser amounts provided such subscribers are "accredited investors" under applicable securities legislation. Units will be offered at the net asset value ("**Net Asset Value**") per Unit for the applicable class (determined in accordance with the trust agreement dated as of January 1, 2018, as amended and restated as of November 1, 2018 (the "**Trust Agreement**"), as the same may be further amended, restated or supplemented from time to time) as at the relevant Valuation Date (as hereinafter below).

Units are subject to restrictions on resale under applicable securities legislation unless a further statutory exemption may be relied upon by the investor or an appropriate discretionary order is obtained from the appropriate securities regulatory authorities pursuant to applicable securities legislation. As there is no market for the Units, it may be difficult or even impossible for a subscriber to sell them other than by way of a redemption of their Units on a Valuation Date. Units may be redeemed at their Net Asset Value per Unit of the applicable class (determined in accordance with the Trust Agreement at the close of business on a Valuation Date), provided that the request for redemption is submitted to the Manager at least 30 calendar days prior to such Valuation Date.

The Units offered hereby are distributed by way of a private placement. Investors should carefully review the risk factors outlined in this Offering Memorandum. Investors are urged to consult with an independent legal advisor prior to signing the subscription form for the Units and to carefully review the Trust Agreement, which is available upon request from the Manager. Investors relying on this Offering Memorandum must comply with all applicable securities legislation with respect to the acquisition or disposition of Units.

TABLE OF CONTENTS

SUMMARY

Prospective investors are encouraged to consult with their own professional advisors as to the tax and legal consequences of investing in the Fund. The following is a summary only and is qualified by the more detailed information contained in this Offering Memorandum and the Trust Agreement.

The Fund:	Bridging Mid-Market Debt RSP Fund (the "**Fund**") is an open-ended unincorporated investment trust established under the laws of the Province of Ontario pursuant to the trust agreement dated as of January 1, 2018, as amended and restated on November 1, 2018 (the "**Trust Agreement**"), as the same may be further amended, restated or supplemented from time to time. See "The Fund".
The Manager:	Pursuant to the Trust Agreement, Bridging Finance Inc. (in such capacity, the "**Manager**") is the manager of the Fund. The Manager is a corporation existing under the laws of Canada. The Manager is responsible for the day-to-day business and administration of the Fund, including management of the Fund's investment portfolio. See "Management of the Fund – The Manager".
The Trustee:	Pursuant to the Trust Agreement, Odyssey Trust Company (in such capacity, the "**Trustee**") is the trustee of the Fund. The Trustee is a trust company organized under the laws of Alberta. See "Trustee".
Investment Objective and Strategy of the Fund:	The investment objective of the Fund is to provide investors with long-term capital growth. The Fund's investment strategy will be to invest in Class I and Class UI LP Units (as hereinafter defined) of Bridging Mid-Market Debt Fund LP (the "**Partnership**"). See "Investment Objective and Strategy of the Fund" and "Investment Restrictions of the Fund".
The Partnership:	Bridging Mid-Market Debt Fund LP is a limited partnership organized under the laws of the Province of Ontario and governed by the provisions of a limited partnership agreement dated as of November 1, 2017 (the "**Limited Partnership Agreement**"), as the same may be amended, restated or supplemented from time to time. The general partner of the Partnership is Bridging Finance GP Inc. (the "**General Partner**"). The General Partner is a corporation incorporated under the laws of the Province of Ontario. Bridging Finance Inc. (in such capacity, the "**Partnership Manager**") is the manager of the Partnership. The day-to-day business and affairs of the Partnership is managed by the Partnership Manager pursuant to the provisions of the management agreement dated as of November 1, 2017 (the "**Management Agreement**"). The General Partner may, in its discretion, terminate and replace the Partnership Manager upon the occurrence of certain events. SS&C Fund Administration Company (the "**Administrator**") is the administrator of the Partnership. The Administrator will provide certain administrative services to the Partnership. See "Bridging Mid-Market Debt Fund LP – The General Partner", "Bridging Mid- Market Debt Fund LP – The Partnership Manager" and "Bridging Mid-Market Debt Fund LP – The Administrator".
Investment Objective of the Partnership:	The investment objective of the Partnership is to achieve superior risk-adjusted returns to holders of units of the Partnership ("**Limited Partners**") with minimal volatility and low correlation to most traditional asset classes. See "Investment Objective and Strategies of the Partnership".

Investment Strategies of the Partnership:

In general, the investment strategy of the Partnership will be to invest in an actively managed portfolio (the "**Portfolio**") comprised of loans primarily to Canadian and U.S. mid-market companies that typically borrow against the value of their inventory and account receivables or other identifiable assets (the "**Private Debt Loans**"). The Portfolio strategy involves a fundamental analysis that identifies good companies that are overlooked by the general financing community and targets diversification through asset type, investment size and industry.

The Partnership may also make incidental investments in assets such as promissory notes, convertible debentures, warrants and other "equity sweeteners" issued in connection with the primary investments.

The Partnership will execute the investment strategy through the unique insight and experience of the Partnership Manager.

The Partnership may, but is not obliged to, make some or all of its investments through one or more intermediary vehicles.

See "Investment Objective and Strategies of the Partnership", "Investment Guidelines of the Partnership" and "Investment Restrictions of the Partnership".

Investment Guidelines and Restrictions

The Partnership has developed certain investment policies and guidelines (the "**Investment Guidelines**") that are described under "Investment Guidelines of the Partnership".

The Partnership is also subject to a number of general investment restrictions. See "Investment Restrictions of the Partnership".

Loan Facilities

The Partnership may enter into loan facilities with one or more lenders and secure these borrowings with liens or other security interests in its assets (or the assets of any of its intermediary vehicles), provided that the Partnership may not, at any point in time, incur a level of borrowing in excess of 50% of the net asset value ("**Net Asset Value**") of the Partnership. Subject to the foregoing restriction on the use of leverage, the Partnership may obtain letters of credit/financial guarantees instead of cash borrowings.

The General Partner views the loan facilities as having four potential uses:

(a) to provide liquidity in the event of unitholder redemptions;

(b) for working capital purposes;

(c) for investment purposes; and

(d) to smooth the timing difference between the closing of potential new Private Debt Loans and cash availability in the Partnership.

See "Investment Objective and Strategies of the Partnership – Loan Facilities".

Allocation of Net Income or Net Loss of the Partnership:

Due to its investment in the Partnership, the Fund will be impacted by the following allocation of Net Income or Net Loss (as defined below) of the Partnership to the Limited Partners and to the General Partner.

Generally, Net Income or Net Loss of the Partnership which are allocable to Limited Partners during any fiscal year will be accrued on each Valuation Date (as defined herein) to Limited Partners in proportion to the number of LP Units held by each of them as at each Partnership Valuation Date, subject to adjustment to reflect subscriptions and redemptions of LP Units made during the fiscal year, as described below.

To the extent the Partnership generates a Total Return per Unit (as defined below) in any fiscal year which is equal to or less than the Hurdle Rate (as defined below), then 99.999% of the Net Income of the Partnership for such period will be allocated to the Limited Partners and 0.001% of the Net Income of the Partnership for such period will be allocated to the General Partner.

To the extent the Partnership generates a Total Return per Unit which is greater than the Hurdle Rate in any fiscal year and the Net Asset Value per Unit on the applicable Valuation Date exceeds the Prior High NAV (as defined below), then all of the Net Income of the Partnership once such Hurdle Rate has been reached for such period will be allocated on such Partnership Valuation Date as to 20% to the General Partner as an incentive allocation (the "**Incentive Allocation**") and as to 80% to the Limited Partners.

No Incentive Allocation will be made on Class I or Class UI LP Units held by the Fund.

Net Losses of the Partnership for any fiscal year (or interim period) will be allocated as to 99.999% to the Limited Partners and as to 0.001% to the General Partner.

The Incentive Allocation is calculated on a class by class basis. The Incentive Allocation will be calculated and accrued monthly and paid annually. For subscriptions and redemptions other than at year-end, the Net Income of the Partnership will be annualized for purposes of determining whether the Total Return threshold has been met.

For purposes of the foregoing allocations,

"**Hurdle Rate**" means a Total Return per Unit, in respect of Class A, Class UA, Class F and Class UF LP Units, of 6%, as determined on the first business day of each fiscal year and applicable for the entire fiscal year;

"**Net Income**" of the Partnership for any period means the Partnership income earned by the Partnership, less all fees and expenses of the Partnership (including any Management Fee); provided that if the foregoing results in a negative amount, such amount for such period shall be referred to as a **"Net Loss"** of the Partnership;

"**Prior High NAV**" per LP Unit of a class is the Net Asset Value per LP

Unit of that class on the most recent year-end Valuation Date in respect of which an Incentive Allocation was paid or payable with respect to such LP Unit (or, if no Incentive Allocation has yet become payable with respect to such LP Unit, the Net Asset Value per LP Unit at which such LP Unit was issued); and

"**Total Return per Unit**" means the amount equal to the percentage appreciation of the Net Asset Value per LP Unit, without taking into account any accrued Incentive Allocation, but including the amount of any distributions on a per LP Unit basis.

The General Partner reserves the right to adjust allocations to account for LP Units purchased or redeemed during a fiscal year and other relevant factors. See "The Limited Partnership Agreement – Distributions and Computation and Allocation of Net Income or Net Losses of the Partnership".

The Hurdle Rate is not a guaranteed rate of return on an investment in LP Units.

The Offering by the Fund: This is a continuous offering of Class A units, Class UA units (USD Class), Class F units, Class UF units (USD Class), Class I units and Class UI units (USD Class) of the Fund (collectively, the "**Units**"). The differences among the classes of Units are the different eligibility criteria, currency, fee structures and administrative expenses associated with each class. See "Description of Units of the Fund" and "Fees and Expenses".

Each Unit represents a beneficial interest in the Fund. The Fund is authorized to issue an unlimited number of classes of Units and an unlimited number of Units in each such class. The Fund may issue fractional Units so that subscription funds may be fully invested. Each Unit of a particular class has equal rights to each other Unit of the same class with respect to all matters, including voting, receipt of allocations and distributions from the Fund, liquidation and other events in connection with the Fund. See "Description of Units of the Fund".

Units may be purchased as at the close of business on a Valuation Date if a duly completed subscription form and the required payment reaches the Manager no later than 4:00 p.m. (EST) on such Valuation Date. The issue date for subscription orders received and accepted after 4:00 p.m. (EST) on a Valuation Date will be the next Valuation Date. No certificates evidencing ownership of Units will be issued to unitholders of the Fund (individually, a "**Unitholder**" and collectively, the "**Unitholders**"). See "Details of the Offering by the Fund".

The USD Classes are suitable for investors who want to invest in the Fund using U.S. dollars. As the Fund is denominated in Canadian dollars, investors who purchase the USD Classes will be exposed to fluctuations in the Canadian/U.S. dollar exchange rate. To offset this exposure, the Manager will use its best efforts to hedge against fluctuations caused by changes in exchange rates between the U.S. and Canadian dollars. If the Manager is successful, the returns of the Class UA, Class UF, Class UI Units as measured in U.S. dollars will be similar to the returns of the Class A, Class F and Class I Units, respectively, as measured in Canadian dollars. Without regard to movements in the currency exchange rate as between the

	Canadian and U.S. dollar, several factors may result in the returns not being equal, including, but not limited to, the expenses incurred by the applicable Class in hedging the currency and the timing of an investor's investment relative to when the Manager is able to hedge the currency of the applicable Class. There is no guarantee that the Manager will be successful in fully hedging this currency exposure. All currency hedging expenses will be borne by the applicable Class.
Personal Investment Capital:	Certain directors, officers and employees of the Manager and/or its affiliates and associates may purchase and hold Units of the Fund and LP Units of the Partnership, and the securities of certain of the Portfolio companies from time to time. See "Interest of Management and Others in Material Transactions".
Valuation Date:	The Net Asset Value of the Fund and the Net Asset Value per Unit of each class will be calculated on the last business day (that is, the last day on which the Toronto Stock Exchange is open for trading) of each month, December 31 of each year and such other business day or days as the Manager may in its discretion designate (each, a "**Valuation Date**").
Price:	Units will be offered at a price equal to the Net Asset Value per Unit for the applicable class of Units on each Valuation Date (determined in accordance with the Trust Agreement). See "Computation of Net Asset Value of the Fund".
Minimum Initial Subscription:	Units are being offered to investors resident in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, New Brunswick, Nova Scotia, Newfoundland and Labrador, Prince Edward Island, Northwest Territories, Nunavut and Yukon (the "**Offering Jurisdictions**") pursuant to exemptions from the prospectus requirements under section 2.3 (accredited investor exemption) and section 2.10 (minimum amount investment exemption) under National Instrument 45-106 *Prospectus Exemptions* ("**NI 45-106**") and, where applicable, the registration requirements under National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* ("**NI 31-103**"). See "Details of the Offering of the Fund". Units are being offered on a continuous basis to an unlimited number of eligible subscribers who are prepared to invest a sufficient amount to meet the minimum initial subscription requirements or who are otherwise qualified investors. As at the date of this Offering Memorandum, the minimum initial subscription amount for persons relying on the "accredited investor" exemption is $1,000. The minimum initial subscription amount for persons relying on the "minimum amount investment" exemption is $150,000; provided that such subscriber is (i) not an individual, and (ii) not created or used solely to rely on the "minimum amount investment" exemption. The minimum amount is net of any sales commissions paid by a subscriber to their registered dealer. At the sole discretion of the Manager, subscriptions may be accepted for lesser amounts from persons who are "accredited investors" as defined under NI 45-106. See "Details of the Offering of the Fund" and "Subscription Procedure". These minimum initial subscription amounts are net of any sales commissions payable by an investor to their registered dealer. See "Dealer Compensation". Subscriptions for Units are subject to acceptance or rejection in whole or in

part by the Manager in its sole discretion. No subscription for Units will be accepted from a subscriber unless the Manager is satisfied that the subscription is in compliance with the requirements of applicable securities legislation. Subscribers whose subscriptions have been accepted by the Manager will become Unitholders of the Fund.

Description of Units of the Fund:

Class A and Class UA Units (USD Class) will be issued to qualified purchasers.

Class F and Class UF Units (USD Class) will be issued to: (i) qualified purchasers who participate in fee-based programs through eligible registered dealers; (ii) qualified purchasers in respect of whom the Fund does not incur distribution costs; and (iii) qualified individual purchasers in the Manager's sole discretion. If a Unitholder ceases to be eligible to hold Class F or Class UF Units, the Manager may, in its sole discretion, redesignate such Unitholder's Class F or UF Units for Class A or UA Units, respectively, on five days' notice, unless such Unitholder notifies the Fund during the notice period and the Manager agrees that the Unitholder is once again eligible to hold Class F or UF Units, as applicable.

Class I and Class UI Units (USD Class) will be issued to institutional investors at the discretion of the Manager. If a Unitholder ceases to be eligible to hold Class I or Class UI Units, the Manager may, in its sole discretion, redesignate such Unitholder's Class I or Class UI Units for Class A or Class UA Units, respectively, on five days' notice, unless such Unitholder notifies the Fund during the notice period and the Manager agrees that the Unitholder is once again eligible to hold Class I or UI Units, as applicable.

Subject to the consent of the Manager, Unitholders may redesignate all or part of their investment in the Fund from one class of Units to another class if the Unitholder is eligible to purchase that class of Units. The timing and processing rules applicable to purchases and redemptions of Units also applies to redesignations between classes of Units. See "Details of the Offering" and "Redemption of Units". Upon a redesignation from one class of Units to another class, the number of Units held by the Unitholder will change since each class of Units has a different Net Asset Value per Unit. Unitholders should consult with their own tax advisors regarding any tax implications of redesignating between classes of Units.

Any investor who is or becomes a non-resident of Canada for the purposes of the *Income Tax Act* (Canada) (the "**Tax Act**") or a partnership that is not a "Canadian partnership" (as defined in the Tax Act) (a "**non-Canadian partnership**") shall disclose such status to the Fund at the time of subscription (or when such status changes) and the Fund may restrict the participation of any such investor or require any such investor to redeem all or some of such investor's Units at the next Valuation Date.

By executing a subscription form for Units in the form prescribed by the Manager, each subscriber is making certain representations, and the Manager and the Fund are entitled to rely on such representations to establish the availability of exemptions from the prospectus and, where applicable, the registration requirements described under NI 45-106 and NI 31-103, as applicable. See "Subscription Procedure".

Additional Subscriptions: Following the required initial minimum investment in the Fund, Unitholders resident in the Offering Jurisdictions may make additional investments of not less than $1,000 provided that, at the time of the subscription for additional Units, the Unitholder is an "accredited investor" as defined under NI 45-106. Subject to applicable securities legislation, Unitholders who are not "accredited investors" nor individuals, but previously invested in and continue to hold Units having an aggregate initial acquisition cost or current Net Asset Value equal to $150,000, will also be permitted to make subsequent investments in the Fund of not less than $1,000. Subject to applicable securities legislation, the Manager may, in its sole discretion, from time to time permit additional investments in Units of lesser amounts. Unitholders subscribing for additional Units should complete the subscription form prescribed from time to time by the Manager. See "Additional Subscriptions".

Management Fees payable by the Fund: The Manager will receive, as compensation for providing services to the Fund, a monthly management fee (the "**Management Fee**") from the Fund attributable to Class A or Class UA Units, Class F or Class UF Units and, in certain circumstances described below, Class I or Class UI Units of the Fund. Each class of Units is responsible for the Management Fee attributable to that class. See "Fees and Expenses – Management Fees Payable by the Fund".

Class A and Class UA Units (USD Class):

The Fund will pay the Manager a monthly Management Fee equal to 1/12 of 2.0% of the Net Asset Value of the Class A and Class UA Units (determined in accordance with the Trust Agreement), plus any applicable federal and provincial taxes, calculated and accrued on each Valuation Date and payable on the last business day of each month based on the Net Asset Value of the Class A and Class UA Units, respectively, as at the last business day of each month.

Class F and UF Units (USD Class):

The Fund will pay the Manager a monthly Management Fee equal to 1/12 of 1.0% of the Net Asset Value of the Class F and Class UF Units (determined in accordance with the Trust Agreement), plus any applicable federal and provincial taxes, calculated and accrued on each Valuation Date and payable on the last business day of each month based on the Net Asset Value of the Class F and Class UF Units, respectively, as at the last business day of each month.

Class I and UI Units (USD Class):

Subject to the discretion of the Manager, investors who purchase Class I and Class UI Units must either: (i) enter into an agreement with the Manager which identifies the monthly Management Fee negotiated with the investor which is payable by the investor directly to the Manager; or (ii) enter into an agreement with the Fund which identifies the monthly Management Fee negotiated with the investor which is payable by the Fund to the Manager. In each circumstance, the monthly Management Fee, plus any applicable federal and provincial taxes, is calculated and accrued on each Valuation Date and payable on the last business day of each month based on the Net Asset Value of the Class I or Class UI Units as applicable, as at the last

business day of each month.

The Fund will not pay a management fee to the Manager that to a reasonable person would duplicate a fee payable to the Partnership Manager and/or General Partner by the Partnership for the same service. In addition, the Fund will not pay any sales commissions or redemption fees for its purchase or redemption of LP Units.

Performance Fees Payable by the Fund:

In addition to the Management Fee, the Manager is entitled to receive from the Fund an annual performance fee (the "**Performance Fee**") attributable to Class A Units, Class UA Units, Class F Units, Class UF Units, Class I Units and Class UI Units of the Fund. Each such Class of Units is charged a Performance Fee, payable as follows:

If the Total Return per Unit (as defined below) in any fiscal year is positive but equal to or less than the Hurdle Rate (as defined below), then no Performance Fee will be payable in such year.

To the extent the Fund generates a Total Return per Unit which is greater than the Hurdle Rate in any fiscal year and the Net Asset Value per Unit on the applicable Valuation Date exceeds the Prior High NAV (as defined below), then an amount equal to 20% of all such net income once such Hurdle Rate has been reached will be payable to the Manager as a Performance Fee, plus applicable HST.

The Performance Fee is calculated on a class by class basis. The Performance Fee will be calculated and accrued monthly and paid annually upon determination on the last Valuation Date of the year. For subscriptions and redemptions other than at year-end, the performance of the Fund will be annualized for purposes of determining whether the Total Return threshold has been met.

For purposes of the foregoing allocations,

"Hurdle Rate" means a Total Return per Unit of 6%, as determined on the first business day of each fiscal year and applicable for the entire fiscal year;

"**Prior High NAV**" per Unit of a Class is the Net Asset Value per Unit of that Class on the most recent year-end Valuation Date in respect of which a Performance Fee was paid or payable with respect to such Unit (or, if no Performance Fee has yet become payable with respect to such Unit, the Net Asset Value per Unit at which such Unit was issued); and

"**Total Return per Unit**" means the amount equal to the percentage appreciation of the Net Asset Value per Unit, without taking into account any accrued Performance Fee, but including the amount of any distributions on a per Unit basis.

See "Fees and Expenses – Performance Fees Payable by the Fund"

Operating Expenses Payable by the Fund:

The Fund is responsible for the payment of all routine and customary fees and expenses incurred relating to the administration and operation of the Fund including, but not limited to: trustee fees and expenses; Management Fees; Performance Fees (if any); custodian, and safekeeping fees and expenses; registrar and transfer agency fees and expenses; audit, legal and

	record-keeping fees and expenses; communication expenses; printing and mailing expenses; all costs and expenses associated with the qualification for sale and distribution of the Units in the Offering Jurisdictions including securities filing fees (if any); investor servicing costs; costs of providing information to Unitholders (including proxy solicitation material, financial and other reports) and convening and conducting meetings of Unitholders; taxes, assessments or other governmental charges of all kinds levied against the Fund; interest expenses; and all brokerage commissions and other fees associated with the purchase and sale of portfolio securities and other assets of the Fund. In addition, the Fund will be responsible for the payment of all expenses associated with ongoing investor relations and education relating to the Fund. See "Fees and Expenses – Operating Expenses Payable by the Fund".
Operating Expenses of the Partnership:	Since the Fund invests in Class I and Class UI LP Units of the Partnership, the Fund will indirectly bear the fees and expenses incurred by the Partnership. See "Bridging Mid-Market Debt Fund LP".
Sales Commission:	No sales commission is payable to the Manager in respect of Units purchased directly by a subscriber. However, registered dealers may, at their discretion, charge purchasers a front-end sales commission of up to 5.0% of the Net Asset Value of the Class A and Class UA Units purchased by the subscriber. Any such sales commission will be negotiated between the registered dealer and the purchaser and will be payable directly by the subscriber to their dealer. All minimum subscription amounts described in this Offering Memorandum are net of such sales compensation. See "Fees and Expenses".
Service Commission:	The Manager intends to pay a monthly service commission to participating registered dealers equal to 1/12th of 1.0% of the Net Asset Value of the Class A and Class UA Units sold by such dealers then outstanding. Payments are calculated and paid monthly to registered dealers by the Manager directly. Notwithstanding the foregoing, the Manager, in its sole discretion, reserves the right to change the frequency of payment to registered dealers of the service commission to a quarterly or annual basis. See "Fees and Expenses".
Distributions:	Subject to applicable securities legislation, annual distributions will be automatically reinvested in additional Units of the Class at the Net Asset Value of such Class of Units on the date of distribution, unless a Unitholder elects, by written notice to the Manager, to receive such distributions in cash. If a Unitholder does not elect to receive cash, all distributions will be automatically reinvested in additional units of the same Class at the Net Asset Value per Unit on the last Valuation Date of the fiscal year of the Fund. Investors should not confuse these distributions with the Fund's rate of return or yield. See "Distribution Policy".
Redemption:	An investment in Units is intended to be a long-term investment. However, Units may be redeemed at their Net Asset Value per Unit for the applicable class (determined in accordance with the Trust Agreement) on any Valuation Date, provided the written request for redemption, in satisfactory form and all necessary documents relating thereto, is submitted to the Manager at least 30 calendar days prior to such Valuation Date. See

"Redemption of Units".

Redemption requests must be received by the Manager prior to 4:00 p.m. (EST) on a business day which is at least 30 calendar days prior to a Valuation Date. If a redemption request is received by the Manager at such time, Units will be redeemed at the Net Asset Value per Unit for the applicable class determined on the first Valuation Date which is at least 30 calendar days following receipt of the redemption request. The redemption amount (the "**Redemption Amount**") will be paid to the redeeming Unitholder as soon as is practicable and in any event within 30 days following the Valuation Date upon which such redemption is effective (or 60 days if such redemption date is the Fund's fiscal year-end).

On direction from the Manager, the Administrator of the Fund shall hold back up to 20% of the Redemption Amount to provide for an orderly disposition of assets. The term of such holdback will not exceed a reasonable time period in the Manager's discretion, having regard to the applicable circumstances.

The Administrator of the Fund shall, upon any redemption of Units, deduct from the Redemption Amount an amount equal to any accrued and applicable fees and taxes payable by the Unitholder in connection with such redemption, including estimated brokerage costs incurred in the conversion of portfolio securities of the Fund into cash in order to effect the redemption. An appropriate portion of any accrued management fees and/or performance fees, payable to the Manager or to any investment manager will also be deducted and paid to the Manager or to any investment manager, as the case may be. See "Fees and Expenses – Management Fees Payable by the Fund".

In the sole discretion of the Manager, payment of all or any part of any Redemption Amount may be made by the transfer of a *pro rata* portion of any portfolio securities then held by the Fund. In the event the Manager determines to pay all or any part of the Redemption Amount by the transfer of portfolio securities then held by the Fund, it shall provide the Trustee, the Administrator of the Fund and the Unitholder with prompt notice thereof and the redeeming Unitholder shall have, and shall be advised that they have, the right to withdraw their Redemption Notice, or a portion thereof.

If for any reason the Partnership does not honour a redemption request of the Fund (made in order to satisfy a redemption request of a Unitholder), the Trustee intends to satisfy such redemption request by the transfer of a *pro rata* portion of the LP Units by the Fund to the redeeming Unitholder in satisfaction of the Unitholder's redemption request. Such transfers will be subject to the approval of the General Partner and certain tax consequences may result. See "Certain Canadian Federal Income Tax Considerations – Tax Exempt Unitholders".

The Manager may suspend the right of Unitholders to require the Fund to redeem Units held by them and the concurrent payment for Units tendered for redemption for any period not exceeding 120 days during which the Manager determines that conditions exist which render impractical the sale of the assets of the Fund or which impair the ability of the Fund to determine the value of the assets of the Fund.

Resale Restrictions:	The Units are being offered on a private placement basis pursuant to exemptions from the prospectus requirements and, where applicable, the registration requirements under applicable securities legislation. The Units are subject to restrictions on resale under applicable securities legislation unless a further statutory exemption may be relied upon by the investor or an appropriate discretionary order is obtained from the appropriate securities regulatory authorities pursuant to applicable securities legislation. As there is no market for the Units, it may be difficult or even impossible for a subscriber to sell them other than by way of a redemption of their Units. See "Resale Restrictions".
Risk Factors and Conflicts of Interest:	The Fund is subject to various risk factors and conflicts of interest. **An investment in the Fund is not guaranteed 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. Prospective investors should review closely the investment objective, strategies and restrictions to be utilized by the Fund and the Partnership as outlined herein to familiarize themselves with the risks associated with an investment in the Fund. An investment in the Fund is also subject to certain other risks. These risk factors and the Code of Ethics to be followed by the Manager to address conflicts of interest are described under "Risk Factors" and "Conflicts of Interest".
Investment Risk Level:	The Manager has identified the investment risk level of the Fund as an additional guide to help prospective investors decide whether the Fund is suitable for the investor. The Manager's determination of the risk rating for the Fund is guided by the methodology recommended by the Fund Risk Classification Task Force of the Investment Funds Institute of Canada. The Task Force concluded that the most comprehensive, easily understood form of risk is the historical volatility of a fund as measured by the standard deviation of its performance. The Manager believes the use of standard deviation as a measurement tool allows for a reliable and consistent quantitative comparison of a fund's relative volatility and related risk. Standard deviation is widely used to measure volatility of return. A fund's risk is measured using rolling one, three and five year standard deviation and comparing these values against other funds and an industry standard framework. The standard deviation represents, generally, the level of volatility in returns that a fund has historically experienced over the set measurement periods. However, an investor should also be advised that 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 historical volatility may not be indicative of its future volatility. In accordance with the mandate, objectives and methodology described above, the Manager has rated the Fund as "medium". Notwithstanding the foregoing, investors should consider this Offering Memorandum in its entirety before making an investment decision, including the risk factors set out herein. See "Risk Factors".
Certain Canadian Federal	A prospective investor should consider carefully all of the potential tax

Income Tax Considerations:	consequences of an investment in the Fund and should consult with their tax advisor before subscribing for Units. For a discussion of certain income tax consequences of this investment, see "Certain Canadian Federal Income Tax Considerations".
Eligibility for Investment by Tax Deferred Plans:	Provided the Fund qualifies at all relevant times as a "mutual fund trust" for the purposes of the Tax Act and the regulations thereunder (the "**Income Tax Regulations**"), Units will be "qualified investments", as defined in the Tax Act for a trust governed by a registered retirement savings plan ("**RRSP**"), a registered retirement income fund ("**RRIF**"), a registered disability savings plan ("**RDSP**"), a deferred profit sharing plan ("**DPSP**"), a registered education savings plan ("**RESP**"), and a tax-free savings account ("**TFSA**") (RRSPs, RRIFs, RDSPs, DPSPs, TFSAs and RESPs are collectively referred to as "**Tax Deferred Plans**"). The Manager intends to accept subscriptions for Units for investment by Tax Deferred Plans. A fee of up to $125 may be charged for each transfer or deregistration of Units held directly with the Manager in a Tax Deferred Plan. See "Certain Canadian Federal Income Tax Considerations – Eligibility for Investment".
Year-End:	December 31
Auditors to the Fund:	KPMG LLP Toronto, Ontario
Legal Counsel to the Fund:	McMillan LLP Toronto, Ontario
Custodian of the Monetary Assets of the Fund:	Bank of Montreal Toronto, Ontario
Custodian of the Other Assets the Fund	The Bank of Nova Scotia Trust Company Toronto, Ontario
Administrator and Record- keeper of the Fund:	SS&C Fund Administration Company Toronto, Ontario

THE FUND

The Fund is an open-ended unincorporated investment trust. The Fund was established under the laws of the Province of Ontario pursuant to a trust agreement dated as of January 1, 2018, as amended and restated on November 1, 2018 (the "**Trust Agreement**"), as the same may be amended, restated or supplemented from time to time.

Pursuant to the Trust Agreement, Odyssey Trust Company is the trustee of the Fund (the "**Trustee**"). The Trustee is a trust company organized under the laws of Alberta. The principal office of the Trustee is located at 300 - 5th Avenue S.W., Calgary, Alberta T2P 3C4. See "Trustee". Pursuant to the Administration Agreement (as defined herein), SS&C Fund Administration Company is the administrator and record-keeper of the Fund. See "Administrator, Record-keeper and Fund Reporting".

Pursuant to the Trust Agreement, Bridging Finance Inc. is the manager of the Fund (the "**Manager**"). The principal office of the Fund and of the Manager is located at 77 King Street West, Suite 2925, P.O. Box 322, Toronto, Ontario, M5K 1K7 and its registered office address is 949 Wilson Avenue, Toronto, Ontario, M3K 1G2. A copy of the Trust Agreement is available for review during regular business hours at the offices of the Manager. See "Management of the Fund – The Manager".

The capital of the Fund is divided into an unlimited number of Units issuable in one or more classes of Units. The Fund currently offers the following classes of Units: Class A Units, Class UA units (USD Class), Class F units, Class UF units (USD Class), Class I units and Class UI units (USD Class). Additional classes of Units may be offered in the future. See "Description of Units".

Subscribers whose subscription for Units have been accepted by the Manager will become Unitholders.

INVESTMENT OBJECTIVE AND STRATEGY OF THE FUND

Investment Objective

The investment objective of the Fund is to provide investors with long-term capital growth.

Investment Strategy

The Fund's investment strategy will be to invest in Class I and Class UI LP Units of the Partnership. See "Bridging Mid-Market Debt Fund LP".

The financial instruments available for purchase and sale are not limited and shall be within the sole discretion of the Manager and any investment manager who may be engaged from time to time by the Manager to invest the Fund's assets. As at the date hereof, the Manager does not intend to appoint any investment manager for the Fund. Some or all of the Fund's assets may from time to time be invested in cash or other investments as the Manager may deem prudent in the circumstances. The business of the Fund shall include all things necessary or advisable to give effect to the Fund's investment objective.

INVESTMENT RESTRICTIONS OF THE FUND

The Manager may from time to time establish restrictions with respect to the investments of the Fund including, without limitation, restrictions as to the proportion of the assets of the Fund which may be invested in the securities of issuers operating in any industry sector or in any class of investment. The Manager does not anticipate imposing any restrictions with respect to the investments of the Fund other than those outlined above and under the heading "Investment Objective and Strategy of the Fund". Additional restrictions may also be imposed in order to ensure the Fund qualifies at all relevant times as a "mutual fund trust" for the purposes of the Tax Act.

The Manager may open accounts for the Fund with brokerage firms, banks or others and may invest assets of the Fund in, and may conduct, maintain and operate these accounts for, the purchase, sale and exchange of stocks, bonds and other securities, and in connection therewith, may borrow money or securities on behalf of the Fund to complete trades, obtain guarantees, pledge securities and engage in all other activities necessary or incidental to conducting, maintaining and operating such accounts.

The foregoing investment objective, strategy and restrictions of the Fund may be changed from time to time by the Manager to adapt to changing circumstances. Unitholders will be given not less than 60 days' prior written notice of any material changes to the investment objective, strategies and restrictions of the Fund unless such changes are required to comply with applicable laws in which case prompt notice will be given.

The foregoing disclosure of investment objective, strategy and restrictions may constitute "forward-looking information" for the purpose of applicable securities legislation as it contains statements of the 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 strategy 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 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 strongly advised to read the section of this Offering Memorandum under the heading "Risk Factors" for a discussion of factors that may impact the operations and success of the Fund.

MANAGEMENT OF THE FUND

The Manager

Pursuant to the Trust Agreement, Bridging Finance Inc. is the manager of the Fund. The Manager is a corporation existing under the laws of Canada. The Manager is responsible for the day-to-day business and administration of the Fund, including management of the Fund's investment portfolio.

The Manager's principal office is located at 77 King Street West, Suite 2925, Toronto, Canada. The Manager may also be contacted by toll-free telephone at 1-888-920-9598, by telephone at 1-416-362-6283 or by e-mail to inquiries@bridgingfinance.ca.

Directors and Officers of the Manager and the General Partner

The name, municipality of residence, position(s) with the Manager and the General Partner and principal occupation of the directors and senior officers of the Manager and the General Partner are as follows:

Name and Municipality of Residence	Position with the Manager	Position with the General Partner	Principal Occupation
David Sharpe Toronto, Ontario	Chief Executive Officer	N/A	Chief Executive Officer of the Manager
Natasha Sharpe Toronto, Ontario	Director, Chief Investment Officer	Director and President	Chief Investment Officer of the Manager
Andrew Mushore Toronto, Ontario	Chief Compliance Officer	N/A	Chief Compliance Officer of the Manager

Name and Municipality of Residence	Position with the Manager	Position with the General Partner	Principal Occupation
Jenny Virginia Coco Toronto, Ontario	Executive Vice-President and Director	Director and Vice-President	Chief Executive Officer of Coco Paving Inc.

Set out below are the particulars of the professional experience of the directors and senior officers of the Manager and the General Partner:

David Sharpe: David is the Chief Executive Officer responsible for the strategic direction of the Manager and ensuring sustainable growth is achieved. David has 25 years of financial services industry experience, in roles such as General Counsel, Chief Compliance Officer and Chief Risk Officer for leading financial organizations, and previously was the head of investigations for the Mutual Fund Dealers Association of Canada. David is Chair Emeritus of First Nations University of Canada. David was a member of the Board of Governors of First Nations University of Canada for close to 7 years and served as Board Chair. He is a Board member of the Economic Development Corporation for Eabametoong (Fort Hope) First Nation. He is also a member of the Board of Trustees of Queen's University and is Vice Chair of the Dean's Council at Queen's University, Faculty of Law. David is a Mohawk and member of the Mohawks of the Bay of Quinte (Tyendinaga). David is a lawyer and has been a member of the Law Society of Ontario since 1997. He has an LLB from Queen's University, an LLM in Securities Law from Osgoode Hall Law School and a Masters of Business Administration from the Richard Ivey School of Business, University of Western Ontario. David has also received the Professional Director Certification from the Johnson-Shovama Graduate School of Public Policy at the University of Saskatchewan/University of Regina. In 2015, David was named to the Diversity 50 in Canada.

Natasha Sharpe: Natasha is a Director and the Chief Investment Officer of the Manager. Natasha was previously the Chief Credit Officer for Sun Life Financial where she was responsible for creating risk policy for the company's $110-billion global portfolio of managed assets. Prior to that, Natasha spent over 11 years at BMO Financial Group where she led various teams in risk assessment and corporate finance. In 2010, Natasha was named as one of Canada's Top 40 Under 40. Natasha is a director of public, private, and non-profit companies. She holds a PhD and a Masters of Business Administration from the University of Toronto.

Andrew Mushore: Andrew is Chief Compliance Officer of the Manager. Andrew is responsible for the oversight of the Manager's compliance system. Prior to joining Bridging Finance, Andrew was a Senior Compliance Officer at CI Financial. He later went on to hold the position of Senior Manager, Compliance of an investment management firm in Toronto with approximately $1.6 billion under management. Andrew holds a Bachelor's degree in Finance with a minor in Economics and a Bachelor's degree in Management, from Fordham University in New York, NY. Andrew also holds a Masters in Business Law from the University of Toronto.

Jenny Virginia Coco: Jenny is Executive Vice-President and a Director of the Manager. Jenny is the Chief Executive Officer of Coco Paving Inc., a division of the Coco Group. Jenny joined the Coco Group full time in 1987, having spent many summers learning the family business. Jenny oversees the daily management of the Canadian and U.S. operations, and is largely responsible for the negotiation of acquisitions as well as overseeing company expansions, including a concrete pipe manufacturing facility and an aggregate dock for the importing of materials, both of which have resulted in a vertical integration that has allowed Coco Paving to obtain a high degree of success in its heavy construction division. Under Ms. Coco's stewardship, Coco Group has successfully integrated five businesses and acquisitions over the last 13 years. She continues to be the liaison for private-public partnerships for the development of highway infrastructure in Ontario. Jenny has also taken an active role in the expansion of the residential and commercial divisions of the company. Jenny received a Masters of Business Administration (Finance) from

the University of Windsor. Jenny has been a member of the Integrated Financial Planning Committee for the London Diocese, and has previously served on the Board of Directors of the University of Windsor and the Federal Business Development Bank of Canada.

Powers and Duties of the Manager

Pursuant to the Trust Agreement, the Manager has the full authority and exclusive responsibility to manage the business and affairs of the Fund including, without limitation, to provide the Fund with all necessary investment management and all clerical, administrative and operational services.

In particular, the Manager is responsible for:

(a) determining the investment policies, practices, fundamental objectives and investment strategies applicable to the Fund, including any restrictions on investments which it deems advisable and to implement such policies, practices, objectives, strategies and restrictions, provided that the investment policies, practices, objectives, strategies and restrictions applicable to the Fund shall concur with those set forth in any current offering memorandum or like offering document of the Fund or in any amendment thereto;

(b) receiving all subscriptions for Units, approving or rejecting subscriptions, and submitting such subscriptions to the record-keeper of the Fund for processing;

(c) offering Units for sale to prospective purchasers and entering into arrangements regarding the distribution and sale of Units, including arrangements relating to the right to charge fees of any nature or kind (including, without limitation, sales commissions, redemption fees, distribution fees and transfer or switch fees) in connection with the distribution or sale of Units. Any such fees may be deducted from the amount of a subscription, redemption proceeds or a distribution if not paid separately;

(d) conducting or causing to be conducted the day-to-day correspondence and administration of the Fund;

(e) providing, at its own expense, the office accommodation, secretarial staff and other facilities that may be required to properly and efficiently carry out its duties;

(f) appointing the auditors of the Fund, changing the auditors of the Fund and causing the financial statements of the Fund to be audited for each fiscal year;

(g) appointing the bankers of the Fund and establishing banking procedures to be implemented by the Trustee;

(h) establishing general matters of policy and governance of the Fund subject, where specifically provided in the Trust Agreement, to the approval of the Trustee;

(i) authorizing, negotiating, entering into and executing all contractual arrangements relating to the Fund including, without limitation, any loan agreement, granting of a security interest and supporting documentation;

(j) if deemed advisable, appointing a record-keeper, valuation service provider, registrar, transfer agent, and one or more custodians and prime brokers of the Fund, all of which appointments shall be subject to the approval of the Trustee;

(k) subject to applicable laws, prescribing any minimum initial and/or subsequent subscription amounts and minimum aggregate Net Asset Value balances of the Fund with respect to all classes of Units, and prescribing any procedures in connection therewith;

(l) on or before March 31 in each year, other than a leap year in which case on or before March 30 in such year, preparing and delivering to Unitholders the information pertaining to the Fund, including all distributions and allocations which is required by the Tax Act or which is necessary to permit Unitholders to complete their individual tax returns for the preceding year;

(m) keeping proper records relating to the performance of its duties as Manager;

(n) using its best efforts to ensure that the Fund qualifies at all times as a "unit trust" pursuant to subsection 108(2) of the Tax Act and a "mutual fund trust" pursuant to subsection 132(6) of the Tax Act;

(o) delegating any or all of the powers and duties of the Manager contained in the Trust Agreement to one or more agents, representatives, officers, employees, independent contractors or other persons without liability to the Manager except as specifically provided in the Trust Agreement; and

(p) doing all such other acts and things as are incidental to the foregoing, and exercising all powers which are necessary or useful to carry on the business of the Fund, promoting any of the purposes for which the Fund was formed and carrying out the provisions of the Trust Agreement.

The Manager may appoint one or more investment managers in respect of the Fund. The Manager shall enter, in its sole discretion, into an investment management agreement with any such investment manager to act for all or part of the portfolio investments of the Fund. The investment manager will be a person or entity, or persons or entities who, if required by applicable laws, will be duly registered and qualified as an investment adviser under applicable securities legislation and the regulations thereunder and will determine, in its sole discretion, which securities and other assets of the Fund shall be purchased, held or sold and shall execute or cause the execution of purchase and sale orders in respect of such determinations. As at the date hereof, the Manager does not intend to appoint any investment manager for the Fund.

Units will be distributed in the Offering Jurisdictions through registered dealers, including the Manager, and such other persons as may be permitted by applicable law. In the event of such distribution, registered dealers (other than the Manager) will be entitled to the compensation described under "Dealer Compensation". Subject to the requirements under NI 31-103, the Manager may pay a negotiated referral fee to registered dealers or other persons in connection with the sale of Units. See "Dealer Compensation – Referral Fees".

The Manager shall have the right to resign as Manager of the Fund by giving notice in writing to the Trustee and the Unitholders not less than 90 days prior to the date on which such resignation is to take effect. Such resignation shall take effect on the date specified in such notice. Notwithstanding the foregoing, no approval of, or notice to, Unitholders is required to effect a reorganization of the Manager as provided for in the Trust Agreement. The Manager shall appoint a successor manager of the Fund, and, unless the successor manager is an affiliate of the Manager, such appointment must be approved by a majority of the Unitholders. If, prior to the effective date of the Manager's resignation, a successor manager is not appointed or the Unitholders do not approve of the appointment of the successor manager as required under the Trust Agreement, the Fund shall be terminated and dissolved upon the effective date of resignation of the Manager and, after providing for the liabilities of the Fund, the property of the Fund shall be distributed in accordance with the provisions of the Trust Agreement and the Trustee shall continue to act as trustee of the Fund until such property of the Fund has been so distributed. See "Termination of the Fund".

Fees and Expenses of the Fund

The Manager will receive, as compensation for providing services to the Fund, a monthly Management Fee from the Fund attributable to Class A Units, Class UA Units (USD Class), Class F Units, Class UF Units (USD Class) and, in certain circumstances, Class I Units and Class UI Units (USD Class). Each class of Units is responsible for the Management Fee attributable to that class. Management Fees in respect of each class of Units will be calculated and payable monthly in arrears as of each Valuation Date. See "Fees and Expenses – Management Fees Payable by the Fund". In addition to the Management Fee, the Manager is also entitled to receive as additional compensation a Performance Fee in certain circumstances. See "Fees and Expenses – Performance Fees Payable by the Fund". The Fund will not pay a Management Fee and/or Performance Fee to the Manager that to a reasonable person would duplicate a fee payable to the Partnership Manager and/or the General Partner by the Partnership for the same service.

The Fund is responsible for the payment of all routine and customary fees and expenses incurred relating to the administration and operation of the Fund including the Management Fee payable to the Manager by the Fund. See "Fees and Expenses – Management Fees Payable by the Fund", "Fees and Expenses – Performance Fees Payable by the Fund" and "Fees and Expenses – Operating Expenses Payable by the Fund".

Since the Fund invests in LP Units of the Partnership, the Fund will indirectly bear the fees and expenses incurred by the Partnership. See "Fees and Expenses –Fees and Operating Expenses Payable by the Partnership".

Standard of Care and Indemnification of the Manager

The Manager will exercise the powers and discharge the duties of its office honestly, in good faith and in the best interests of the Fund and in connection therewith shall exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

The Manager may employ or engage, and rely and act on information or advice received from auditors, distributors, brokers, depositories, custodians, prime brokers, electronic data processors, advisers, lawyers and others and will not be responsible or liable for the acts or omissions of such persons or for any other matter, including any loss or depreciation in value of the property of the Fund. The Manager shall be entitled to assume that any information received from the Trustee, custodian, prime broker or a sub-custodian or their respective authorized representatives associated with the day-to-day operation of the Fund is accurate and complete and no liability shall be incurred by the Manager as a result of any error in such information or any failure to receive any notices required to be delivered pursuant to the Trust Agreement.

The Manager will not be required to devote its efforts exclusively to or for the benefit of the Fund and may engage in other business interests and may engage in other activities similar or in addition to those relating to the activities to be performed for the Fund. In the event that the Manager, its partners, officers, employees, associates and affiliates or any of them now or hereafter carry on activities competitive with those of the Fund or buy, sell or trade in assets and portfolio securities of the Fund or of other investment funds, none of them will be under any liability to the Fund or to the Unitholders for so acting.

The Manager and its affiliates, subsidiaries and agents, and their respective directors, officers and employees and any other person shall be indemnified and saved harmless by the Fund from and against all costs, charges and expenses sustained or incurred, including all legal fees, judgments and amounts paid in settlement, in or about any action, suit or proceeding that is brought, commenced or prosecuted against it for or in respect of any act, deed, omission, matter or thing whatsoever made, done or permitted by it in or about the proper execution of the services provided pursuant to the Trust Agreement, provided that the Manager has reasonable grounds to believe that the act, deed, omission, matter or thing that caused the

payment of the costs, charges, expenses, fees, judgments or amounts paid in settlement was in the best interest of the Fund and provided that such person or companies shall not be indemnified by the Fund where: (i) there has been negligence or willful misconduct on the part of the Manager or such other person; (ii) the Manager has failed to fulfil its standard of care under the Trust Agreement, unless in an action brought against such persons or companies they have achieved complete or substantial success as a defendant or, in the case of a criminal suit or administrative action or proceeding, such person or company had reasonable grounds for believing that its conduct was lawful.

The Fund will be indemnified and saved harmless by the Manager against any costs, charges, claims, expenses, actions, suits or proceedings arising from a claim made as a result of a misrepresentation contained in any current offering memorandum or like offering document of the Fund distributed or filed in connection with the issue of Units and officers, directors or partners of the Manager have granted a contractual right of action forming part of any current offering memorandum or like offering documents of the Fund.

BRIDGING MID-MARKET DEBT FUND LP

The Partnership is a limited partnership formed and organized under the laws of the Province of Ontario pursuant to the *Limited Partnerships Act* (Ontario) as "Bridging Mid-Market Debt Fund LP" by the filing and recording of a declaration on September 29, 2017. The day-to-day business and affairs of the Partnership are managed by Bridging Finance GP Inc. (the "**General Partner**") pursuant to the provisions of the limited partnership agreement dated as of November 1, 2017 (the "**Limited Partnership Agreement**"), as the same may be amended, restated and supplemented from time to time. The offices of the General Partner are located at 77 King Street West, Suite 2925, P.O. Box 322, Toronto, Ontario, M5K 1K7.

The capital of the Partnership is divided into an unlimited number of units (**"LP Units"**) issuable in one or more classes of LP Units. The Partnership currently offers six classes of LP Units: Class A LP Units, Class UA LP Units, Class F LP Units, Class UF LP Units, Class I LP Units and Class UI LP Units. Additional classes of LP Units may be offered in the future. Subscribers whose subscription for LP Units have been accepted by the General Partner will become Limited Partners (as defined below) of the Partnership. Net Income or Net Loss of the Partnership will be allocated as set forth under "Limited Partnership Agreement".

The General Partner

Bridging Finance GP Inc., a corporation incorporated under the laws of the Province of Ontario on May 12, 2015 is the General Partner of the Partnership. The General Partner is responsible for the management and control of the business and affairs of the Partnership in accordance with the terms of the Limited Partnership Agreement, but has engaged the Partnership Manager to provide certain portfolio management, administrative and other services to the Partnership. See "Bridging Mid-Market Debt Fund LP - The Partnership Manager". The General Partner shall be entitled to receive an Incentive Allocation as defined and described under "Bridging Mid-Market Debt Fund LP - Distributions and Computation and Allocation of Net Income or Net Losses of the Partnership".

The General Partner is a wholly-owned subsidiary of the Manager and, as a result, the Partnership may be considered to be a connected issuer and related issuer of the Manager.

For a description of the professional experience of the directors of the General Partner see the disclosure under "The Partnership Manager – Directors and Officers of the Manager and the General Partner".

The Partnership Manager

Bridging Finance Inc. is the Manager of and investment advisor to the Partnership (the "**Partnership**

Manager"). The Partnership Manager was incorporated on January 8, 2013 under the laws of Canada. The principal business address of the Partnership Manager is 77 King Street West, Suite 2925, P.O. Box 322, Toronto, Ontario, M5K 1K7 and its registered office address is 949 Wilson Avenue, Toronto, Ontario, M3K 1G2.

The General Partner has retained the Partnership Manager to provide certain portfolio management, administrative and other services to the Partnership pursuant to a management agreement date November 1, 2017 (the "**Management Agreement**") as the same may be amended, restated or supplemented from time to time.

Under the Management Agreement, the Partnership Manager is responsible for investment management decisions of the Partnership and to render services under the Management Agreement honestly and in good faith and in the best interests of the Partnership and to exercise the degree of care, diligence and skill a reasonably prudent person would exercise in comparable circumstances. The Management Agreement may be assigned by the Partnership Manager to an affiliated entity at any time provided notice thereof is given to all limited partners of the Partnership.

The Management Agreement provides that the Partnership Manager will not be liable in any way to the Partnership if it has satisfied the duties and the standard of care, diligence and skill set forth above. The Partnership has agreed to indemnify the Partnership Manager for any losses as a result of the performance of its duties under the Management Agreement. However, the Partnership Manager will incur liability in cases of wilful misconduct, bad faith, negligence or disregard of its duties or standards of care, diligence and skill.

The Management Agreement, unless terminated as described below, will continue until the termination of the Partnership. The Partnership Manager or the Partnership may terminate the Management Agreement if the other party (i) is in breach or default of the provisions of the Management Agreement and, if capable of being cured, such breach or default has not been cured within forty-five (45) days' written notice of such breach or default, (ii) has been declared bankrupt or insolvent and has entered into liquidation or winding-up, whether compulsory or voluntary (and not merely a voluntary liquidation for the purposes of amalgamation or reorganization), or (iii) makes a general assignment for the benefit of creditors or otherwise acknowledges its insolvency.

In the event that the Management Agreement is terminated as provided above, the General Partner shall determine, in its sole discretion, whether to appoint a successor advisor to carry out the activities of the Partnership Manager or to carry out such activities itself in which case the General Partner will be entitled to a fee no greater than that payable to the Partnership Manager under the Management Agreement.

As compensation for providing services to the Partnership, the Partnership Manager receives a monthly Management Fee from the Partnership attributable to the Class A LP Units, Class UA LP Units, Class F LP Units, Class UF LP Units and, in certain circumstances, Class I and Class UI LP Units of the Partnership. Each class of LP Units is responsible for the Management Fee attributable to that class. Management Fees in respect of each class of LP Units will be calculated and payable monthly in arrears as of each Valuation Date. In addition, the Partnership shall reimburse the Partnership Manager for all reasonable costs incurred by the Partnership Manager in the performance of their duties, such as professional fees, printing fees, portfolio and investment transaction costs. The Partnership Manager will invoice the Partnership for the amount of such costs incurred on behalf of the Partnership to be reimbursed and paid in cash.

The Partnership Manager, under the supervision of the General Partner, will select brokers to transact trades on behalf of the Partnership. The assets of the Partnership will be held by such brokers, including any assets which are required to satisfy a broker's margin requirements.

LP Units will be distributed in the Offering Jurisdictions through registered dealers, including the Partnership Manager and such other persons as may be permitted by applicable law. In the event of such distribution, registered dealers (other than the Partnership Manager) will be entitled to the compensation described under "Dealer Compensation". Subject to the requirements under NI 31-103, the Partnership Manager may pay a negotiated referral fee to registered dealers or other persons in connection with the sale of LP Units. See "Dealer Compensation – Referral Fees".

The Management Agreement provides for a continuing term with no provision for an expiry date and may be terminated by either party giving to the other not less than 30 days' prior notice in writing. The General Partner may, in its sole discretion, terminate and replace the Partnership Manager where it deems it to be in the best interests of the Partnership.

Directors and Officers of the Partnership Manager and the General Partner

The name, municipality of residence and position(s) with the Manager and the General Partner, and the principal occupation of the directors and senior officers of the Manager and the General Partner are set forth under the heading "Management of the Fund – Directors and Officers of the Manager".

The particulars of the professional experience of the directors and senior officers of the Partnership Manager and the General Partner are set forth under the heading "Management of the Fund – Directors and Officers of the Manager".

The Custodian of the Partnership

Bank of Montreal (in such capacity, the **"Partnership Custodian**") is the custodian of the monetary assets of the Partnership pursuant to banking arrangements entered into between the Partnership and the Partnership Custodian. As compensation for the custodial services rendered to the Partnership, the Partnership Custodian will receive such fees from the Partnership as agreed thereto and the General Partner may approve from time to time. The Partnership Custodian will be responsible for the safekeeping of all of the cash assets of the Partnership delivered to it and will act as the custodian of such assets, other than those assets transferred to the Partnership Custodian or another entity, as the case may be, as collateral or margin.

The Partnership Custodian may also provide the Partnership with financing lines. The Partnership is responsible for the payment of all fees incurred in connection with the provision of such services by the Partnership Custodian.

The Partnership reserves the right, in its discretion, to change the custodial arrangement described above including, but not limited to, the appointment of a replacement custodian and/or additional custodians.

The Manager has retained the Bank of Nova Scotia Trust Company to act as the custodian of the non-monetary assets of the Partnership.

The General Partner and the Partnership Manager shall not be responsible for any losses or damages to the Partnership arising out of any action or inaction by the Partnership Custodian or any sub-custodian holding the assets of the Partnership.

The Administrator and Record-Keeper of the Partnership

The administrator of the Partnership (the "**Administrator**") is SS&C Fund Administration Company. The Administrator was retained to provide certain administrative, valuation and record-keeping services to the Partnership pursuant to the terms of an administration agreement (the "**Administration Agreement**"). The Administrator is located at 200 Front Street West, Suite 2500, Toronto, Ontario.

Pursuant to the Administration Agreement, the Administrator is responsible for computing the Net Asset Value of the Partnership and of each Class, maintaining the books and records of the Partnership, providing Limited Partners recordkeeping and administration services, establishing and maintaining accounts on behalf of the Partnership with financial institutions, effecting the registration or transfer of LP Units, administering the procedure for the issue, transfer, allotment, redemption and purchase of LP Units in accordance with the Limited Partnership Agreement and this offering memorandum, entering on the register of Limited Partners all issues, allotments, transfers, conversions, redemptions and/or purchases of LP Units, preparing all necessary tax filings for Limited Partners and any other matters necessary for the administration of the Partnership. The Administrator may delegate certain functions under the Administration Agreement to affiliated companies. Under the Administration Agreement, the Partnership pays the Administrator an administration fee. The Partnership is also responsible for out-of-pocket expenses (such as copying and mailing of reports) incurred by the Administrator on behalf of the Partnership.

The Administrator has agreed to exercise the care, diligence and skill that a prudent service provider would exercise in comparable circumstances. The Administrator shall not be liable for any act or omission in the course of, or connected to, rendering its services, except to the extent that such liability directly arises out of the negligence, willful misconduct or lack of good faith of the Administrator. The Administrator shall not be responsible for any loss or diminution in the value of the Partnership's assets.

The Partnership has agreed to indemnify and save harmless the Administrator, and its affiliates, subsidiaries and agents, and their directors, officers, and employees from and against all legal fees, judgments and amounts paid in settlement, actually and reasonably incurred by any of them in connection with the services provided under the Administration Agreement except to the extent incurred as a result of the negligence, willful misconduct or lack of good faith on the part of the Administrator.

The Administration Agreement may be terminated by either party giving the other party at least three months' written notice. The Administration Agreement may also be terminated immediately by either party under certain circumstances, including bankruptcy or insolvency of the other party.

INVESTMENT OBJECTIVE AND STRATEGIES OF THE PARTNERSHIP

Investment Objective

The Partnership's investment objective is to achieve superior risk-adjusted returns with minimal volatility and low correlation to most traditional asset classes.

Investment Strategies

To achieve its investment objective, the Partnership intends to invest in an actively managed portfolio (the "**Portfolio**") comprised of loans primarily to Canadian and U.S. mid-market companies that typically borrow against the value of their inventory and account receivables or other identifiable assets (the "**Private Debt Loans**"). The Portfolio strategy involves a fundamental analysis that identifies good companies that are overlooked by the general financing community and targets diversification through asset type, investment size and industry.

THERE CAN BE NO ASSURANCE THAT THE PARTNERSHIP'S INVESTMENT OBJECTIVE WILL BE ACHIEVED. INVESTMENT RESULTS MAY VARY SUBSTANTIALLY OVER TIME.

The foregoing disclosure of investment objective, strategies and restrictions may constitute "forward-looking information" for the purpose of applicable securities legislation as it contains statements of the intended course of conduct and future operations of the Partnership. 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 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 strongly advised to read the section of the current offering memorandum of the Partnership under the heading "Risk Factors" for a discussion of factors that may impact the operations and success of the Partnership**.

Loan Facilities

The Partnership may enter into loan facilities with one or more lenders. The Partnership Manager views the loan facilities as being able to provide liquidity in the event of Limited Partner (as defined below) redemptions. There is no secondary market for the Private Debt Loans so there is relatively little immediate liquidity for the Partnership to meet unexpected redemption requests, except for income-generating securities, if any, and cash or cash equivalents held by the Partnership. The loan facilities could be used to fund redemptions, for working capital purposes, for investment purposes, to smooth the timing difference between the closing of potential new private debt loans and cash availability in the Partnership. Any loan facility would be repaid as cash flow within the Partnership permits or as new LP Units are issued.

The Partnership Manager expects the terms, conditions, interest rate, fees and expenses of the loan facilities will be typical for loans of this nature. In connection with any such loan advances, the Partnership may grant security over the assets of the Partnership to secure repayment of such loan advances. The Partnership may enter into such loan facilities with one or more lenders that may include affiliates of the Partnership Manager. However, in such circumstances where the credit facility is used for an investment, such investment decision shall be made by the Partnership Manager.

INVESTMENT GUIDELINES OF THE PARTNERSHIP

The Partnership will follow the Investment Guidelines for the Partnership set forth in the Limited Partnership Agreement. The Investment Guidelines of the Partnership may be changed from time to time by the Manager to adapt to changing circumstances and the Limited Partners shall be provided not less than 60 days' prior written notice of any material changes to the Investment Guidelines. For the purposes of the Investment Guidelines listed below, all amounts and percentage limitations will be determined on the date of the relevant investment, and any subsequent change in any applicable percentage resulting from changing Net Asset Values will not require the disposition of any investment from the Portfolio. The Partnership's Investment Guidelines provide, among other things, as follows:

- The Portfolio strategy involves a fundamental analysis that identifies good companies that are overlooked by the general financing community and targets diversification through asset type, investment size and industry.

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

- The Partnership may also make incidental investments in assets such as promissory notes, convertible debentures, warrants and other "equity sweeteners" issued in connection with the primary investments.

- The Partnership will execute the investment strategy through the unique insight and experience of

the Manager.

INVESTMENT RESTRICTIONS OF THE PARTNERSHIP

The assets of the Partnership will be invested in accordance with the Partnership's investment objectives and the investment restrictions. The following investment restrictions may not be changed without the approval of the Limited Partners by Extraordinary Resolution (as defined below):

- The Partnership shall not invest more than 30% of the Net Asset Value of the Partnership in any one investment.

- The Partnership may borrow permanently (either directly or at the level of any intermediary vehicle) to meet redemption requests of Limited Partners, and secure these borrowings with liens or other security interests in its assets (or the assets of any of its intermediary vehicles), provided that the Portfolio may not, at any point in time, incur a level of borrowing (including any short-term borrowings) in excess of 50% of the Net Asset Value of the Partnership.

- The Partnership will not engage in derivative transactions other than for the purpose of reducing risk (i.e. not for enhancing returns of the Portfolio).

THE INVESTMENT SELECTION PROCESS OF THE PARTNERSHIP

The Partnership Manager will create a term sheet for each potential Private Debt Loan and the Partnership Manager's internal investment team will review and approve the term sheet subject to successful due diligence on collateral and/or projected cash flows. For the Private Debt Loans, the Partnership Manager considers the following factors:

1. industry overview and competitors;
2. market analysis;
3. management team review;
4. financial analysis including projections and cash flows;
5. stress cases;
6. collateral analysis;
7. key risks and mitigants;
8. prior credit history and performance; and
9. exit strategy.

Once a Private Debt Loan is made, the Partnership Manager monitors the investment using key process control procedures that are auditable and replicable by third parties.

Documentation prior to making a Private Debt Loan includes the written analysis of the risk framework, the completion of a pre-proposal checklist, the completion of a credit approval request, and supplementary information. The key process control document supporting each investment is a comprehensive outline of

each of the steps in the investment, monitoring and collateral tracking procedures.

THE LIMITED PARTNERSHIP AGREEMENT

Introduction

The following is a summary of the Limited Partnership Agreement. This summary is not intended to be complete and each subscriber may request a copy of the Limited Partnership Agreement.

The rights and obligations of the Limited Partners and the General Partner under the Limited Partnership Agreement are governed by the laws of the Province of Ontario.

A subscriber for LP Units will become a Limited Partner of the Partnership upon the acceptance by the General Partner of the subscription and the recording of the subscriber as a Limited Partner of the Partnership in the register of Limited Partners maintained by the General Partner pursuant to the *Limited Partnerships Act* (Ontario).

LP Units

Each LP Unit represents an undivided interest in the Partnership. The Partnership is authorized to issue an unlimited number of classes of LP Units and an unlimited number of LP Units in each such class. The Partnership may issue fractional LP Units so that subscription funds may be fully invested. Subject to the Limited Partnership Agreement, each LP Unit of a particular class shall be equal to each other LP Unit of the same class with respect to all matters, including the right to vote, receive allocations and distributions from the Partnership, liquidation and other events in connection with the Partnership. No LP Unit shall have any preference, conversion, exchange, pre-emptive or redemption rights in any circumstances over any other LP Unit (except as specifically provided in the Limited Partnership Agreement). LP Units issuable in one or more classes may be subject to different administrative fees, Management Fees and Incentive Allocations than those chargeable against LP Units of another class. Each Limited Partner shall be entitled to one vote for each whole LP Unit held by him or her in respect of all matters to be decided upon by the Limited Partners. LP Units represent the right of Limited Partners to participate in the Net Income or Net Losses of the Partnership. Title to LP Units is conclusively evidenced by the register of Limited Partners maintained by the General Partner. Certificates for LP Units will not be issued. However, on any purchase or redemption of LP Units, the General Partner will issue confirmation slips indicating the nature of the transaction affected by the Limited Partner and the number, class of LP Units held by such Limited Partner after such transaction.

Functions and Powers of the General Partner

The General Partner has exclusive authority to manage the operations and affairs of the Partnership, to make all decisions regarding the business of the Partnership and to bind the Partnership. The General Partner may, pursuant to the terms of the Limited Partnership Agreement, delegate certain of its powers to third parties where, in the discretion of the General Partner, it would be in the best interests of the Partnership to do so. The General Partner is required to exercise its powers and discharge its duties honestly, in good faith and in the best interests of the Partnership and to exercise the degree of care, diligence and skill of a reasonably prudent and qualified manager. Among other restrictions imposed on the General Partner, it may not dissolve the Partnership nor wind up the Partnership's affairs except in accordance with the provisions of the Limited Partnership Agreement.

The General Partner has the power to make on behalf of the Partnership and each Limited Partner of the Partnership, in respect of such Limited Partner's interest in the Partnership, any and all elections, determinations or designations under the Tax Act or any other taxation or other legislation or laws of like

import of Canada or of any province or jurisdiction. The General Partner will file, on behalf of the General Partner and the Limited Partners, any information return required to be filed in respect of the activities of the Partnership under the Tax Act or any other taxation or other legislation or laws of like import of Canada or of any province or jurisdiction.

Accounting and Reporting

The Partnership's fiscal year will be the calendar year. A copy of the audited financial statements will be made available by the General Partner to each Limited Partner following the end of each fiscal year. Each statement will be accompanied by a narrative report describing the affairs and operations of the Partnership.

The General Partner may, in its sole discretion, seek exemptions relieving the Partnership from its quarterly reporting requirements under applicable securities laws and is authorized to do so under the Limited Partnership Agreement.

In addition, the General Partner shall, by March 31 of each year, forward to each Limited Partner of record of the Partnership on December 31 of the preceding year such information as is necessary to enable the Limited Partner to complete his or her income tax reporting relating to his or her interest in the Partnership. The General Partner will ensure that the Partnership complies with all other reporting and administrative requirements.

The General Partner shall keep adequate books and records reflecting the activities of the Partnership. A Limited Partner of the Partnership or his, her or its duly authorized representative shall have the right to examine the books and records of the Partnership during normal business hours at the offices of the General Partner. Notwithstanding the foregoing, a Limited Partner shall not have access to any information which, in the opinion of the General Partner, should be kept confidential in the interests of the Partnership.

Limited Liability

The Partnership was formed in order for Limited Partners to benefit from liability limited to the extent of their capital contributions to the Partnership together with their *pro rata* share of the undistributed income of the Partnership. Limited Partners may lose the protection of limited liability by taking part in the management or control of the business of the Partnership and may be liable to third parties as a result of false or misleading statements in the public filings made pursuant to the *Limited Partnerships Act* (Ontario) or equivalent filings under the legislation of other jurisdictions. Limited Partners may also lose the protection of limited liability if the Partnership operates, owns property, or incurs obligations, or otherwise carries on business, in a province or territory of Canada or other jurisdiction which does not recognize the limited liability conferred under the *Limited Partnerships Act* (Ontario).

The General Partner will indemnify and hold harmless each Limited Partner from and against all losses, liabilities, expenses and damages suffered or incurred by the Limited Partner that result from such Limited Partner not having limited liability, except where the lack or loss of limited liability is caused by some act or omission of such Limited Partner or a change in any applicable legislation. Such indemnity will only apply with respect to losses in excess of the capital contribution of the Limited Partner. However, the General Partner has only nominal assets. Consequently, it is unlikely that the General Partner will have sufficient assets to satisfy any claims pursuant to this indemnity.

Except in the event of a loss of limited liability, no Limited Partner will be obligated to pay any additional assessment or make any further capital contribution on or with respect to the LP Units held or purchased by him or her; however, the Limited Partners and the General Partner may be bound to return to the Partnership such part of any amount distributed to them as may be necessary to restore the capital of the Partnership to its existing amount before such distribution if, as a result of such distribution, the capital of

the Partnership is reduced and the Partnership is unable to pay its debts as they become due.

Transfer of LP Units

Only whole LP Units are transferable. Subject to applicable securities legislation, a Limited Partner may transfer all or part of his or her LP Units by delivering to the Administrator, in its capacity as transfer agent for the LP Units, a form of transfer and power of attorney, substantially in the form annexed as Schedule "A" to the Limited Partnership Agreement, duly completed and executed by the Limited Partner, as transferor, and the transferee. The transferee, by executing the transfer, agrees to be bound by the Limited Partnership Agreement as a Limited Partner as if the transferee had personally executed the Limited Partnership Agreement and to grant the power of attorney provided for in the Limited Partnership Agreement. A transferee who executes the transfer will be required to represent and warrant that he, she or it is not a "non- resident", a "tax shelter" or an entity an interest in which is a "tax shelter investment", within the meaning of or for purposes of the Tax Act, a "non-Canadian" within the meaning of the *Investment Canada Act* or a partnership, unless he, she or it is a "Canadian partnership" for purposes of the Tax Act, and will be required to covenant to maintain such status during such time as the LP Units are held by him, her or it. The transferee will also be required to disclose whether the transferee is or is not a "financial institution" as that term is defined in subsection 142.2(1) of the Tax Act. If the transferee is a "financial institution" or the General Partner believes that it is, the General Partner may reject the transfer. The transferee will furthermore ratify and confirm the power of attorney given to the General Partner in the Limited Partnership Agreement.

If a Limited Partner ceases to be resident in Canada or becomes a "financial institution" for tax purposes and does not sell the LP Units held by such Limited Partner to a person who is qualified to hold such LP Units, the General Partner has the right pursuant to the Limited Partnership Agreement either to purchase such LP Units for cancellation for and on behalf of the Partnership or sell, on behalf of the Partnership, such LP Units to a person who is qualified to hold LP Units, in either case at their Net Asset Value as determined by the Administrator and the General Partner.

The General Partner has the right to reject any transfer for any reason and will deny the transfer of LP Units to a "non-resident" for the purposes of the Tax Act. Thereafter, the General Partner reserves the right to repurchase any LP Units held by a "non-resident" appearing from time to time on the record of Limited Partners of the Partnership. Pursuant to the provisions of the Limited Partnership Agreement, when the transferee has been registered as a Limited Partner of the Partnership under the *Limited Partnerships Act* (Ontario), the transferee of LP Units shall become a party to the Limited Partnership Agreement and shall be subject to the obligations and entitled to the rights of a Limited Partner under the Limited Partnership Agreement. A transferor of LP Units will remain liable to reimburse the Partnership for any amounts distributed to him or her by the Partnership which may be necessary to restore the capital of the Partnership to the amount existing immediately prior to such distribution, if the distribution resulted in a reduction of the capital of the Partnership and the incapacity of the Partnership to pay any debts as they became due.

The Limited Partnership Agreement provides that if the General Partner becomes aware that the beneficial owners of 40% or more of the LP Units of the Partnership then outstanding are, or may be, "financial institutions" (as defined in subsection 142.2(1) of the Tax Act) or that such a situation is imminent, among other rights set forth in the Limited Partnership Agreement, the General Partner has the right to refuse to issue LP Units of the Partnership or register a transfer of LP Units of the Partnership to any person unless that person provides a declaration that it is not a financial institution.

Meetings

The Partnership will not be required to hold annual general meetings. However, meetings of the Limited Partners may be called at any time by the General Partner in respect of all Limited Partners, or, where the

nature of the business to be transacted is only relevant to the Limited Partners holding LP Units of a particular Class, in respect of that Class. Meetings shall be called on receipt of a written request from Limited Partners holding, in aggregate, 50% or more of the LP Units outstanding, or, in respect of a matter relevant to Limited Partners holding LP Units of a particular Class, 50% or more of the outstanding LP Units of that Class. Each Limited Partner will be entitled to one vote for every LP Unit owned by such Limited Partner as determined at the close of business on the applicable record date for voting. The General Partner is entitled to one vote in its capacity as General Partner. At any meeting of Limited Partners or of Limited Partners of a Class, two or more Limited Partners, or two or more Limited Partners of the particular Class, present in person or represented by proxy and holding not less than 50% of the LP Units then outstanding (in the case of a meeting of all Limited Partners) or 50% of the LP Units then outstanding of a Class (in the case of a meeting of a Class) will constitute a quorum at a meeting of the Limited Partners except a meeting called to consider an Extraordinary Resolution at which two or more Limited Partners of each Class present in person or represented by proxy and, in each case, holding not less than 66 2/3% of the LP Units then outstanding of each Class will constitute a quorum. For greater certainty, no particular Class acting without the other Classes may pass an Extraordinary Resolution. If a quorum is not present at a meeting within 30 minutes after the time fixed for the meeting, the meeting, if convened pursuant to a written request of Limited Partners, shall be cancelled, but otherwise will be adjourned to such date as selected by the chair of the meeting. In the event that such meeting is adjourned for less than 30 days, the General Partner will not be required to give notice of the adjourned meeting to the Limited Partners other than by an announcement made at the initial meeting that is adjourned. The Limited Partners present at any adjourned meeting will constitute a quorum for purposes of considering any business that might have been dealt with at the original meeting in accordance with the notice calling same. The General Partner (in respect of any LP Units which may be held by it from time to time), insiders of the Partnership (as such expression is defined in the *Securities Act* (Ontario)) and affiliates of the General Partner, and any director or officer of such persons, who hold LP Units will not be entitled to vote on any Extraordinary Resolution.

An "**Extraordinary Resolution**" means a resolution approved by not less than 66⅔% of the votes cast by those Limited Partners holding LP Units who vote on the resolution, in person or by proxy, at a duly constituted meeting of Limited Partners, or at any adjournment thereof, called and held in accordance with the Limited Partnership Agreement, or a written resolution signed by Limited Partners holding 66⅔% or more of the LP Units of each Class outstanding, as provided in the Limited Partnership Agreement.

Amendments

Except as described herein, the Limited Partnership Agreement may only be amended with the consent of the Limited Partners given by Extraordinary Resolution. However, unless all of the Limited Partners consent thereto, no amendment can be made to the Limited Partnership Agreement which would have the effect of reducing the interest in the Partnership of the Limited Partners, changing in any manner the allocation of income or loss for tax purposes, changing the liability of any Limited Partner, allowing any Limited Partner to participate in the control or management of the business of the Partnership, changing the right of a Limited Partner to vote at any meeting, or changing the Partnership from a limited partnership to a general partnership. In addition, no amendment can be made to the Limited Partnership Agreement which would have the effect of reducing the fees payable to the General Partner, its share of the income or assets of the Partnership unless the General Partner, in its sole discretion, consents thereto.

Notwithstanding the foregoing, the General Partner is entitled to make certain amendments to the Limited Partnership Agreement without notice to or consent from the Limited Partners for the purpose of adding any provisions which, in the opinion of the General Partner, based on the recommendation of counsel to the Partnership, are for the protection or benefit of the Limited Partners or the Partnership, for the purpose of curing an ambiguity or for the purpose of correcting or supplementing any provision which may be defective or inconsistent with another provision. Such amendments may only be made if they do not and will not, in the opinion of the General Partner, materially adversely affect the rights of any Limited Partner.

Removal of General Partner

The General Partner may not be removed as general partner of the Partnership other than by an Extraordinary Resolution of the Limited Partners, and only if the General Partner is in breach or default of the provisions of the Limited Partnership Agreement and, if capable of being cured, such breach has not been cured within 180 days' notice of such breach to the General Partner. A new general partner will be appointed by the Limited Partners by ordinary resolution (as defined in the Limited Partnership Agreement) in the event the General Partner becomes bankrupt or insolvent.

Power of Attorney

The Limited Partnership Agreement contains a power of attorney coupled with an interest, the effect of which is to constitute it an irrevocable power of attorney. The power of attorney authorizes the General Partner on behalf of the Limited Partners, among other things, to execute the Limited Partnership Agreement, any amendments to the Limited Partnership Agreement and all instruments necessary to reflect the Limited Partnership Agreement and any amendments to the Limited Partnership Agreement, as well as any elections, determinations or designations under the Tax Act or taxation legislation of any province or territory with respect to the affairs of the Partnership or a Limited Partner's interest in the Partnership, including elections under subsections 85(2) and 98(3) of the Tax Act and the corresponding provisions of applicable provincial legislation in respect of the dissolution of the Partnership. By purchasing LP Units of the Partnership, each investor acknowledges and agrees that he, she or it has given such power of attorney and will ratify any and all actions taken by the General Partner pursuant to such power of attorney. The power of attorney shall survive any dissolution or termination of the Partnership.

Computation and Allocation of Net Income or Net Loss of the Partnership

Generally, Net Income or Net Loss of the Partnership which are allocable to Limited Partners during any fiscal year will be accrued on each Valuation Date to Limited Partners in proportion to the number of LP Units held by each of them as at each Valuation Date, subject to adjustment to reflect subscriptions and redemptions of LP Units (as defined below) made during the fiscal year, as described below.

To the extent the Partnership generates a Total Return per Unit (as defined below) in any fiscal year which is equal to or less than the Hurdle Rate (as defined below), then 99.999% of the Net Income of the Partnership for such period will be allocated to the Limited Partners and 0.001% of the Net Income (as defined below) of the Partnership for such period will be allocated to the General Partner.

To the extent the Partnership generates a Total Return per Unit which is greater than the Hurdle Rate in any fiscal year and the Net Asset Value per Unit on the applicable Valuation Date exceeds the Prior High NAV (as defined below), then all of the Net Income of the Partnership once such Hurdle Rate has been reached for such period will be allocated on such Valuation Date as to 20% to the General Partner as an incentive allocation (the "**Incentive Allocation**") and as to 80% to the Limited Partners.

Net Losses of the Partnership for any fiscal year (or interim period) will be allocated as to 99.999% to the Limited Partners and as to 0.001% to the General Partner.

The Incentive Allocation is calculated on a class by class basis. The Incentive Allocation will be calculated and accrued monthly and paid annually. For subscriptions and redemptions other than at year-end, the Net Income of the Partnership will be annualized for purposes of determining whether the Total Return threshold has been met. The Incentive Allocation entitlement of the General Partner will not be computed with reference to Net Income of the Partnership that would otherwise be allocable in respect of Class I or Class UI LP Units held by the Fund.

The General Partner reserves the right to adjust allocations to account for LP Units purchased or redeemed during a fiscal year and other relevant factors.

The Partnership is responsible for its own operating expenses. Operating expenses include, among others, legal, audit, custodian, prime broker and safekeeping fees, distribution expenses, taxes, brokerage commissions, interest, operating and administrative costs, investor servicing costs and the costs of reports to the Limited Partners.

For purposes of the foregoing allocations,

"**Hurdle Rate**" means a Total Return per Class A, Class UA, Class F and Class UF LP Unit of 6%, as determined on the first business day of each fiscal year and applicable for the entire fiscal year;

"**Net Income**" of the Partnership for any period means the Partnership income earned by the Partnership, less all fees and expenses of the Partnership (including any Management Fee); provided that if the foregoing results in a negative amount, such amount for such period shall be referred to as a "Net Loss" of the Partnership;

"**Prior High NAV**" per LP Unit of a class is the Net Asset Value per LP Unit of that class on the most recent year-end Valuation Date in respect of which an Incentive Allocation was paid or payable with respect to such LP Unit (or, if no Incentive Allocation has yet become payable with respect to such Unit, the Net Asset Value per LP Unit at which such LP Unit was issued); and

"**Total Return per Unit**" means the amount equal to the percentage appreciation of the Net Asset Value per LP Unit, without taking into account any accrued Incentive Allocation, but including the amount of any distributions on a per LP Unit basis.

The General Partner reserves the right to adjust allocations to account for LP Units purchased or redeemed during a fiscal year and other relevant factors.

The Hurdle Rate is not a guaranteed rate of return on an investment in LP Units.

Allocation of Net Income or Net Loss for Tax Purposes

The Partnership will allocate its income or loss calculated in accordance with the provisions of the Tax Act and the Limited Partnership Agreement to the General Partner and to the Limited Partners in the same manner, as nearly as practicable, as Net Income or Net Losses will be allocated.

Where in the course of any fiscal year LP Units are redeemed by one or more Limited Partners or acquired from the Partnership, the General Partner may, but is not required to, adopt an allocation policy intended to allocate income and loss for tax purposes in such manner as to account for LP Units which are purchased or redeemed throughout such fiscal year. A Limited Partner who is considering disposing of LP Units during a fiscal year of the Partnership should obtain specific tax advice.

Redemption of LP Units

An investment in LP Units is intended to be a long-term investment. However, LP Units which are held by Limited Partners may be redeemed at their Net Asset Value per LP Unit for the applicable class (determined in accordance with the Limited Partnership Agreement) on a Valuation Date, provided the request for redemption is submitted at least 30 days prior to such Valuation Date.

The General Partner is permitted to suspend redemptions of LP Units with the prior permission of the Canadian securities regulators, where required, for any period not exceeding 120 days during which the General Partner determines that conditions exist which render impractical the sale of assets of the Partnership. Payment of the redemption amount will be paid to the redeeming Limited Partner not later than the 30th day following the applicable Valuation Date (60 days if such Valuation Date is the Partnership's fiscal year-end) upon which such redemption is effective.

Any written request by a Limited Partner for the redemption of LP Units shall be deemed to constitute the entire notice to the Partnership and shall, unless the General Partner determines otherwise in its sole discretion, supersede all previous requests, communications, representations, understandings and agreements, written or verbal, between the Limited Partner and the Partnership with respect to the redemption of LP Units including, but not limited to, any prior notices of redemption.

The General Partner shall have the right to hold back up to 20% of the aggregate redemption proceeds to provide an orderly disposition of assets. The term of such holdback will not exceed a reasonable time period in the General Partner's discretion, having regard to the applicable circumstances.

The General Partner shall have the right to require a Limited Partner to redeem some or all of the LP Units owned by such Limited Partner on a Valuation Date at the Net Asset Value per LP Unit thereof, by notice in writing to the Limited Partner given at least 30 days before the date of redemption, which right may be exercised by the General Partner in its absolute discretion.

If a redeeming Limited Partner owns LP Units of more than one class, LP Units will be redeemed on a "first in, first out" basis. Accordingly, LP Units of the earlier class owned by the Limited Partner will be redeemed first, at the redemption price for LP Units of such class, until such Limited Partner no longer owns LP Units of such class.

The Net Asset Value (and Net Asset Value per LP Unit) for the applicable class of LP Units determined for the purposes of a subscription or redemption of LP Units which takes place other than at the Partnership's fiscal year-end will reflect a reduction to take into account the General Partner's share of Net Income based on the annualized returns of the Partnership (realized and unrealized) from the date of commencement of the fiscal year to the date of the issuance or redemption of the LP Units.

Financial Disclosure of the Partnership

KPMG LLP, Toronto, Ontario, are the auditors of the Partnership.

Annual audited financial statements of the Partnership, including a calculation of the Net Asset Value per Unit for each class of LP Units, will be sent to Limited Partners upon request by March 31 of each fiscal year. The General Partner will forward to each Limited Partner interim unaudited financial statements of the Partnership as at and for the six months then ended within 60 days after the end of each such interim period upon request. Within 60 days of the end of each fiscal quarter, the General Partner will provide a short written commentary outlining highlights of the Partnership's activities.

Liability of Limited Partners and Registration of the Partnership

Under the laws of the Offering Jurisdictions in which LP Units are being offered, a limited partner of a limited partnership organized under the laws of the Province of Ontario generally will not be liable, subject to certain exceptions, for the obligations of the partnership except in respect of the amount of property that such limited partner contributes or agrees to contribute to the capital of the partnership. A limited partner may not have such limited liability: (i) if he or she is also a general partner of the limited partnership; (ii) if he or she takes part in the management of the business of the limited partnership; (iii) if a certificate of

the limited partnership contains a false statement which is relied upon by a person suffering a loss and such limited partner became aware that the statement was false or misleading and failed within a reasonable time to take steps to have the record of limited partners corrected, or where the limited partner signed the certificate or declaration or later became aware of its falsehood and did not amend the certificate or declaration within a reasonable time; and (iv) if the limited partnership fails to comply with the formal requirements of applicable limited partnership legislation. As well, a limited partner may not have such limited liability where a limited partner holds, as trustee for the limited partnership, specific property stated in the certificate or record of limited partnership as contributed by such limited partner, but which has not in fact been contributed or which has been wrongfully returned and money or other property wrongfully paid or conveyed to him or her on account of his or her contribution. Where a limited partner has rightfully received the return, in whole or in part, of the capital of his or her contribution, the limited partner is nevertheless liable to the limited partnership for any sum, not in excess of that returned with interest, necessary to discharge the limited partnership's liabilities to all creditors who extended credit or whose claims arose before such return.

For certain regulatory purposes, the Partnership may be considered to be carrying on business in certain Offering Jurisdictions by virtue of this offering being made therein and the trading activities of the Partnership. However, there is a risk that Limited Partners may not be afforded limited liability in such Offering Jurisdictions to the extent that principles of conflicts of law recognizing the limitation of liability of limited partners have not been authoritatively established with respect to limited partnerships formed under the laws of one jurisdiction but carrying on business, owning property or incurring obligations in another jurisdiction. The General Partner is responsible for maintaining the registration of the Partnership as an extra-jurisdictional limited partnership in any such Offering Jurisdiction.

Pursuant to the Limited Partnership Agreement, the General Partner has agreed to indemnify and hold harmless each of the Limited Partners (including former Limited Partners) from and against all losses, liabilities, expenses and damages suffered or incurred resulting from not having limited liability, other than the loss of limited liability caused by any act or omission of the Limited Partner or a change in any applicable legislation. Such indemnity will only apply with respect to losses in excess of the capital contribution of the Limited Partner. The General Partner has further agreed to indemnify the Partnership for any costs, damages, liabilities or losses incurred by the Partnership as a result of the General Partner's breach of its standard of care pursuant to the Limited Partnership Agreement. The foregoing indemnity will not extend to liabilities arising from a Limited Partner being called upon to return any distributions paid to them (with interest), whether properly paid or paid in error. In addition, the General Partner has only nominal assets.

DESCRIPTION OF UNITS OF THE FUND

Each Unit represents a beneficial interest in the Fund. The Fund is authorized to issue an unlimited number of classes of Units and an unlimited number of Units in each such class. The Fund may issue fractional Units so that subscription funds may be fully invested. Each whole Unit of a particular class has equal rights to each other Unit of the same class with respect to all matters, including voting, receipt of distributions from the Fund, liquidation and other events in connection with the Fund.

The Fund will consult with its tax advisors prior to the establishment of each new class to ensure that the issuance of Units of that class will not have adverse Canadian tax consequences. Six classes of Units of the Fund are offered under this Offering Memorandum, namely Class A Units, Class UA Units (USD Class), Class F Units, Class UF Units (USD Class), Class I Units and Class UI Units (USD Class).

Class A Units and Class UA Units will be issued to qualified purchasers.

Class F Units and Class UF Units will be issued to: (i) qualified purchasers who participate in fee-based

programs through eligible registered dealers; (ii) qualified purchasers in respect of whom the Fund does not incur distribution costs; and (iii) qualified individual purchasers in the Manager's sole discretion. If a Unitholder ceases to be eligible to hold Class F Units, the Manager may, in its sole discretion, redesignate such Unitholder's Class F Units or Class UF Units for Class A Units or Class UA Units on five days' notice, unless such Unitholder notifies the Fund during the notice period and the Manager agrees that the Unitholder is once again eligible to hold Class F Units or Class UF Units.

Class I Units and Class UI Units will be issued to institutional investors at the discretion of the Manager. If a Unitholder ceases to be eligible to hold Class I Units or Class UI Units, the Manager may, in its sole discretion, redesignate such Unitholder's Class I Units or Class UI Units for Class A Units or Class UA Units, respectively, on five days' notice, unless such Unitholder notifies the Fund during the notice period and the Manager agrees that the Unitholder is once again eligible to hold Class I Units or Class UI Units.

The USD Classes are suitable for investors who want to invest in the Fund using U.S. dollars. As the Fund is denominated in Canadian dollars, investors who purchase the USD Classes will be exposed to fluctuations in the Canadian/U.S. dollar exchange rate. To offset this exposure, the Manager will use its best efforts to hedge against fluctuations caused by changes in exchange rates between the U.S. and Canadian dollars. If the Manager is successful, the returns of the Class UA, Class UF, Class UI Units as measured in U.S. dollars will be similar to the returns of the Class A, Class F and Class I Units, respectively, as measured in Canadian dollars. Without regard to movements in the currency exchange rate as between the Canadian and U.S. dollar, several factors may result in the returns not being equal, including, but not limited to, the expenses incurred by the applicable Class in hedging the currency and the timing of an investor's investment relative to when the Manager is able to hedge the currency of the applicable Class. There is no guarantee that the Manager will be successful in fully hedging this currency exposure. All currency hedging expenses will be borne by the applicable Class.

Although the money invested by investors to purchase Units of any class of the Fund is tracked on a class by class basis in the Fund's administration records, the assets of all classes of Units will be combined into a single pool to create one portfolio for investment purposes.

All Units of the same class have equal rights and privileges. Units and fractions thereof will be issued only as fully paid and non-assessable. Units will have no preference, conversion, exchange or pre-emptive rights. Each whole Unit of a particular class entitles the holder thereof to one vote at meetings of Unitholders where all classes vote together, or to one vote at meetings of Unitholders where that particular class of Unitholders votes separately as a class.

The Manager, in its sole discretion, determines the number of classes of Units and establishes the attributes of each class, including investor eligibility, the designation and currency of each class, the initial offering price for the first issuance of Units of the class, any minimum initial or subsequent investment thresholds, any minimum redemption amounts or minimum account balances, valuation frequency, fees and expenses of the class, sales or redemption fees payable in respect of the class, redemption rights, convertibility among classes and any additional class specific attributes. The Manager may establish additional classes of Units at any time without prior notice to or approval of Unitholders. No class of Units will be created for the purpose of giving any Unitholder a percentage interest in the property of the Fund that is greater than the Unitholder's percentage interest in the income of the Fund.

All Units of the same class are entitled to participate *pro rata*: (i) in any allocations or distributions made by the Fund to the Unitholders of the same class; and (ii) upon liquidation of the Fund, in any distributions to Unitholders of the same class of net assets of the Fund attributable to the class remaining after satisfaction of outstanding liabilities of such class. Units are not transferable, except by operation of law (for example, a death or bankruptcy of a Unitholder) or with the consent of the Manager, which consent may be withheld in the Manager's sole and absolute discretion, in accordance with applicable securities legislation. To

dispose of Units, a Unitholder must have them redeemed.

The Fund may issue fractional Units so that subscription funds may be fully invested. Fractional Units carry the same rights and are subject to the same conditions as whole Units (other than with respect to voting rights) in the proportion which they bear to a whole Unit. Outstanding Units of any class may be subdivided or consolidated in the Manager's discretion upon the Manager giving at least 21 days' prior written notice to each Unitholder of its intention to do so. Units of a class may be redesignated by the Manager as Units of any other class having an aggregate equivalent Class Net Asset Value (as described under "Computation of Net Asset Value of the Fund") if such redesignation is approved by the holder of the Units to be redesignated or with 30 days' prior written notice.

Subject to the consent of the Manager, Unitholders may redesignate all or part of their investment in the Fund from one class of Units to another if the Unitholder is eligible to purchase that class of Units. The timing and processing rules applicable to purchases and redemptions of Units also applies to redesignations between classes of Units. See "Details of the Offering" and "Redemption of Units". Upon a redesignation from one class of Units to another class, the number of Units held by the Unitholder will change since each class of Units has a different Net Asset Value per Unit.

Generally, based on the written administrative statements of the Canada Revenue Agency (the "**CRA**"), redesignations between classes of Units denominated in the same currency should not be dispositions for tax purposes. However, the CRA has stated that redesignations of units of a trust denominated in one currency as units of the trust denominated in another currency may be dispositions for tax purposes. Unitholders should consult with their own tax advisors regarding any tax implications of redesignating between classes of Units. A fee of up to $125 may be charged for each transfer or deregistration of Units held directly with the Manager in a Tax Deferred Plan. See "Certain Canadian Federal Income Tax Considerations – Eligibility for Investment".

FEES AND EXPENSES

Management Fees Payable by the Fund

The Manager will receive, as compensation for providing services to the Fund, a Management Fee from the Fund attributable to Class A Units, Class UA Units, Class F Units, Class UF Units and, in certain circumstances described below, Class I Units and Class UI Units. Each class of Units is responsible for the Management Fee attributable to that class.

Class A Units and Class UA Units
The Fund will pay the Manager a monthly Management Fee equal to 1/12 of 2% of the Net Asset Value of the Class A Units and Class UA Units (determined in accordance with the Trust Agreement), plus any applicable federal and provincial taxes, calculated and accrued on each Valuation Date and payable on the last business day of each month based on the Net Asset Value of the Class A Units and Class UA Units, respectively, as at the last business day of each month.

Class F Units and Class UF Units
The Fund will pay the Manager a monthly Management Fee equal to 1/12 of 1% of the Net Asset Value of the Class F Units and Class UF Units (determined in accordance with the Trust Agreement), plus any applicable federal and provincial taxes, calculated and accrued on each Valuation Date and payable on the last business day of each month based on the Net Asset Value of the Class F Units and Class UF Units, respectively, as at the last business day of each month.

Class I Units and Class UI Units
Subject to the discretion of the Manager, investors who purchase Class I Units and Class UI Units must

either: (i) enter into an agreement with the Manager which identifies the monthly Management Fee negotiated with the investor which is payable by the investor directly to the Manager; or (ii) enter into an agreement with the Fund which identifies the monthly Management Fee negotiated with the investor which is payable by the Fund to the Manager. In each circumstance, the monthly Management Fee, plus any applicable federal and provincial taxes, is calculated and accrued on each Valuation Date and payable on the last business day of each month based on the Net Asset Value of the Class I Units and Class UI Units, respectively, as at the last business day of each month.

Performance Fees Payable by the Fund

In addition to the Management Fee, the Manager is entitled to receive from the Fund an annual performance fee (the "**Performance Fee**") attributable to Class A Units, Class UA Units, Class F Units, Class UF Units, Class I Units and Class UI Units of the Fund. Each such Class of Units is charged a Performance Fee, payable as follows:

If the Total Return per Unit (as defined below) in any fiscal year is positive but equal to or less than the Hurdle Rate (as defined below), then no Performance Fee will be payable in such year.

To the extent the Fund generates a Total Return per Unit which is greater than the Hurdle Rate in any fiscal year and the Net Asset Value per Unit on the applicable Valuation Date exceeds the Prior High NAV (as defined below), then an amount equal to 20% of all such net income once such Hurdle Rate has been reached will be payable to the Manager as a Performance Fee, plus applicable HST.

The Performance Fee is calculated on a class by class basis. The Performance Fee will be calculated and accrued monthly and paid annually upon determination on the last Valuation Date of the year. For subscriptions and redemptions other than at year-end, the performance of the Fund will be annualized for purposes of determining whether the Total Return threshold has been met.

For purposes of the foregoing allocations,

"**Hurdle Rate**" means a Total Return per Unit of 6%, as determined on the first business day of each fiscal year and applicable for the entire fiscal year;

"**Prior High NAV**" per Unit of a Class is the Net Asset Value per Unit of that Class on the most recent year-end Valuation Date in respect of which a Performance Fee was paid or payable with respect to such Unit (or, if no Performance Fee has yet become payable with respect to such Unit, the Net Asset Value per Unit at which such Unit was issued); and

"**Total Return per Unit**" means the amount equal to the percentage appreciation of the Net Asset Value per Unit, without taking into account any accrued Performance Fee, but including the amount of any distributions on a per Unit basis.

Allocation of Net Income or Net Losses of the Partnership

Due to its investment in the Partnership, the Fund will be impacted by the allocation of Net Profits or Net Losses of the Partnership to the Limited Partners and to the General Partner. See "The Limited Partnership Agreement – Distributions and Computation and Allocation of Net Income or Net Losses of the Partnership".

Operating Expenses Payable by the Fund

The Fund is responsible for the payment of all routine and customary fees and expenses incurred relating

to the administration and operation of the Fund including, but not limited to: trustee fees and expenses; Management Fees; Performance Fees (if any); custodian, and safekeeping fees and expenses; registrar and transfer agency fees and expenses; audit, legal and record-keeping fees and expenses; communication expenses; printing and mailing expenses; all costs and expenses associated with the qualification for sale and distribution of the Units in the Offering Jurisdictions including securities filing fees (if any); investor servicing costs; costs of providing information to Unitholders (including proxy solicitation material, financial and other reports) and convening and conducting meetings of Unitholders; taxes, assessments or other governmental charges of all kinds levied against the Fund; interest expenses; and all brokerage commissions and other fees associated with the purchase and sale of portfolio securities and other assets of the Fund. In addition, the Fund will be responsible for the payment of all expenses associated with ongoing investor relations and education relating to the Fund.

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

The Manager may from time to time waive any portion of the fees and reimbursement of expenses otherwise payable to it, but no such waiver shall affect its right to receive fees and reimbursement of expenses subsequently accruing to it.

Fees and Expenses of the Partnership

Since the Fund invests in LP Units of the Partnership, the Fund will indirectly bear the fees and expenses incurred by the Trust and the Partnership. See “Bridging Mid-Market Debt Fund LP”.

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 law. In the event of such distribution, registered dealers (other than the Manager) will be entitled to the compensation described below.

Sales Commission

No sales commission is payable to the Manager in respect of Units purchased directly by a subscriber. However, registered dealers may, at their discretion, charge purchasers a front-end sales commission of up to 5.0% of the Net Asset Value of the Class A or Class UA Units purchased by the subscriber. Any such sales commission will be negotiated between the registered dealer and the purchaser and will be payable directly by the purchaser to their dealer. All minimum subscription amounts described in this Offering Memorandum are net of such sales commissions.

Service Commission

The Manager intends to pay a monthly service commission to participating registered dealers equal to 1/12th of 1.0% of the Net Asset Value of the Class A or Class UA Units sold by such dealers then outstanding. Payments are calculated and paid monthly to registered dealers directly by the Manager. Notwithstanding the foregoing, the Manager, in its sole discretion, reserves the right to change the frequency of payment to registered dealers of the service commission to a quarterly or annual basis.

Referral Fees

Subject to the requirements under NI 31-103, the Manager may pay a negotiated referral fee to registered dealers or other persons in connection with the sale of Units.

DETAILS OF THE OFFERING

Subscription Process

Units are being offered on a continuous basis to an unlimited number of eligible subscribers who are prepared to invest a sufficient amount to meet the minimum initial subscription requirements or who are otherwise qualified investors. As at the date of this Offering Memorandum, the minimum initial subscription amount for persons relying on the "accredited investor" exemption is $1,000. The minimum initial subscription amount for persons relying on the "minimum amount investment" exemption is $150,000; provided that such subscriber is (i) not an individual, and (ii) not created or used solely to rely on the "minimum amount investment" exemption. At the sole discretion of the General Partner, subscriptions may be accepted for lesser amounts from persons who are "accredited investors" as defined under NI 45-106. These minimum initial subscription amounts are net of any sales commissions payable by an investor to their registered dealer. See "Dealer Compensation".

Units are being offered to investors resident in the Offering Jurisdictions pursuant to exemptions from the prospectus requirements under section 2.3 (accredited investor exemption) and section 2.10 (minimum amount investment exemption) under NI 45-106 and, where applicable, the registration requirements under NI 31-103. Units will not be issued to individuals under section 2.10 of NI 45-106 (minimum amount investment exemption).

Investors, other than individuals that are "accredited investors" (as defined under NI 45-106), must also execute a subscription form for Units which includes a representation (and a requirement to provide additional evidence promptly upon request 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.

Any investor who is or becomes a non-resident of Canada for the purposes of the Tax Act or a partnership that is not a "Canadian partnership" (as defined in the Tax Act) (a "**non-Canadian partnership**") must disclose such status to the Fund at the time of subscription (or when such status changes) and the Fund may restrict the participation of any such investor or require any such investor to redeem all or some of such investor's Units. Where the Manager determines that the Fund is at risk of being deemed not to be a "mutual fund trust" under the Tax Act by virtue of a majority of Units being beneficially held by one or more persons who are non-residents of Canada and/or non-Canadian partnerships for the purposes of the Tax Act or by virtue that such non-residents of Canada and/or non-Canadian partnerships own more than 50% of the fair market value of all issued and outstanding Units, the Manager may forthwith redeem a sufficient number of such Units so that the Fund will prevent the loss of its mutual fund trust status. The Manager will select the Units held by non-residents of Canada and non-Canadian partnerships to be redeemed in inverse order of acquisition of such Units (excluding Units held as a result of reinvestment of distributions). The Manager will mail a notice of redemption to all Unitholders whose Units are to be so redeemed. To determine the residency of the Unitholders, the Manager may require declarations from Unitholders as to the jurisdictions in which beneficial owners of Units are resident or where a partnership is the beneficial owner of Units, the jurisdictions in which the partners are resident. See "Redemption of Units".

Units will be offered at a price equal to the Net Asset Value per Unit for the applicable class on each Valuation Date. Units may be purchased as at the close of business on a Valuation Date if a duly completed subscription form and the required payment reaches the Manager no later than 4:00 p.m. (EST) on such Valuation Date. The issue date for subscription orders received and accepted after 4:00 p.m. (EST) on a Valuation Date will be the next Valuation Date. No certificates evidencing ownership of Units will be issued to Unitholders. See "Computation of Net Asset Value of the Fund".

The Manager, on behalf of the Fund, may approve or disapprove a subscription for Units in whole or in part. If the subscription (or part) is not approved, the Manager will so advise the subscriber, and will forthwith return to the subscriber the amount (or a portion thereof) tendered by the subscriber in respect of the rejected subscription without interest or deduction.

By executing a subscription form for Units in the form prescribed by the Manager, each subscriber is making certain representations, and the Manager and the Fund are entitled to rely on such representations to establish the availability of exemptions from the prospectus and, where applicable, the registration requirements described under NI 45-106 and NI 31-103, as applicable. In addition, the subscriber is also acknowledging in the subscription form that the investment portfolio and trading procedures of the Fund are proprietary in nature and agrees that all information relating to such investment portfolio and trading procedures will be kept confidential by such subscriber and will not be disclosed to third parties (excluding the subscriber's professional advisors) without the prior written consent of the Manager.

Registered Plans

Provided the Fund qualifies at all relevant times as a "mutual fund trust" for the purposes of the Tax Act, Units will be "qualified investments" under the Tax Act for Tax Deferred Plans. A fee of up to $125 may be charged for each transfer or deregistration of Units held directly with the Manager in a Tax Deferred Plan.

Notwithstanding that Units may be qualified investments for an RRSP, RRIF, RDSP, RESP or a TFSA the annuitant of an RRSP or RRIF, the subscriber of an RESP, or the holder of a TFSA or RDSP, as the case may be, will be subject to penalty taxes in respect of the Units if such properties are a "prohibited investment" (as defined in the Tax Act) for the RRSP, RRIF, RDSP, RESP or the TFSA, as applicable. The Units will not be a "prohibited investment" provided that the annuitant, subscriber or holder, as the case may be: (i) deals at arm's length with the Fund, and (ii) does not have a "significant interest" in the Fund (within the meaning of the Tax Act). Generally, an annuitant, subscriber or holder will not have a significant interest in the Fund unless the annuitant, subscriber or holder owns interests as a beneficiary under the Fund that have a fair market value of 10% or more of the fair market value of the interests of all beneficiaries under the Fund, either alone or together with persons and partnerships with whom the annuitant, subscriber or holder does not deal at arm's length. In addition, the Units will generally not be a "prohibited investment" if the Units are "excluded property" as defined in the Tax Act for RRSPs, RRIFs, RDSPs, RESPs or TFSAs. See "Certain Canadian Federal Income Tax Considerations – Eligibility for Investment".

ADDITIONAL SUBSCRIPTIONS

Following the required initial minimum investment in the Fund, Unitholders resident in the Offering Jurisdictions may make additional investments in the Fund of not less than $1,000 provided that, at the time of the subscription for additional Units, the Unitholder is an "accredited investor" as defined under NI 45-106. Subject to applicable securities laws, Unitholders who are not "accredited investors" nor individuals, but previously invested in, and continue to hold, Units having an aggregate initial acquisition cost or current Net Asset Value equal to $150,000, will also be permitted to make subsequent investments in the Fund of not less than $1,000. Subject to applicable securities legislation, the Manager, in its sole discretion, may from time to time permit additional investments in Units of lesser amounts. Unitholders subscribing for additional Units should complete the subscription form prescribed from time to time by the Manager.

USE OF PROCEEDS

The net proceeds derived by the Fund from the sale of Units offered pursuant to this Offering Memorandum will be used for investment purposes in accordance with the investment objective, strategies and restrictions of the Fund as described earlier in this Offering Memorandum. See "Investment Objective and Strategies

of the Fund" and "Investment Restrictions of the Fund".

REDEMPTION OF UNITS

An investment in Units is intended to be a long-term investment. However, Units may be redeemed at their Net Asset Value per Unit for the applicable class (determined in accordance with the Trust Agreement) on a Valuation Date, provided the written request for redemption (a "**Redemption Notice**"), in satisfactory form and all necessary documents relating thereto, is submitted to the Manager at least 30 calendar days prior to such Valuation Date.

A Redemption Notice shall be irrevocable (except as otherwise provided in the Trust Agreement) and shall contain a clear request by the Unitholder that a specified number of Units be redeemed or stipulate the dollar amount which the Unitholder requires to be paid. A Unitholder's signature on a Redemption Notice shall be guaranteed by a Canadian chartered bank, a trust company or a registered broker or securities dealer acceptable to the Manager.

A Redemption Notice must be received by the Manager prior to 4:00 p.m. (EST) on a business day which is at least 30 calendar days prior to a Valuation Date. If a Redemption Notice is received by the Manager at such time, Units will be redeemed at the Net Asset Value per Unit for the applicable class determined on the first Valuation Date which is at least 30 calendar days following receipt of the Redemption Notice. The Redemption Amount will be paid to the redeeming Unitholder as soon as is practicable and in any event within 30 days following the Valuation Date upon which such redemption is effective (or 60 days if such redemption date is the Fund's fiscal year-end).

On direction from the Manager, the record-keeper of the Fund shall hold back up to 20% of the Redemption Amount on any redemption to provide for an orderly disposition of assets. Any Redemption Amount which is held back shall be paid within a reasonable time period, having regard for applicable circumstances.

Notwithstanding and without limiting any of the provisions hereof, the Manager, in its sole discretion, may require the redemption of all or any part of the Units held by a Unitholder at any time.

The Manager may also from time to time fix a minimum investment amount for Unitholders and thereafter give notice to any Unitholder whose Units have an aggregate Net Asset Value of less than such threshold amount that all such Units will be redeemed on the next Valuation Date following the 30th day after the date of the notice. A Unitholder may prevent such redemption by subscribing for and purchasing within the 30 day notice period a sufficient number of additional Units to increase the Net Asset Value of the total number of Units owned to an amount equal to or greater than such threshold amount. As at the date hereof, the Manager has not fixed a minimum threshold amount. The Manager may, in its sole discretion, waive this redemption requirement.

Each Unitholder who has delivered a Redemption Notice or whose Units are required to be redeemed, shall be paid a Redemption Amount equal to the Net Asset Value per Unit for the applicable class on the applicable Valuation Date, multiplied by the number of Units to be redeemed, and concurrently shall pay to such Unitholder the proportionate share attributable to such Units of any distribution of net income and net realized capital gains of the Fund which has been declared and not paid prior to the applicable Valuation Date.

The Administrator of the Fund shall, upon any redemption of Units, deduct from the Redemption Amount an amount equal to any accrued and applicable fees and taxes payable by the Unitholder in connection with such redemption, including estimated brokerage costs incurred in the conversion of portfolio securities of the Fund into cash in order to affect the redemption. An appropriate portion of any accrued management fees and/or performance fees payable to the Manager or to any investment manager will also be deducted

and paid to the Manager or to any investment manager, as the case may be. See "Fees and Expenses – Management Fees Payable by the Fund" and "Fees and Expenses – Performance Fees Payable by the Fund". In the sole discretion of the Manager, payment of all or any part of any Redemption Amount may be made by the transfer of a *pro rata* portion of any portfolio securities then held by the Fund. In the event the Manager determines to pay all or any part of the Redemption Amount by the transfer of portfolio securities then held by the Fund, it shall provide the Trustee, the Administrator of the Fund and the Unitholder with prompt notice thereof and the redeeming Unitholder shall have, and shall be advised that they have, the right to withdraw their Redemption Notice, or a portion thereof.

If for any reason the Partnership does not honour a redemption request of the Fund (made in order to satisfy a redemption request of a Unitholder), the Trustee intends to satisfy such redemption request by the transfer of a *pro rata* portion of the LP Units then held by the Fund to the redeeming Unitholder in satisfaction of the Unitholder's redemption request. Such transfers will be subject to the approval of the General Partner and certain tax consequences may result. See "Certain Canadian Federal Income Tax Considerations – Tax Exempt Unitholders".

The Manager may suspend the right of Unitholders to require the Fund to redeem Units held by them and the concurrent payment for Units tendered for redemption for any period not exceeding 120 days during which the Manager determines that conditions exist which render impractical the sale of assets of the Fund or which impair the ability of the Fund to determine the value of the assets of the Fund.

The Manager shall have the right to require a Unitholder to redeem some or all of the Units held by such Unitholder on a Valuation Date at the Net Asset Value per Unit thereof, by notice in writing to the Unitholder given at least 30 days before the date of redemption, which right may be exercised by the Manager in its absolute discretion.

A suspension may apply to all Redemption Notices received prior to the suspension, but as for which payment has not been made, as well as to all Redemption Notices received while the suspension is in effect. In such circumstances, all Unitholders shall have, and shall be advised that they have, the right to withdraw their Redemption Notice or receive payment based on the Net Asset Value of the particular class of Units determined on the first Valuation Date following the date on which the suspension is terminated. During any period during which redemptions are suspended the Manager will not accept any subscriptions for the purchase of Units.

A suspension will terminate in any event on the first day on which the condition giving rise to the suspension has ceased to exist, provided that no other condition under which a suspension is authorized then exists. Subject to applicable laws, any declaration of suspension made by the Manager shall be conclusive.

RESALE RESTRICTIONS

As the Units offered by this Offering Memorandum are being distributed pursuant to exemptions from the prospectus requirements under NI 45-106, the resale of these Units by subscribers is subject to restrictions. Subscribers are advised to consult with their legal advisors 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 securities legislation. There is no market for these Units and no market is expected to develop, therefore, it may be difficult or even impossible for a purchaser to sell their Units other than by way of a redemption of their Units on a Valuation Date.

Units are not transferable, except by operation of law (for example, a death or bankruptcy of a Unitholder) or with the consent of the Manager, which consent may be withheld in the Manager's sole and absolute discretion, in accordance with applicable securities legislation. Any proposed transferee will be required to make representations and warranties to the Fund and the Manager in form and substance satisfactory to

the Manager. The Manager may prescribe the minimum dollar value of Units which may be transferred but has not currently done so.

COMPUTATION OF NET ASSET VALUE OF THE FUND

The Net Asset Value of the Fund will be determined by the Administrator, who may consult with the Trustee, any investment manager, custodian, and/or the auditors of the Fund. The Net Asset Value of the Fund will be determined for the purposes of subscriptions and redemptions as at 4:00 p.m. (EST) on each Valuation Date, and on December 31 of each year if that day is not otherwise a Valuation Date for the purpose of the distribution of net income and net realized capital gains of the Fund to Unitholders. The Net Asset Value of the Fund on any Valuation Date shall be equal to the aggregate fair market value of the assets of the Fund as of such Valuation Date, less an amount equal to the total liabilities of the Fund (excluding all liabilities represented by outstanding Units) as of such Valuation Date. The Net Asset Value per Unit will be calculated on a class-by-class basis and will be determined by dividing the Net Asset Value of the Fund on a Valuation Date attributable to a particular class of Units by the total number of that class of Units then outstanding on such Valuation Date.

The Net Asset Value of the Fund on a Valuation Date shall be determined in accordance with the following:

(a) The assets of the Fund shall be deemed to include the following property:

(i) all cash on hand or on deposit, including any interest accrued thereon adjusted for accruals deriving from trades executed but not yet settled;

(ii) all bills, notes and accounts receivable;

(iii) all bonds, debentures, shares, subscription rights and other securities owned by or contracted for the Fund including, without limitation, any units of the Trust;

(iv) all shares, rights and cash dividends and cash distributions to be received by the Fund and not yet received by it when the Net Asset Value of the Fund is being determined so long as, in the case of cash dividends and cash distributions to be received by the Fund and not yet received by it when the Net Asset Value of the Fund is being determined, the shares are trading ex-dividend;

(v) all interest accrued on any interest-bearing securities owned by the Fund other than interest, the payment of which is in default; and

(vi) prepaid expenses.

(b) The market value of the assets of the Fund shall be determined as follows:

(i) the value of any cash on hand or on deposit, bills, demand notes, accounts receivable, prepaid expenses, cash dividends received (or to be received and declared to securityholders of record on a date 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 Manager shall have determined that any such deposit, bill, demand note, account receivable, prepaid expense, cash dividend received or interest is not worth the full amount thereof, in which event the value thereof shall be deemed to be such value as the Manager shall determine to be the reasonable value thereof;

(ii) the value of any bonds, debentures, and other debt obligations shall be valued by taking the average of the bid and ask prices on a Valuation Date at such times as the Manager, in its discretion, deems appropriate. Short-term investments including notes and money market instruments shall be valued at cost plus accrued interest;

(iii) the value of any security which is listed or dealt in upon a stock exchange shall be determined by (1) in the case of a security which was traded on the day as of which the Net Asset Value of the Fund is being determined, the closing sale price; (2) in the case of a security which was not traded on the day as of which the Net Asset Value of the Fund is being determined, a price which is the average of the closing recorded bid and ask prices; or (3) if no bid or ask quotation is available, the price last determined for such security for the purpose of calculating the Net Asset Value of the Fund. The value of inter-listed securities shall be computed in accordance with directions laid down from time to time by the Manager; provided, however, that if, in the opinion of the Manager, stock exchange or over-the-counter quotations do not properly reflect the prices which would be received by the Fund upon the disposal of securities necessary to effect any redemptions of Units, the Manager may place such value upon such securities as appears to the Manager to most closely reflect the fair value of such securities;

(iv) the value of any security, the resale of which is restricted or limited, shall be the quoted market value less a percentage discount for illiquidity amortized over the length of the hold period;

(v) the value of all assets and liabilities of the Fund valued in terms of a currency other than the currency used to calculate the Net Asset Value of the Fund shall be converted to the currency used to calculate the Net Asset Value of the Fund by applying the rate of exchange obtained from the best available sources to the Manager including, but not limited to, the Trustee or any of its affiliates; and

(vi) the value of any security or other property for which no price quotations are available or, in the opinion of the Manager, to which the above valuation principles cannot or should not be applied, shall be the fair value thereof determined from time to time in such manner as the Manager shall from time to time provide.

(c) The liabilities of the Fund shall be calculated on an accrued basis and shall be deemed to include the following:

(i) all bills, notes and accounts payable;

(ii) all fees (including management fees) and administrative and operating expenses payable and/or accrued by the Fund;

(iii) all contractual obligations for the payment of money or property, including distributions of net income and net realized capital gains, if any, declared, accrued or credited to the Unitholders but not yet paid on the day before the day as of which the Net Asset Value of the Fund is being determined;

(iv) all allowances authorized or approved by the Manager or the Trustee for taxes or

contingencies; and

(v) all other liabilities of the Fund of whatever kind and nature, except liabilities represented by outstanding Units.

(d) Portfolio transactions (investment purchases and sales) will be reflected in the first computation of the Net Asset Value of the Fund made after the date on which the transaction becomes binding.

(e) The Net Asset Value of the Fund and Net Asset Value per Unit on the first business day following a Valuation Date shall be deemed to be equal to the Net Asset Value of the Fund (or per Unit, as the case may be) on such Valuation Date after payment of all fees, including administrative fees and management fees, and after processing of all subscriptions and redemptions of Units in respect of such Valuation Date.

(f) The Net Asset Value of the Fund and the Net Asset Value per Unit established by the Manager in accordance with the provisions of this section shall be conclusive and binding on all Unitholders.

(g) The Manager may determine such other rules as it deems necessary from time to time, which rules may deviate from International Financial Reporting Standards ("**IFRS**").

The Net Asset Value of the Fund (or per Unit, as the case may be) calculated in this manner will be used for the purpose of calculating the Manager's and other service providers' fees and will be published net of all paid and payable fees. Such Net Asset Value of the Fund (or per Unit, as the case may be) 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 of the Fund and Net Asset Value per Unit for financial statement reporting purposes (which must be calculated in accordance with IFRS).

The Net Asset Value for a particular class of Units ("**Class Net Asset Value**") as at 4:00 p.m. (EST) on a Valuation Date shall be determined for the purposes of subscriptions and redemptions in accordance with the following calculation:

(a) the Class Net Asset Value last calculated for that class of Units; plus

(b) the increase in the assets attributable to that class as a result of the issue of Units of that class or the redesignation of Units into that class since the last calculation; minus

(c) the decrease in the assets attributable to that class as a result of the redemption of Units of that class or the redesignation of Units out of that class since the last calculation; plus or minus

(d) the proportionate share of the Net Change in Non-Portfolio Assets (as defined below) attributable to that class since the last calculation; plus or minus

(e) the proportionate share of the impact of portfolio transactions and the adjustments to the assets as a result of a stock dividend, stock split or other corporate action recorded on that Valuation Date attributable to that class since the last calculation; plus or minus

(f) the proportionate share of market appreciation or depreciation of the portfolio assets attributable to that class since the last calculation; minus

(g) the proportionate share of the Fund expenses (other than class specific expenses) ("Common Expenses") allocated to that class since the last calculation; minus

(h) any expenses specific to that class since the last calculation.

"**Net Change in Non-Portfolio Assets**" on a Valuation Date means

(a) the aggregate of all income accrued by the Fund as of that Valuation Date, including cash dividends and distributions, interest and compensation; minus

(b) the Common Expenses to be accrued by the Fund as of that Valuation Date which have not otherwise been accrued in the calculation of the Net Asset Value of the Fund as of that Valuation Date; plus or minus

(c) any change in the value of any non-portfolio assets or liabilities stated in any foreign currency accrued on that Valuation Date including, without limitation, cash, accrued dividends or interest and any receivables or payables; plus or minus

(d) any other item accrued on that Valuation Date determined by the Manager to be relevant in determining the Net Change in Non-Portfolio Assets.

A Unit of a class of the Fund being issued or a Unit that has been redesignated as a part of that class shall be deemed to become outstanding as of the next calculation of the applicable Class Net Asset Value immediately following the Valuation Date at which the applicable Class Net Asset Value per Unit that is the issue price or redesignation basis of such Unit is determined and the issue price received or receivable for the issuance of the Unit shall then be deemed to be an asset of the Fund attributable to the applicable class.

A Unit of a class of the Fund being redeemed or a Unit that has been redesignated as no longer being a part of that class shall be deemed to remain outstanding as part of that class until immediately following the Valuation Date at which the applicable Class Net Asset Value per Unit that is the redemption price or redesignation basis of such Unit is determined; thereafter, the redemption price of the Unit being redeemed, until paid, shall be deemed to be a liability of the Fund attributable to the applicable class and the Unit which has been redesignated will be deemed to be outstanding as a part of the class into which it has been redesignated.

On any Valuation Date that a distribution is paid to Unitholders of a class of Units, a second Class Net Asset Value shall be calculated for that class, which shall be equal to the first Class Net Asset Value calculated on that Valuation Date minus the amount of the distribution. For greater certainty, the second Class Net Asset Value shall be used for determining the Class Net Asset Value per Unit on such Valuation Date for purposes of determining the issue price and redemption price for Units on such Valuation Date, as well as the redesignation basis for Units being redesignated into or out of such class, and Units redeemed or redesignated out of that class as at such Valuation Date shall participate in such distribution while Units subscribed for or redesignated into such class as at such Valuation Date shall not.

The Class Net Asset Value per Unit for a particular class of Units as at any Valuation Date is the quotient obtained by dividing the applicable Class Net Asset Value as at such Valuation Date by the total number of Units of that class outstanding at such Valuation Date. This calculation shall be made without taking into account any issuance, redesignation or redemption of Units of that class to be processed by the Fund immediately after the time of such calculation on that Valuation Date. The Class Net Asset Value per Unit for each class for the purpose of the issue of Units or the redemption of Units shall be calculated on each Valuation Date by or under the authority of the Manager as at such time on every Valuation Date as shall be fixed from time to time by the Manager and the Class Net Asset Value per Unit so determined for each

class shall remain in effect until the time as of which the Class Net Asset Value per Unit for that class is next determined.

The Net Asset Value per Unit of any one class of Units need not be equal to the Net Asset Value per Unit of any other class.

The Manager shall be entitled to delegate any of its powers and obligations to a valuation service provider, including, but not limited to, the Trustee or any of its affiliates, by entering into a valuation services agreement relating to the calculation of the Net Asset Value of the Fund and the Class Net Asset Value for each class of Units on each Valuation Date. As of the date hereof, the Manager has retained the Administrator pursuant to the Administration Agreement to, among other things, provide valuation and financial reporting services to the Fund and to calculate the Net Asset Value of the Fund and the Class Net Asset Value for each class of Units on each Valuation Date. See "Administrator, Record-keeper and Fund Reporting". For greater certainty, the calculation of the Net Asset Value of the Fund and the Class Net Asset Value for each class of Units on each Valuation Date pursuant to this section is for the purposes of determining subscription prices and redemption values of Units and not for the purposes of accounting in accordance with IFRS.

See the Trust Agreement for a full and complete description of the determination of the Net Asset Value of the Fund and the Class Net Asset Value for each class of Units on each Valuation Date.

DISTRIBUTION POLICY

The Fund will distribute in each year its annual net income and net realized capital gains in such amount as will result in the Fund paying no tax under Part I of the Tax Act. The net income and net realized capital gains of the Fund for the period since the immediately preceding date on which net income and net realized capital gains were calculated will be calculated as of the close of business on the last Valuation Date in each fiscal year and as of such other dates during the year as the Manager in its discretion may decide. Allocations and distributions of income/gains or losses will generally be made by reference to the number of Units held as of the close of business on the last Valuation Date in each fiscal year (or such other distribution date as may be determined by the Manager); however, the Manager may make distributions in a manner to fairly reflect, as best as possible, subscriptions and redemptions made during the year. All distributions made by the Fund to Unitholders will result in the Fund automatically purchasing additional Units of the same class at the Net Asset Value per Unit for such class on the last Valuation Date of the fiscal year unless a Unitholder elects by written notice to the Manager to receive such distributions in cash.

The Trustee may cause to be paid such additional distributions of monies or properties of the Fund and make such designations, determinations and allocations for tax purposes of amounts or portions of amounts which the Fund has received, paid, declared payable or allocated to Unitholders and of expenses incurred by the Fund and of tax deductions of which the Fund may be entitled as the Trustee may, in its sole discretion, determine.

UNITHOLDER MEETINGS

Meetings of Unitholders will be held by the Manager at such time and on such day as the Manager may from time to time determine for the purpose of considering the matters required to be placed before such meetings and for the transaction of such other matters as the Manager determines. Unitholders holding not less than 50% of the votes attaching to all outstanding Units may requisition a meeting of Unitholders by giving a written notice to the Manager and the Trustee setting out in detail the reason(s) for calling and holding such a meeting.

Notice of the time and place of each meeting of Unitholders will be given not less than 21 days before the day on which the meeting is to be held to each Unitholder of record at the close of business on the day on

which the notice is given. Notice of a meeting of Unitholders will state the general nature of the matters to be considered by the meeting. A meeting of Unitholders may be held at any time and place without notice if all the Unitholders entitled to vote thereat are present in person or represented by proxy or, if those not present or represented by proxy waive notice of, or otherwise consent to, such meeting being held.

A quorum for the transaction of business at any meeting of Unitholders shall be at least two Unitholders present in person or represented by proxy representing not less than 5% of the votes attaching to all Units entitled to vote at such meeting. If a quorum is not present at a meeting within 30 minutes after the time fixed for the meeting, the meeting shall be adjourned to a date fixed by the chairman of the meeting not later than 14 days thereafter at which adjourned meeting the Unitholders present in person or represented by proxy shall constitute a quorum. The chairman at a meeting of Unitholders may, with the consent of the meeting and subject to such conditions as the meeting may decide, adjourn the meeting from time to time and from place to place.

At any meeting of Unitholders every person shall be entitled to vote who, as at the end of the business day immediately preceding the date of the meeting, is entered in the register of Unitholders, unless in the notice of meeting and accompanying materials sent to Unitholders in respect of the meeting a record date is established for persons entitled to vote thereat.

At any meeting of Unitholders a proxy duly and sufficiently appointed by a Unitholder shall be entitled to exercise, subject to any restrictions expressed in the instrument appointing him, the same voting rights that the Unitholder appointing him would be entitled to exercise if present at the meeting. A proxy need not be a Unitholder. An instrument appointing a proxy shall be in writing and shall be acted on only if, prior to the time of voting, it is deposited with the chairman of the meeting or as may be directed in the notice calling the meeting.

At any meeting of Unitholders every question shall, unless otherwise required by the Trust Agreement or applicable laws, be determined by the majority of the votes duly cast on the question. Subject to the provisions of the Trust Agreement or applicable laws, any question at a meeting of Unitholders shall be decided by a show of hands unless a poll thereon is required or demanded. Upon a show of hands every person who is present and entitled to vote shall have one vote. If demanded by any Unitholder at a meeting of Unitholders or required by applicable laws, any question at such meeting shall be decided by a poll. Upon a poll each person present shall be entitled, in respect of the Units which he is entitled to vote at the meeting upon the question, to one vote for each whole Unit held and the result of the poll so taken shall be the decision of the Unitholders upon the said question.

Any resolution consented to in writing by Unitholders holding 66 ⅔% of the votes attaching to all Units otherwise entitled to be voted at a meeting shall be as effective and valid as if it had been passed at a meeting of Unitholders.

AMENDMENTS TO THE TRUST AGREEMENT

Subject to the provisions of the Trust Agreement and any approvals required under Securities Legislation (if any), the Manager shall be entitled, in its discretion from time to time, by supplemental trust deed or by amending and restating this Trust Agreement or the Schedules to amend, delete, expand or vary any provision of the Trust Agreement and in any other appropriate fashion to consent or agree to any change in any management agreement, advisory agreement or other agreement to which the Fund is a party, to any change of the manager, investment manager or Investment Adviser of the Fund or to any change in any other agreement or matter relating to the Fund.

Any proposed change to the Trust Agreement that would adversely affect the Net Asset Value of the interest of the Unitholders of the Fund as a whole, may only take effect upon either:

- the approval of not less than a majority of the votes cast at a meeting of Unitholders of that Fund or that class, as the case may be, duly called for the purpose of considering the proposed change (or by written resolution in accordance with the Trust Agreement); or

- after 60 days' written notice of the proposed change has been given to the Unitholders in accordance with the Trust Agreement and each Unitholder has been given the opportunity to redeem all of such Unitholder's Units.

All persons remaining or becoming Unitholders after the effective date of such change shall be bound by such change. No amendment to this Trust Agreement may be made without the consent of the Manager.

TERMINATION OF THE FUND

The Fund will be terminated and dissolved in the event of any of the following: (i) there are no outstanding Units; (ii) the Trustee or the Manager resigns and no successor is appointed within the time limits prescribed in the Trust Agreement; (iii) the Manager is in material default of its obligations under the Trust Agreement and such default continues for 120 days from the date that the Manager receives notice of such material default from the Trustee; (iv) the Manager 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); (v) the Manager makes a general assignment for the benefit of its creditors or otherwise acknowledges its insolvency; or (vi) the assets of the Manager have become subject to seizure or confiscation by any public or governmental authority.

The Manager may at any time terminate and dissolve the Fund by giving to the Trustee and each Unitholder written notice of its intention to terminate at least 90 days before the date on which the Fund is to be terminated.

In the event of the winding-up of the Fund, the rights of Unitholders to require redemption of any or all of their Units shall be suspended, the Manager shall make appropriate arrangements for converting the applicable investments of the Fund into cash and the affairs of the Fund shall be wound-up, all in accordance with the Trust Agreement. The assets of the Fund remaining after paying or providing for all obligations and liabilities of the Fund shall be distributed among the Unitholders registered as at the close of business on the termination date in accordance with the Trust Agreement. Distributions of net income and net realized capital gains shall, to the extent not inconsistent with the orderly realization of the assets of the Fund, continue to be made in accordance with the Trust Agreement until the Fund has been wound up.

The assets of the Fund may be, in the event of the winding-up of the Fund, distributed to the Unitholders on the termination of the Fund *in specie* in whole or in part.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is a general summary of certain of the principal Canadian federal income tax considerations generally applicable to the acquisition, ownership and disposition of Units by an investor who, for the purposes of the Tax Act and at all material times, is an individual (other than a trust), is resident in Canada, deals at arm's length, and is not affiliated, with the Fund, is the original owner of the Units, holds the Units as capital property, and has invested in the Units for his or her own benefit and not as a trustee of a trust (a "**Canadian Unitholder**"). Units will generally be considered to be capital property to a Canadian Unitholder unless the Unitholder holds the Units in the course of carrying on a business of trading or dealing in securities or has acquired the Units in a transaction or transactions considered to be an adventure or concern in the nature of trade. Certain Unitholders who might not otherwise be considered to hold their

Units as capital property may be entitled to have their Units (and every other "Canadian security" owned by them in that taxation year or any subsequent taxation year) treated as capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act. Such Unitholders should consult their own tax advisors regarding the availability and the appropriateness of making such an election.

This summary is not applicable to a Unitholder that is a "financial institution" (as defined in the Tax Act for purposes of the "mark-to-market" rules), a "specified financial institution"(as defined in the Tax Act), a Unitholder to whom the functional currency reporting rules contained in section 261 of the Tax Act applies, a Unitholder an interest in which is a "tax shelter investment" (as defined in the Tax Act), or a Unitholder who has entered into a "derivative forward agreement" (as defined in the Tax Act) with respect to the Units. Any such Unitholder should consult its own tax advisor with regard to the income tax consequences of acquiring, holding or disposing of Units in light of its own circumstances.

This summary is also based on the assumptions that (i) none of the issuers of the securities held, directly or indirectly, by the Fund will be (A) a "tax shelter investment" within the meaning of section 143.2 of the Tax Act, (B) a foreign affiliate of the Fund or any Unitholder of the Fund, or (C) a non-resident trust that is not an "exempt foreign trust" as defined in section 94 of the Tax Act. (ii) the Fund and the Partnership will not be (A) a "SIFT trust" as defined in subsection 122.1(1) of the Tax Act, or a "SIFT partnership" as defined in subsection 197(1) of the Tax Act, respectively (this is based on the assumption that the Units of the Fund and the units of the Partnership will at no time be listed or traded on a stock exchange or other "public market") (B) a "financial institution" for purposes of the Tax Act, or (C) required to include any amounts in income pursuant to section 94.1 or section 94.2 of the Tax Act. and (iii) the Fund is not subject to a "loss restriction event", as defined in the Tax Act.

This summary is based on the current provisions of the Tax Act and the Income Tax Regulations as of April 1, 2020, all specific proposals to amend the Tax Act and the Income Tax Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to April 1, 2020 (the "**Tax Proposals**") and an understanding of the published administrative policies and assessing practices of the CRA released prior to April 1, 2020. There can be no assurance that the Tax Proposals will be enacted in their current form or at all, nor can there be any assurance that the CRA will not change its administrative policies or assessing practices, possibly with retroactive effect. This summary further assumes that the Fund will comply with the Trust Agreement and all other contractual obligations summarized in this Offering Memorandum. Except for the foregoing, this summary does not take into account or anticipate any changes in law, whether by legislative, regulatory, administrative or judicial action and does not take into account provincial, local or foreign income tax legislation or considerations., which may differ significantly from those described herein.

References to "income" or "loss" in this summary mean income or loss as determined for the purposes of the Tax Act. For purposes of the Tax Act, all amounts relating to the computation of the Fund's income and to the acquisition, holding or disposition of Units, including allocations of income and gains, adjusted cost base and proceeds of disposition, must be converted into Canadian dollars in accordance with the detailed rules in section 261 of the Tax Act.

The income and other tax consequences of acquiring, holding or disposing of Units will vary, depending on the status of an investor, the province or territory in which the investor resides or carries on business and, generally, the investor's own particular circumstances. This summary is not exhaustive of all possible federal income tax considerations applicable to an investment in Units and does not describe the income tax considerations relating to the deductibility of interest on money borrowed to acquire Units. The following summary is, therefore, of a general nature only and is not intended to constitute, and should not be construed as, legal or tax advice to any particular investor. Each investor should seek independent advice regarding the tax consequences of investing in Units, based on the investor's own particular circumstances.

Qualification as a Mutual Fund Trust

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

In order to continue to qualify as a "mutual fund trust", the Fund must, among other things, comply on a continuous basis with certain minimum requirements respecting the ownership and dispersal of units.

If the Fund does not to qualify as a "mutual fund trust" at all times, the income tax considerations described below and under the heading "Eligibility for Investment" will, in some respects, be materially and adversely different.

Tax Treatment of the Partnership

General

The Partnership is not itself subject to Canadian income tax under the Tax Act. However, the Partnership calculates its income or loss for income tax purposes for each of its fiscal years in accordance with the provisions of the Tax Act as if it were a separate person resident in Canada. The fiscal year of the Partnership will end on December 31 of each year and will end on the dissolution of the Partnership. In computing the income or loss of the Partnership for tax purposes for each fiscal year, deductions will be claimed in respect of all available expenses to the extent permitted by the Tax Act.

In computing its income for tax purposes, the Partnership may deduct reasonable administrative and other expenses incurred to earn income in accordance with the detailed rules in the Tax Act. The Partnership may deduct expenses incurred in the course of issuing its units and not reimbursed at a rate of 20% per year, pro-rated for the first year of the Partnership and for the final year the expenses are eligible for deduction. If the Partnership is wound up prior to the full amount of such expenses incurred in the course of issuing units being deducted, the unitholders of the Partnership may generally deduct the remaining expenses, subject to the details provisions of the Tax Act.

The characterization of the Partnership's gains and losses from dispositions of properties as being capital gains (or capital losses) or ordinary income (or loss) will depend on the specific facts relating to each property. Whether gains or losses realized by the Partnership in respect of a particular security are on income or capital account will depend largely on factual considerations. The Fund may potentially make the irrevocable election under subsection 39(4) of the Tax Act to deem every "Canadian security" under the Tax Act to be held as capital property, and gains or losses on such securities to be capital gains and losses. Where a Canadian security has been disposed of by the Partnership in a particular fiscal year, and the Fund has made such an election, the election may apply to the Fund's share of any gain or loss arising on the disposition.

The amount of any capital gain (or capital loss) arising on the disposition of capital property by the Partnership will generally be equal to the amount by which the proceeds of disposition of such capital property exceed (or are exceeded by) the adjusted cost base of such property for the purposes of the Tax Act.

For Canadian income tax purposes, all income of the Partnership from whatever source must be calculated in Canadian currency. To the extent that the Partnership acquires investments for a price denominated in a foreign currency, gains and losses may be realized by the Partnership as a consequence of any fluctuation

in the relative value of the Canadian and foreign currency.

Dissolution of the Partnership

As a general rule, upon the dissolution or termination of the Partnership and distribution of its property to its unitholders, such property will be deemed to have been disposed of by the Partnership at that time at its fair market value and acquired by its unitholders for the same amount and, therefore, a gain or loss will be realized and allocated to the unitholders and reflected in the adjusted cost base of a unitholder's interest in the Partnership. Each unitholder will generally be deemed to have disposed of the unitholder's units in the Partnership for proceeds of disposition equal to the fair market value of the property received by the unitholder.

Tax Treatment of the Fund

Allocation of Partnership Income or Loss to the Fund

The Fund will be required to include, or entitled to deduct, in computing its income for a taxation year, the share of the Partnership's income or loss, including any taxable capital gains and allowable capital losses, allocated to the Fund for the fiscal year of the Partnership ending in the Fund's taxation year (subject to the "at-risk" rules described below), whether or not any such income is distributed to the Fund by the Partnership in that year. In general, the Fund's share of any income or loss of the Partnership from a particular source will be treated as if it were income or loss of the Fund from that source, and any provisions of the Tax Act applicable to that type of income or loss will apply to the Fund.

The Fund will generally be entitled to deduct, in computing income for tax purposes, the Fund's share of the Partnership's losses for a fiscal year to the extent of the Fund's "at-risk amount" within the meaning of the Tax Act. Generally, the "at-risk" amount of the Fund in respect of the Partnership at the end of the Partnership's fiscal year will be the adjusted cost base of the Fund's partnership interest at the end of the year plus any income of the Partnership allocated to the Fund for the year, less any amount owing by the Fund (or a person or partnership with whom the Fund does not deal at arm's length) to the Partnership (or to a person or partnership with whom the Partnership does not deal at arm's length) and the amount of any guarantee or indemnity provided to the Fund against the loss of the Fund's investment in the Partnership.

The portion, if any, of the Partnership's losses that are not deductible by the Fund as a result of the at-risk rules will be deemed to be the Fund's "limited partnership loss" in respect of the Partnership for the year. Such limited partnership loss may generally be carried forward and deducted by the Fund in computing its taxable income for any subsequent taxation year to the extent of its at-risk amount in respect of the Partnership at the end of the last fiscal year of the Partnership ending in or coinciding with the end of the taxation year, less its share of the Partnership's losses from a business or property for that fiscal year.

Generally, the Fund will be required to include in computing its income for a particular taxation year, one-half of any capital gain allocated to the Fund by the Partnership in respect of a fiscal period of the Partnership that ends in such taxation year as a taxable capital gain. Subject to specific rules in the Tax Act, one-half of any capital loss allocated by the Partnership to the Fund in respect of a fiscal period of the Partnership that ends in a taxation year is an allowable capital loss that must be deducted from any taxable capital gain realized by the Fund in such taxation year. Allowable capital losses for a taxation year in excess of taxable capital gains for that year generally may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such years to the extent and under the circumstances provided for in the Tax Act.

Disposition of a Unit

The actual or deemed disposition of a unit of the Partnership (including on a redemption) by the Fund will result in a capital gain (or a capital loss) equal to the amount by which the proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of the unit of the Partnership.

Generally, the adjusted cost base at any particular time of the Fund's units in the Partnership will be equal to the total of the original cost of the units plus the income and the non-taxable portion of any capital gains of the Partnership allocated to the Fund for fiscal years of the Partnership ending before the particular time, less the losses and the non-allowable portion of any capital losses of the Partnership allocated to the Fund (other than losses which cannot be deducted because they exceed the Fund's "at-risk" amount) for fiscal years of the Partnership ending before the particular time, and less any distributions received by the Fund from the Partnership before the particular time.

Where units of the Partnership are acquired or disposed of by the Fund during the course of the year, pursuant to the Limited Partnership Agreement, the Partnership will allocate income and loss in such a manner as to account for units which are acquired or disposed of during such year. If the Fund ceases to be a member of the Partnership during a fiscal year, the Fund's share of the income and the non-taxable portion of any capital gains of the Partnership for that fiscal year will generally be added to the adjusted cost base of the Fund's units in the Partnership immediately before the time that the Fund ceases to be a member of the Partnership. Similarly, the Fund's share of any losses and the non-allowable portion of any capital losses of the Partnership for that fiscal year will generally be deducted from the adjusted cost base of the Fund's units in the Partnership immediately before the time the Fund ceases to be a member of the Partnership.

The Fund will be deemed to realize a capital gain if the adjusted cost base of the Fund's units in the Partnership is negative at the end of any fiscal year of the Partnership. If the adjusted cost base of the Fund's units becomes negative and a capital gain is realized, the adjusted cost base of the Fund's units will be nil at the beginning of the next fiscal year of the Partnership.

One-half of a capital gain realized by the Fund must be included in the Fund's income as a taxable capital gain. One-half of a capital loss may be deducted by the Fund as an allowable capital loss against taxable capital gains to the extent and under the circumstances described in the Tax Act.

If, at any time, the Partnership redeems all of the Fund's units in the Partnership, but retains a holdback of the redemption proceeds, the Fund will generally be deemed not to have disposed of the units until the later of the end of the fiscal period in which the units were redeemed and the date at which payment of the holdback is satisfied. However, to the extent that amounts required to be deducted from the adjusted cost base of the units at the end of the fiscal period in which the units were redeemed exceed the total cost to the Fund of the units and amounts to be added to the adjusted cost base of the units at the end of the fiscal period, such excess will be deemed to be a capital gain realized by the Fund on the units at the end of such fiscal period.

Taxation of the Fund

In each taxation year, the Fund will be subject to tax under Part I of the Tax Act on its net income, including the taxable portion of any net capital gains and income and capital gains allocated to it by the Partnership, that is not paid or made payable to Unitholders in that year. An amount will be considered payable to a Unitholder in a taxation year if it is paid by the Fund or the Unitholder is entitled in that year to enforce payment of the amount. The Trust Agreement requires that sufficient amounts be paid or payable each year so that the Fund will not be liable for any income tax under Part I of the Tax Act. Provided the Fund distributes all of its net taxable income and its net capital gains to its Unitholders on an annual basis, it should not be liable for any income tax under Part 1 of the Tax Act.

The Fund is required to include, in computing its income for each taxation year, the taxable portion of any net capital gains, any dividends received by it in that taxation year and all interest that accrues to it during the year, or which becomes receivable or is received by it before the end of the year, except to the extent that such interest was included in computing its income for a preceding taxation year. In computing its income, the Fund will take into account any loss carry-forwards, any capital gains refund and all deductible expenses, including management fees.

Upon the actual or deemed disposition of an investment held by the Fund as capital property, the Fund will realize a capital gain (or capital loss) to the extent that the proceeds of disposition, net of amounts otherwise included in income, exceed (or are less than) the adjusted cost base of such Fund investment and any reasonable costs of disposition. Gains and losses realized by the Fund on the disposition of securities will generally be reported as capital gains and capital losses. The Fund may elect under subsection 39(4) of the Tax Act so that all gains or losses realized on the disposition of securities that are "Canadian securities" (as defined in the Tax Act), including Canadian securities acquired in connection with short sales, will be deemed to be capital gains or losses to the Fund. Generally, gains and losses realized by the Fund from derivatives and in respect of short sales of securities (other than Canadian securities if such election is made) will be treated as being on income account, except where a derivative is used to hedge securities held on capital account provided there is sufficient linkage and the derivative is not subject to the derivative forward agreement rules (**"DFA Rules"**) discussed below, and the Fund will recognize such gains or losses for tax purposes at the time they are realized by the Fund. Whether gains or losses realized by the Fund on a particular transaction (other than a disposition of a Canadian security if such election is made) are on income or capital account will depend largely on factual considerations.

The DFA Rules in the Tax Act deem gains on the settlement of certain forward agreements (described as "derivative forward agreements") to be included in ordinary income rather than treated as capital gains. Under the DFA Rules, the return on any derivative entered into by the Fund that is a "derivative forward agreement" within the meaning of the Tax Act will be taxed as ordinary income rather than capital gains. The Tax Act exempts from the application of the DFA Rules currency forward contracts, or certain other derivatives, that are entered into in order to hedge foreign exchange risk in respect of an investment held as capital property.

Losses incurred by the Fund in a taxation year cannot be allocated to Unitholders, but may be deducted by the Fund in future years in accordance with the Tax Act.

The Fund's portfolio may include securities that are not denominated in Canadian dollars. The cost and proceeds of disposition of securities, dividends, interest and all other amounts will be determined for the purposes of the Tax Act in Canadian dollars at the exchange rate prevailing at the time of the transaction, as more particularly determined in accordance with section 261 of the Tax Act. Accordingly, the Fund may realize gains or losses by virtue of the fluctuation in the value of foreign currencies relative to Canadian dollars.

The Fund may derive income or gains, directly or indirectly, from investments in countries other than Canada and, as a result, may be liable to pay income or profits tax to such countries. To the extent such foreign tax paid by the Fund exceeds 15% of the amount included in the Fund's income from such investments, such excess may generally be deducted by the Fund in computing its income for purposes of the Tax Act, subject to the detailed provisions of the Tax Act. To the extent that such foreign tax paid does not exceed 15% of such foreign source income and has not been deducted in computing the Fund's income, the Fund may generally designate a portion of its foreign source income in respect of its Unitholders so that such income, and a portion of the foreign tax paid by the Fund, may be regarded as foreign source income of and foreign tax paid by, the Unitholders for the purposes of the foreign tax credit provisions of the Tax Act.

The Fund may be subject to alternative minimum tax in any taxation year throughout which the Fund is not a "mutual fund trust" for purposes of the Tax Act.

The Fund may be subject to the "suspended loss" rules contained in the Tax Act, either directly or indirectly, which would generally apply where a taxpayer disposes of property and subsequently reacquires the property or acquires an identical property within the time period that begins 30 days before the disposition and ends 30 days following the disposition, and the taxpayer continues to own the reacquired or newly-acquired property following that period. Where the "suspended loss" rules apply, any losses arising from the initial disposition of property would be denied, but may be realized at a future point in time in accordance with the rules in the Tax Act.

A distribution by the Fund of investments held as capital property upon a redemption of Units will be treated as a disposition by the Fund of such investments so distributed for proceeds of disposition equal to their fair market value. The Fund will realize a capital gain (or a capital loss) to the extent that the proceeds of disposition exceed (or are less than) the adjusted cost base of the distributed Fund investments and any reasonable costs of disposition. The Fund currently intends to treat as payable to and designate to a redeeming Unitholder any capital gain or income realized by the Fund as a result of the distribution of such property to the Unitholder.

In computing its income for tax purposes, the Fund may generally deduct reasonable administrative and other expenses incurred to earn income in accordance with the detailed rules in the Tax Act, including interest on any borrowings generally to the extent such borrowed funds are used for the purpose of earning income.

The Fund will generally be entitled for each taxation year throughout which it is a "mutual fund trust" to reduce (or receive a refund in respect of) its liability, if any, for tax on its net realized capital gains by an amount determined under the Tax Act based on the redemptions of Units during the year ("capital gains refund"). In certain circumstances, the capital gains refund in a particular taxation year may not completely offset the tax liability of the Fund for such taxation year that may arise upon the sale of securities in connection with a redemption of Units.

Taxation of Unitholders

Canadian Unitholders (other than Tax Deferred Plans) will be required to include in their income for the purposes of the Tax Act for a particular year the amount of net income and net taxable capital gains, if any, paid or payable to them by the Fund, whether or not reinvested in additional Units. Provided that appropriate designations are made by the Fund, such portion of: (i) the taxable portion of any net capital gains of the Fund, and (ii) the taxable dividends received by the Fund on shares of taxable Canadian corporations as are paid or become payable to Canadian Unitholders will effectively retain their character and be treated as such by such Canadian Unitholders. The gross-up and dividend tax credit rules contained in the Tax Act will apply to such amounts that are designated as taxable dividends from taxable Canadian corporations. If the Fund makes the appropriate designation, Canadian Unitholders may be entitled to claim a foreign tax credit in accordance with the provisions of, and subject to the general limitations under, the Tax Act for a portion of the foreign tax paid by the Fund in respect of income from foreign sources.

To the extent that distributions to Canadian Unitholders exceed the net income and net realized capital gains of the Fund for the year, such excess distributions will generally represent a return of capital and will not be taxable in the hands of the Canadian Unitholders but will reduce the adjusted cost base to the Canadian Unitholder of such Unitholder's Units, except to the extent such amount is the non-taxable portion of a capital gain of the Fund the taxable portion of which was designated to the Unitholder. To the extent that the adjusted cost base of a Unit would be less than zero, the negative amount will be deemed to be a capital

gain realized by the Unitholder from the disposition of the Unit and the Unitholder's adjusted cost base of the Unit will be increased by the amount of such deemed capital gain.

Upon the actual or deemed disposition of a Unit, including the redemption of a Unit by the Fund, a capital gain (or a capital loss) will generally be realized to the extent that the proceeds of disposition of the Unit exceed (or are exceeded by) the aggregate of the adjusted cost base of the Unit to the Unitholder and any costs of disposition. Under the Tax Act, one-half of capital gains are included in an individual's income and one-half of capital losses are generally deductible only against taxable capital gains. Any unused allowable capital losses may be carried back up to three years and forward indefinitely and deducted against net taxable capital gains realized in any such other year to the extent and under the circumstances described in the Tax Act.

Any front-end sales charges payable by Unitholders to registered dealers on the acquisition of Units are not deductible by Unitholders but are generally added to the adjusted cost base of the Units purchased. The cost of Units must be averaged with the adjusted cost base of all other identical Units held by the Unitholder at such time as capital property.

Unitholders will be advised each year of the amount of net income, net taxable capital gains and return of capital paid or payable to them, the amount of net income considered to have been received as a taxable dividend and the amount of any foreign taxes considered to have been paid by them.

In general terms, net income of the Fund paid or payable to Canadian Unitholders that is designated as net realized taxable capital gains, taxable dividends or taxable capital gains realized on the disposition of Units may increase a Canadian Unitholder's potential liability for alternative minimum tax.

Based on the published administrative statements of the CRA, a redesignation of Units of a particular class of Units of the Fund as Units of a different class denominated in the same currency should not generally be considered to give rise to a taxable disposition for the purposes of the Tax Act. The CRA has, however, taken the position that the redesignation of units of a trust denominated in one currency as units of the trust denominated in another currency will give rise to a disposition for the purposes of the Tax Act.

Management fees and performance fees paid directly by holders of Class I and Class UI Units will generally not be deductible by those Unitholders for the purposes of the Tax Act.

A Unitholder's share of distributions paid by the Fund will be based on the number of Units held by the Unitholder on the record date of the distribution regardless of how long the Unitholder has owned his, her or its Units. Where a Unitholder buys Units, the Net Asset Value of the Units, and therefore the price paid for the Unit, may reflect income and gains that have accrued in the Fund that have not yet been realized or distributed. When such income and gains are distributed by the Fund, the Unitholder will be required to include the Unitholder's share of the distribution in the Unitholder's income even though some of the distribution the Unitholder received may reflect the purchase price paid by the Unitholder for the Units. This effect could be particularly significant if the Unitholder purchases Units just before a record date for distribution by the Fund.

Eligibility for Investment

Provided the Fund qualifies at all times as a "mutual fund trust" under the Tax Act and the Income Tax Regulations, Units will be "qualified investments", as defined in the Tax Act, for Tax Deferred Plans. Notwithstanding that Units may be qualified investments for an RRSP, RRIF, RDSP, RESP or a TFSA the annuitant of an RRSP or RRIF, the subscriber of an RESP, or the holder of a TFSA or RDSP, as the case may be, will be subject to penalty taxes in respect of the Units if such properties are a "prohibited investment" (as defined in the Tax Act) for the RRSP, RRIF, RDSP, RESP or the TFSA, as applicable. The

Units will not be a "prohibited investment" provided that the annuitant, subscriber or holder, as the case may be: (i) deals at arm's length with the Fund, and (ii) does not have a "significant interest" in the Fund (within the meaning of the Tax Act). Generally, an annuitant, subscriber or holder will not have a significant interest in the Fund unless the annuitant, subscriber or holder owns interests as a beneficiary under the Fund that have a fair market value of 10% or more of the fair market value of the interests of all beneficiaries under the Fund, either alone or together with persons and partnerships with whom the annuitant, subscriber or holder does not deal at arm's length. In addition, the Units will generally not be a "prohibited investment" if the Units are "excluded property" as defined in the Tax Act for RRSPs, RRIFs, RDSPs, RESPs or TFSAs.

Tax Exempt Unitholders

In the event that, on a redemption of Units, a Unitholder that is a Tax Deferred Plan receives a distribution in-kind from the Fund, including LP Units, such property may not be, and in the case of LP Units, will not be, a "qualified investment" for a Tax Deferred Plan for the purposes of the Tax Act. Investors are urged to consult with their tax advisors in respect of purchases of Units made through a Tax Deferred Plan.

International Tax Information Reporting

In March 2010, the U.S. enacted the Foreign Account Tax Compliance Act ("FATCA"), which imposes certain reporting requirements on non-U.S. financial institutions. The governments of Canada and the United States have entered into an Intergovernmental Agreement (the "IGA"), which establishes a framework for cooperation and information sharing between the two countries and may provide relief from a 30% U.S. withholding tax under U.S. tax law (the "FATCA Tax") for Canadian entities, such as the Fund, provided that (i) the Fund complies with the terms of the IGA and the Canadian legislation implementing the IGA in Part XVIII of the Tax Act, and (ii) the government of Canada complies with the terms of the IGA. The Fund will endeavor to comply with the requirements imposed under the IGA and Part XVIII of the Tax Act. Under Part XVIII of the Tax Act, Canadian Unitholders are required to provide identity and residency and other information to the Fund (and may be subject to penalties for failing to do so), which, in the case of "Specified U.S. Persons" or certain non-U.S. entities controlled by "Specified U.S. Persons", will be provided, along with certain financial information (for example, account balances), by the Fund to the CRA and from the CRA to the U.S. Internal Revenue Service. The Fund may be subject to FATCA Tax if it cannot satisfy the applicable requirements under the IGA or Part XVIII of the Tax Act, or if the Canadian government is not in compliance with the IGA and if the Fund is otherwise unable to comply with any relevant and applicable U.S.legislation. Any such FATCA Tax in respect of the Fund would reduce the Fund's distributable cash flow and net asset value.

Part XIX of the Tax Act came into force on July 1, 2017 and implemented the Common Reporting Standard developed by the Organisation for Economic Co-operation and Development. Pursuant to Part XIX of the Tax Act, "Canadian financial institutions" that are not "non-reporting financial institutions" (as both terms are defined in Part XIX of the Tax Act) are required to have procedures in place to identify accounts held by residents of foreign countries (other than the U.S.) or by certain entities the "controlling persons" of which are resident in a foreign country, and to report required information to the CRA. Such information is expected to be exchanged on a reciprocal, bilateral, basis with the tax authorities of the foreign country in which the account holders or such controlling persons are resident, pursuant to the Multilateral Convention on Mutual Administrative Assistance in Tax Matters or the relevant bilateral tax treaty. Pursuant to Part XIX of the Tax Act, Canadian Unitholders are required to provide certain information regarding their investment in the Fund for the purpose of such information exchange.

The Fund's ability to satisfy its obligations under Part XVIII and Part XIX of the Tax Act depends on each Unitholder providing the Fund with any information, including information concerning the direct or indirect owners of such Unitholder, that the Fund determines is necessary to satisfy such obligations. In its subscription agreement, each Unitholder will, among other things, agree to provide such information and

documentation upon request from the Fund. If a Unitholder provides information and documentation that is misleading, or it fails to provide the Fund (or its agents) with the requested information and documentation necessary in either case to satisfy the Fund's obligations under the Tax Act, then the Fund reserves the right to (i) take any action and/or pursue all remedies at its disposal, including, without limitation, compulsory redemption or withdrawal of the Unitholder's Units; and (ii) hold back from any redemption proceeds, or deduct from the Net Asset Value in respect of the Unitholder's Units, any liabilities, costs, expenses, penalties or taxes caused (directly or indirectly) by the Unitholder's action or inaction.

RISK FACTORS

An investment in Units involves certain risks, including risks associated with the investment objectives of the Fund and of the Partnership. The following risk factors do not purport to be a complete explanation of all risks involved in purchasing Units. Prospective investors should read this entire Offering Memorandum and consult with their legal and other professional advisors before determining whether to invest in Units.

Risks Associated with an Investment in the Fund

Speculative Investment

AN INVESTMENT IN THE FUND MAY BE DEEMED SPECULATIVE 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, STRATEGIES AND RESTRICTIONS TO BE UTILIZED BY THE FUND AS OUTLINED HEREIN TO FAMILIARIZE THEMSELVES WITH THE RISKS ASSOCIATED WITH AN INVESTMENT IN THE FUND.

Not a Public Mutual Fund

The Fund is not subject to the securities regulatory restrictions placed on public mutual funds to ensure diversification and liquidity of the Fund's portfolio securities.

Limited Operating History for the Fund

Although all persons involved in the management and administration of the Fund, including the service providers to the Fund, have significant experience in their respective fields of specialization, the Fund has a limited operating or performance history upon which prospective investors can evaluate the Fund's likely performance. Notwithstanding the foregoing, prospective investors may wish to consider the Partnership's operating and performance history.

Class Risk

Each class of Units has its own fees and expenses which are tracked separately. If, for any reason, the Fund is unable to pay the expenses of one class of Units using that class' proportionate share of the Fund's assets, the Fund will be required to pay those expenses out of the other classes' proportionate share of the Fund's assets. This could effectively lower the investment returns of the other class or classes of Units even though the value of the investments of the Fund might have increased.

Charges to the Fund

The Fund is obligated to pay commissions and trustee, custodian, record-keeper, legal, accounting, filing

and other expenses regardless of whether the Fund realizes any profits. See "Fees and Expenses – Operating Expenses Payable by the Fund".

Changes in Investment Objective, Strategies and Restrictions

The Manager may alter the Fund's investment objective, strategies and restrictions without the prior approval of the Unitholders to adapt to changing circumstances.

Unitholders not Entitled to Participate in Management

Unitholders are not entitled to participate in the management or control of the Fund or its operations. Unitholders do not have any input into the Fund's trading activities. The success or failure of the Fund will ultimately depend on the indirect investment of the assets of the Fund by the Partnership Manager with whom the Unitholders will not have any direct dealings.

Dependence of the Manager on Key Personnel

The Manager will depend, to a great extent, on the services of a limited number of individuals in the management and administration of the Fund's activities. The loss of one or more of such individuals for any reason could impair the ability of the Manager to perform its investment management activities on behalf of the Fund.

Reliance on the Manager

The Fund will be relying on the ability of the Manager to actively manage the assets of the Fund. There can be no assurance that satisfactory replacements for the Manager will be available, if the Manager ceases to act as such. Termination of the Manager will not terminate the Fund, but will expose investors to the risks involved in whatever new investment management arrangements the Fund is able to negotiate.

Resale Restrictions

This offering of Units is not qualified by way of prospectus and, consequently, the resale of Units is subject to restrictions under applicable securities legislation. There is no formal market for the Units and one is not expected to develop. In addition, Unit transfers are subject to approval by the Manager. Accordingly, it is possible that Unitholders may not be able to resell their Units other than by way of a redemption of their Units on a Valuation Date, subject to the limitations described under "Redemption of Units".

Illiquidity

Holders of Units may not be able to liquidate their investment in a timely manner and Units may not be readily accepted as collateral for a loan. There can be no assurance that the Fund will be able to dispose of its investments in order to honour requests to redeem Units.

Possible Effect of Redemptions

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

Redemptions in Kind

Provided the Fund qualifies at all relevant times as a "mutual fund trust" for the purposes of the Tax Act, Units will be "qualified investments" under the Tax Act for Tax Deferred Plans. Tax Deferred Plans will generally not be liable for tax in respect of any distributions received from the Fund. However, in the event that, on a redemption of Units, a Unitholder that is a Tax Deferred Plan receives a distribution in-kind from the Fund, including LP Units, such property may not be, and in the case of LP Units will not be, a qualified investment for a Tax Deferred Plan. Investors are urged to consult with their tax advisors in respect of purchases of Units made through a Tax Deferred Plan.

Distributions

The Fund is not required to distribute its profits. If the Fund has taxable income for Canadian federal income tax purposes for a fiscal year, such income will be distributed to Unitholders in accordance with the provisions of the Trust Agreement as described under "Distributions" and will be required to be included in computing the Unitholder's income for tax purposes, irrespective of whether or not cash may have been distributed to such Unitholders. Since Units may be acquired or redeemed on a monthly basis, and distributions of income and losses of the Fund to Unitholders are anticipated only to be made on an annual basis, such distributions to a particular Unitholder may not correspond to the economic gains and losses which such Unitholder may experience.

Liability of Unitholders

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

Potential Indemnification Obligations

Under certain circumstances, the Fund might be subject to significant indemnification obligations in favour of the Trustee, the Manager or certain parties related to them. The Fund will not carry any insurance to cover such potential obligations and, to the Manager's knowledge, none of the foregoing parties will be insured for losses for which the Fund has agreed to indemnify them. Any indemnification paid by the Fund would reduce the Net Asset Value of the Fund and, by extension, the Net Asset Value per Unit for each class of Units.

Lack of Independent Experts Representing Unitholders

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

No Involvement of Unaffiliated Selling Agent

No outside selling agent unaffiliated with the Manager has made any review or investigation of the terms

of this offering, the structure of the Fund or the background of the Manager.

Risks Associated with an Investment in the Partnership

The Fund's sole investment will be an investment in Class I LP Units and Class UI LP Units of the Partnership. The following risk factors, associated with an investment in the Partnership, will indirectly impact Unitholders in the Fund.

Speculative Investment

An investment in the Partnership is not guaranteed 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 Partnership. Investors should review closely the investment objective, strategies and restrictions to be utilized by the Partnership as outlined herein to familiarize themselves with the risks associated with an investment in the Partnership.

Not a Public Mutual Fund

The Partnership is not subject to the securities regulatory restrictions placed on public mutual funds to ensure diversification and liquidity of the Partnership's portfolio securities.

Limited Operating History for the Partnership

Although all persons involved in the management of the Partnership and the service providers to the Partnership have had long experience in their respective fields of specialization including experience with other credit funds, it has to be considered that the Partnership has a limited operating and performance history upon which prospective investors can evaluate the Partnership's performance.

Class Risk

Each class of LP Units has its own fees and expenses which are tracked separately. If, for any reason, the Partnership is unable to pay the expenses of one class of LP Units using that class' proportionate share of the Partnership's assets, the Partnership will be required to pay those expenses out of the other classes' proportionate share of the Partnership's assets. This could effectively lower the investment returns of the other class or classes even though the value of the investments of the Partnership might have increased.

Charges to the Partnership

The Partnership is obligated to pay Management Fees, brokerage commissions and legal, accounting, filing and other expenses regardless of whether the Partnership realizes any profits. In addition, the Partnership will allocate Net Income to the General Partner in respect of a fiscal year, as described under "The Limited Partnership Agreement – Distributions and Computation and Allocation of Net Income or Net Losses of the Partnership".

Changes in Investment Guidelines

The Partnership may alter its investment guidelines without the prior approval of the Limited Partners in accordance with the Limited Partnership Agreement.

Limited Partners Not Entitled to Participate in Management

Limited Partners are not entitled to participate in the management or control of the Partnership or its operations. Limited Partners do not have any input into the Partnership's trading activities. The success or

failure of the Partnership will ultimately depend on the investment of the assets of the Partnership by the Partnership Manager with whom the Limited Partners will not have any direct dealings.

Dependence of the Partnership Manager on Key Personnel

The Partnership Manager depends, to a great extent, on the services of a limited number of individuals in the management and administration of the Partnership's trading activities. The loss of such services for any reason could impair the ability of the Partnership Manager to perform its investment management activities on behalf of the Partnership.

Reliance on the Manager

The Partnership relies on the ability of the Manager to actively manage the assets of the Partnership. The Manager will make the actual trading decisions upon which the success of the Partnership will depend significantly. No assurance can be given that the trading approaches utilized by the Manager will prove successful. There can be no assurance that satisfactory replacements for the Manager will be available, if needed. Termination of the Management Agreement will not terminate the Partnership, but will expose investors to the risks involved in whatever new investment management arrangements the General Partner is able to negotiate for and on behalf of the Partnership. In addition, the liquidation of securities positions held by the Partnership as a result of the termination of the Management Agreement may cause substantial losses to the Partnership.

Resale Restrictions

The offering of the LP Units is not qualified by way of prospectus and, consequently, the resale of the LP Units is subject to restrictions under applicable securities legislation. There is no formal market for the LP Units and one is not expected to develop. Accordingly, it is possible that Limited Partners, including the Fund, may not be able to resell their LP Units other than by way of redemption of their LP Units on a Partnership Valuation Date, subject to the limitations described under "The Limited Partnership Agreement – Redemption of LP Units".

Illiquidity

Holders of LP Units, including the Fund, may not be able to liquidate their investment in a timely manner and LP Units may not be readily accepted as collateral for a loan. There can be no assurance that the Partnership will be able to dispose of its investments in order to honour requests to redeem LP Units.

Possible Effect of Redemptions

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

Liability of Unitholders

The Limited Partnership Agreement provides that no Unitholder will be subject to any liability whatsoever, in tort, contract or otherwise, to any person in connection with the investment obligations, affairs or assets of the Partnership and all such persons shall look solely to the Partnership's assets for satisfaction of claims of any nature arising out of or in connection therewith. There is a risk, which is considered by the Partnership Manager to be remote in the circumstances, that a holder of LP Units could be held personally liable, notwithstanding the foregoing statement in the Limited Partnership Agreement, for obligations of

the Partnership to the extent that claims are not satisfied out of the assets of the Partnership. It is intended that the operations of the Partnership will be conducted in such manner so as to minimize such risk. In the event that a Unitholder should be required to satisfy any obligation of the Partnership, such holder of LP Units will be entitled to reimbursement from any available assets of the Partnership.

Distributions and Allocations

The Partnership is not required to distribute its profits. If the Partnership has income, as computed for Canadian federal income tax purposes, for a fiscal year, all or a portion of such income will be allocated to the Limited Partners in accordance with the provisions of the Limited Partnership Agreement as described under "The Limited Partnership Agreement – Distributions and Computation and Allocation of Net Income or Net Losses of the Partnership", and will be required to be included in computing their income for tax purposes, whether or not cash was distributed to Limited Partners. Allocations for tax purposes by the Partnership to the Fund, may not correspond to the economic gains and losses which the Fund may experience.

Repayment of Certain Distributions

Other than with respect to the possible loss of limited liability as outlined herein, no Limited Partner will be obligated to pay any additional assessment on the LP Units held or subscribed. However, if the available assets of the Partnership are insufficient to discharge obligations to creditors incurred by the Partnership, the Partnership may have a claim against a Limited Partner for the repayment of any distributions or returns of contributions received by such Limited Partner (including upon redemption of LP Units), to the extent that such obligations arose before the distributions or returns of contributions sought to be recovered by the Partnership. In the Limited Partnership Agreement, each Limited Partner agrees to repay to the Partnership any such amount for which such Limited Partner could be liable pursuant to applicable limited partnership legislation upon the request of the General Partner. A Limited Partner who transfers his or her LP Units remains liable to make such repayments, irrespective of whether his or her transferee becomes a substituted Limited Partner. See "The Limited Partnership Agreement – Liability of Limited Partners and Registration of the Partnership".

Possible Loss of Limited Liability

The Partnership may, by virtue of its offering of the LP Units or otherwise, be carrying on business in Offering Jurisdictions other than the jurisdiction under which it was formed. However, there is a risk that Limited Partners (including the Fund) may not be afforded limited liability in such Offering Jurisdictions to the extent that principles of conflicts of law recognizing the limitation of liability of Limited Partners have not been authoritatively established with respect to limited partnerships formed under laws of one jurisdiction but carrying on business in another jurisdiction. See "The Limited Partnership Agreement – Liability of Limited Partners and Registration of the Partnership".

Potential Indemnification Obligations

Under certain circumstances, the Partnership might be subject to significant indemnification obligations in respect of the General Partner, the Partnership Manager or certain parties related to them. The Partnership will not carry any insurance to cover such potential obligations and 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 Net Asset Value of the Partnership and the Net Asset Value per LP Unit, and, by extension, the Net Asset Value of the Partnership and the Net Asset Value per LP Unit.

Valuation of the Partnership's Investments

Valuation of the Partnership's portfolio 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 and the Net Asset Value per LP Unit could be adversely affected. Independent pricing information may not at times be available regarding certain of the Partnership's portfolio securities and other investments. Valuation determinations will be made in good faith in accordance with the Limited Partnership Agreement.

The Partnership may 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 designated by the Partnership to any such investment differs from its actual value, the Net Asset Value per LP 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 his or her LP 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 Partnership. 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 Partnership. Furthermore, there is a risk that a new Limited Partner (or an existing Limited Partner that makes an additional investment) could pay more to purchase LP Units than he or she might otherwise be required to pay if the actual value of such investments is lower than the value designated by the Partnership. The Partnership does not intend to adjust the Net Asset Value per LP Unit of any class of LP Units retroactively.

Lack of Independent Experts Representing Limited Partners

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

No Involvement of Unaffiliated Selling Agent

The General Partner and the Partnership 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 the offering of the LP Units, the structure of the Partnership or the background of the General Partner and the Partnership Manager.

Tax Liability

Each Limited Partner is taxable in respect of the income of the Partnership allocated to him or her. Income will be allocated to Limited Partners according to the terms of the Limited Partnership Agreement and without regard to the acquisition price of such LP Units. Limited Partners may have an income tax liability in respect of profits not distributed.

The income or loss of the Partnership will be computed as if the Partnership were a separate person resident in Canada. In the event that the Partnership treats certain of its gains and losses from trading in equities and equity derivative securities as giving rise to capital gains and capital losses, it is possible that the CRA may recharacterize such gains and losses as being on income account.

Risks Associated with the Partnership's Investments

The Fund's sole investment will be an investment in Class I LP Units and Class UI LP Units of the Partnership. The following risk factors, associated with the Partnership's underlying investments, will indirectly impact Unitholders in the Fund.

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.

Assessment of the Market

The Partnership Manager intends to invest in opportunities that provide what the Partnership Manager, at the time of investment, believes to be the best reward per unit of risk. The Partnership Manager also intends to optimize the reward per unit of risk of the Partnership's investment portfolio depending on the Partnership Manager's view of the domestic and international economy, market trends and other considerations. The Partnership's portfolio will be positioned in accordance with the Partnership Manager's market view. There is no assurance that the Partnership Manager's assessment of the market will be correct and result in positive returns. Losses may occur as a result of any incorrect assessment.

Concentration

The Partnership Manager may take more concentrated securities positions than a typical mutual fund or concentrate investment holdings in specialized industries, market sectors or in a limited number of issuers. Investment in the Partnership involves greater risk and volatility since the performance of one particular sector, market or issuer could significantly and adversely affect the overall performance of the entire Partnership.

Foreign Investment Risk

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

Illiquidity of Underlying Investments

Due to the nature of the Partnership's investment strategy and portfolio, certain investments may have to be held for a substantial period of time before they can be liquidated to the Partnership's greatest advantage or, in some cases, at all. The Partnership will generally hold investments that are illiquid and for which no ready market exists. Illiquid investments carry the risk that a buyer may not be found for such investments. Also, certain of the investments owned by the Partnership may be subject to legal or contractual restrictions which may impede the Partnership's ability to dispose of its investments which it might otherwise desire to do. To the extent that there is no liquid trading market for these investments, the Partnership may be unable to liquidate these investments or may be unable to do so at a profit.

Credit Risk

The investments of the Partnership in Private Debt Loans will expose the Partnership to the credit risk of the borrower or counterparty, as applicable, including the risk of default by the borrower or counterparty, as applicable, on the interest, principal and other payment amounts owing on the debt. Although the Manager will seek to moderate risk through the careful selection of investments within the parameters of the investment strategy, and such investments in the Portfolio will generally be secured by specific collateral, there can be no assurance the liquidation of such collateral would satisfy a borrower's obligation in the event of default or that such collateral could be readily liquidated under such circumstances. In the event of bankruptcy of a borrower, delays or limitations could be experienced with respect to the ability to realize the benefits of any collateral securing a Private Debt Loan.

Public Health Crises and Other Events Outside the Control of the Partnership

Public health crises, such as epidemics and pandemics, including the recent outbreak of the novel coronavirus known as "COVID-19", acts of terrorism, war or other conflicts and other events outside of the control of the Partnership and General Partner may adversely impact the business, financial condition and results of operations of the Partnership and companies in which it invests. In addition to the direct impact that such events could have on the Partnership's operations and workforce, these types of events could result in volatility and disruption to global supply chains, operations, mobility of people, and the economies and financial markets of many countries, which could affect stability of the financial and stock markets, interest rates, credit ratings, credit risk, inflation, business and financial conditions, operations and other factors relevant to the Partnership and the companies in which it invests. The extent to which the novel coronavirus known as "COVID-19" may impact the Partnership and the companies in which it invests will depend on future developments, which are highly uncertain and cannot be predicted at this time. The repercussions of this health crisis could have a material adverse effect on the Partnership's business, financial condition and results of operations.

Impaired Loans; No Insurance

The Partnership may from time to time have one or more impaired loans in its Portfolio. Loans are impaired where full recovery is considered in doubt based on a current evaluation of the security held and for which specific loss provisions have been established. Any Private Debt Loan which is secured by buildings and/or land will not generally be insured by a mortgage insurer in whole or in part. Consequently, the performance of such impaired loans may affect the overall performance of the Partnership.

Joint Ventures and Co-Investments

The Partnership may enter into joint venture or co-investment arrangements with other entities when making investments, which may include other vehicles or accounts, organised or sponsored by the Partnership Manager or its respective affiliates. These may involve incentive-based management agreements. The Partnership Manager may, from time to time, in its sole discretion, offer Limited Partners or third parties opportunities to co-invest with the Partnership in particular investments. Co-investment opportunities may result in additional benefits for those who so invest. As the Partnership Manager retains discretion as to how co-investment opportunities are allocated among Limited Partners, the benefits of an investment in which the Partnership Manager has made co-investment opportunities available will be received only by the Limited Partners selected by the Partnership Manager for such opportunities and not by any of the other Limited Partners.

Litigation

Litigation can and does occur in the ordinary course of the management of an investment portfolio. The Partnership may be engaged in litigation both as plaintiff and as a defendant. In certain cases, borrowers may bring claims and/or counterclaims against the Partnership, the Partnership Manager, and/or their respective principals and affiliates. The expense of defending against claims made against the Partnership by third parties and paying any amounts pursuant to settlements or judgments would, to the extent that the Partnership has not been able to protect itself by indemnification or other rights against the portfolio companies, be borne by the Partnership and reduce the Net Asset Value of the Partnership.

In recent years, certain judicial decisions have upheld the right of borrowers to sue lending institutions on the basis of various evolving legal theories (collectively termed "lender liability"). Generally, lender liability is founded upon the premise that an institutional lender has violated a fiduciary duty (whether implied or contractual) of good faith and fair dealing owed to the borrower or has assumed a degree of control over the borrower resulting in creating a fiduciary duty owed to the borrower or its other creditors or shareholders. Due to the nature of the Partnership's investments, the Partnership could be subject to allegations of lender liability.

Fixed Income Securities

To the extent that the Partnership holds fixed income investments in its portfolio, it will be influenced by financial market conditions and the general level of interest rates in Canada. In particular, 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 investments in its portfolio, 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. Additionally, to the extent that the Partnership holds any foreign investments in its portfolio, it will be influenced by world political and economic factors and by the value of the Canadian dollar as measured against foreign currencies which will be used in valuing the foreign investment positions held by the Partnership.

Possible Correlation With Traditional Investments

Although the Partnership's portfolio will not typically be comprised of a material amount of equity securities, there can be no assurance that the performance of the Partnership will not, in fact, be positively correlated to the performance of traditional stock and bond investments, especially if multiple markets move in tandem, thereby reducing the overall portfolio benefits of an investment in the Partnership.

Idle Cash

While the Partnership Manager will typically endeavour to keep the assets of the Partnership invested, there may be periods of time when the Partnership has a significant portion of its assets in cash or cash equivalents. The investment return on such "idle cash" may not meet the overall return objective the Partnership Manager seeks for the Partnership.

Currency Risk

Investments denominated in a currency other than Canadian dollars will be affected by changes in the value of the Canadian dollar in relation to the value of the currency in which the security is denominated. Thus, the value of securities within the Partnership's portfolio may be worth more or less depending on their susceptibility to foreign exchange rates.

To the extent that the Partnership directly or indirectly holds assets in local currencies, the Partnership will be exposed to a degree of currency risk which may adversely affect performance. Changes in foreign currency exchange rates may affect the value of investments in the Partnership. In addition, the Partnership will incur costs in connection with conversions between various currencies. The Partnership may seek to hedge the foreign currency exposure, but such hedging strategies may not necessarily be available or effective and may not always be employed, since the Partnership may choose to enhance returns through direct currency exposure.

Leverage

The Partnership may use financial leverage by borrowing funds against the assets of the Partnership. The use of leverage increases the risk to the Partnership and subjects the Partnership to higher current expenses. Also, if the Partnership's portfolio value drops to the loan value or less, Limited Partners (including the Fund) could sustain a total loss of their investment.

Cannabis Industry Risk

The Partnership may invest in businesses in or that have exposure to the cannabis industry. The cannabis industry is subject to various laws, regulations and guidelines relating to the manufacture, management, transportation, storage and disposal of medical cannabis, as well as laws and regulations relating to health and safety, the conduct of operations and the protection of the environment. In Canada, the production, distribution, sale and possession of both medical and recreational cannabis is regulated by the *Cannabis Act*, along with the related provincial and territorial regulatory regimes. In the United States, cannabis is regulated at both the federal and state government levels. Despite the legalization of cannabis in many states in the United States, cannabis remains a Schedule I controlled substance, meaning that it is illegal under U.S. federal law to prescribe, market and sell cannabis, whether for medical or non-medical purposes. As a result of the conflicting laws between the U.S federal government and state legislatures regarding cannabis, investments in U.S. cannabis companies may be subject to inconsistent regulation and enforcement.

Any changes to the legal framework governing cannabis may significantly and adversely impact the Partnership and its investments in businesses in or that have exposure to the cannabis industry. There can be no guarantee that laws legalizing and regulating the production, distribution and possession of cannabis will not be repealed or overturned, that proposed laws legalizing and regulating the production, distribution and possession of cannabis will become law, or that governmental authorities will not limit the application of such laws within their respective jurisdictions. If governmental authorities begin to enforce certain laws relating to cannabis in jurisdictions where the sale and use of cannabis is currently legal, or if existing laws are repealed or curtailed, the Partnership's investments in companies operating in such jurisdictions may be materially and adversely affected. In particular, the enforcement by the U.S. federal government of current federal laws could adversely affect the ability of U.S. companies to produce, distribute or possess cannabis, and could negatively impact the value of the Partnership's investments.

The regulatory environment governing the medical and cannabis industries in the United States where local laws permit such activities, as well as the cannabis industry in Canada, are and will continue to be subject to evolving regulation by governmental authorities. Accordingly, there are a number of risks associated with investing in businesses in an evolving regulatory environment, including, without limitation, increased competition, rapid consolidation of industry participants and potential bankruptcy of industry participants. Companies may face litigation, enforcement actions, complaints and inquiries by various government and regulatory bodies, which may consume considerable amounts of resources and negatively impact the profitability and growth of such companies.

In light of the foregoing there can be no assurance that the Fund of the Partnership's investment objective will be achieved or that the Net Asset Value per Unit at redemption will be equal to or more than a purchaser's original cost.

CONFLICTS OF INTEREST

Various potential conflicts of interest exist between the Fund and the Manager, and the Partnership and each of the Partnership Manager and the General Partner. These potential conflicts of interest may arise as a result of common ownership and certain common directors, partners, officers and personnel, and, accordingly, will not be resolved through arm's length negotiations but through the exercise of judgment consistent with the Manager's obligations to the Fund and its Unitholders generally and with the Partnership Manager's or the General Partner's obligations to the Partnership and its Unitholders generally, as applicable. In addition, the services of the Manager and its directors, partners, officers and personnel are not exclusive to the Fund. The services of each of the Partnership Manager and the General Partner and their respective directors, partners, officers and personnel are not exclusive to the Partnership.

The Fund and its Unitholders are dependent, in large part, upon the experience and good faith of the Manager. Similarly, the Partnership and its Unitholders are dependent, in large part, upon the experience and good faith of the Partnership Manager and the General Partner. Each of the Manager, the Partnership Manager and the General Partner and their respective directors, partners, officers and personnel may manage or be involved with (or may currently or in the future manage or be involved with) other limited partnerships, trusts, corporations, investment funds or managed accounts in addition to the Fund or Partnership, as applicable, and other businesses or ventures engaged in similar activities as the Fund or Partnership. Such persons may be subject to conflicting demands in respect of allocating management time, services and other functions, including allocation of investment opportunities. Each of the Manager, the Partnership Manager and the General Partner and their respective principals and affiliates will endeavour to treat each investment pool and managed account fairly and not to favour one pool or account over another. The Manager owes a standard of care to the Fund, and must comply with its obligations to the Fund and its Unitholders in addressing such potential conflicts. Each of the General Partner and the Partnership Manager owe a standard of care to the Partnership, and must comply with its obligations to the Partnership and its Unitholders in addressing such potential conflicts. In addition, the Manager will conduct its activities in accordance with the Manager's fair allocation policy, and the Partnership Manager will conduct its activities in accordance with the Partnership Manager's fair allocation policy.

In executing its duties on behalf of the Fund, the Manager will be subject to the provisions of the Declaration of Trust and the Manager's Code of Ethics (a copy of which is available for review by Unitholders upon request at the offices of the Manager), which provide that the Manager will exercise its duties in good faith and with a view to the best interests of the Fund and its Unitholders.

The Manager may retain work fees, commitment/facility fees and monitoring fees collected from borrowers as compensation for acting as the administrator of the investments.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Certain senior officers and directors of the Manager and/or its affiliates and associates may purchase and hold Units and LP Units of the Partnership from time to time.
The Manager may receive compensation and/or reimbursement of expenses from the Partnership as described under "Management of the Fund – The Manager ", "Fees and Expenses – Management Fees Payable by the Fund" and "Fees and Expenses – Performance Fees Payable by the Fund".

TRUSTEE

Pursuant to the Trust Agreement, Odyssey Trust Company is the trustee of the Fund. The Trustee is a trust company organized under the laws of Alberta. The principal office of the Trustee is located at 300 - 5th Avenue S.W., Calgary, Alberta T2P 3C4.

As compensation for its services, the Trustee will receive an annual fee (as well as recovery of its out-of-pocket expenses), the amount of which shall be settled in writing by the Trustee and the Manager.

CUSTODIANS

Pursuant to the Trust Agreement, Bank of Montreal (in such capacity, the "**Custodian**") was appointed as the custodian of the monetary assets of the Fund. As compensation for the custodian rendered to the Fund, the Custodian will receive such fees from the Fund as the Manager may approve from time to time. The Custodian will be responsible for the safekeeping of all of the monetary assets of the Fund delivered to it and will act as the custodian of such assets, other than those assets transferred to the Custodian or another entity, as the case may be, as collateral or margin.

The Manager, with the consent of the Trustee, will have the authority to change the custodian arrangement described above including, but not limited to, the appointment of a replacement custodian and/or additional custodians.

The Manager has retained the Bank of Nova Scotia Trust Company to act as the custodian of the non-monetary assets of the Fund.

The Manager will not be responsible for any losses or damages to the Fund arising out of any action or inaction by the Custodian or any sub-custodian holding the portfolio securities and other assets of the Fund.

ADMINISTRATOR, RECORD-KEEPER AND FUND REPORTING

Pursuant to the Administration Agreement, SS&C Fund Administration Company is administrator and record- keeper to the Fund to maintain a record of Unitholders. Pursuant to the Administration Agreement, any fees required to be paid to the record-keeper for services rendered, other than in respect of a transfer of Units, will be the responsibility of the Fund.

The Administrator also provides, among other things, valuation and financial reporting services to the Fund and to calculate the Net Asset Value of the Fund and the Class Net Asset Value for each class of Units on each Valuation Date. See "Computation of Net Asset Value of the Fund".

AUDITOR

The auditors of the Fund are KPMG LLP, with its principal offices located at 100 Adelaide Street West, Toronto, Ontario M5H 0B3. The auditors of the Fund may only be changed with the approval of the Unitholders in accordance with the provisions of the Trust Agreement.

UNITHOLDER REPORTING

The Manager will forward, upon request to Unitholders a copy of the audited annual financial statements of the Fund within 90 days of each fiscal year-end as well as unaudited interim financial statements of the Fund within 90 days of the end of the first six month period in each fiscal year. Within 60 days of the end of each fiscal quarter, the Manager will make available to Unitholders an unaudited schedule of the Net Asset Value per Unit for each class of Units and a short written commentary outlining highlights of the Fund's activities.

Confirmations will also be sent to Unitholders following each purchase or redemption of Units by them. On or before March 31 of each year, or in the case of a leap year on or before March 30 in such year, if applicable, Unitholders will also receive information pertaining to the Fund, including distributions, required to be reported in their income under the Tax Act or similar legislation of any province or territory of Canada with respect to the immediately preceding year.

The Manager will also cause to be furnished to the Unitholders and the Trustee any notice it receives of: (i) any assignment of the Management Agreement by the Partnership Manager to an affiliate thereof; (ii) any change to the investment objective and strategies of the Partnership and the Partnership Restrictions; (iii) the General Partner's desire to change the fiscal year-end of the Partnership; (iv) any change in the location of the principal office of the Partnership; (v) any person designated by the General Partner as transfer agent of the Partnership; (vi) any proposed change to the method of calculation of the Management Fee which would result in an increase in such fees being payable by the Partnership; (vii) any meeting of the Limited Partners; (viii) the intention of the General Partner to dissolve the Partnership; and (ix) any material amendment to the Limited Partnership Agreement, together with a written explanation for the reasons for such amendment.

MATERIAL CONTRACTS

The only material contracts of the Fund is the Trust Agreement referred to under "The Fund".

PROCEEDS OF CRIME (MONEY LAUNDERING) LEGISLATION

In order to comply with federal legislation aimed at the prevention of money laundering, the Manager may require additional information concerning each prospective investor and Unitholder.

If, as a result of any information or other matter which comes to the Manager's attention, any director, partner, officer or employee of the Manager, or their respective professional advisors, knows or suspects that a prospective investor or Unitholder is engaged in money laundering, such person is required to report such information or other matter to the Financial Transactions and Reports Analysis Centre of Canada and such report shall not be treated as a breach of any restriction upon the disclosure of confidential information imposed by law or otherwise.

PRIVACY POLICY

In connection with the offering and sale of Units, personal information (such as address, telephone number, social insurance number, birth date, asset and/or income information, employment history and credit history, if applicable) about Unitholders is collected and maintained. Such personal information is collected to enable the Manager to provide Unitholders with services in connection with their investment in the Fund, to meet legal and regulatory requirements and for any other purpose to which Unitholders may consent in the future. Investors are encouraged to review the privacy policy of the Fund set out in Schedule "D" to the subscription form prescribed by the Manager from time to time. By completing a subscription form for Units, subscribers consent to the collection, use and disclosure of his or her personal information in accordance with such policy.

PURCHASERS' RIGHTS OF ACTION FOR DAMAGES OR RESCISSION

Securities laws in certain jurisdictions of Canada provide purchasers, in addition to any other rights they may have at law, with rights of action for damages or rescission if an offering memorandum, such as this Offering Memorandum, or any amendment to it and, in certain cases, advertising and sales literature used in connection therewith, contains a misrepresentation. However, these rights must be exercised by the purchaser within the time limits prescribed by the applicable securities laws. Each purchaser should refer to the provisions of the applicable securities laws for a complete text of these rights and/or consult with

a legal advisor.

The following is a summary of the statutory rights of action for damages or rescission available to purchasers who are resident in certain provinces and territories. These summaries are subject to the express provisions of the applicable securities laws of such jurisdictions and the regulations, rules and policy statements thereunder, and reference is made thereto for the complete texts of such provisions. The rights of action described below are in addition to, and without derogation from, any other right or remedy that a purchaser may have under applicable laws.

Statutory Rights of Action

Purchasers Resident in Alberta in Reliance on the Minimum Amount Investment Exemption

Alberta Securities Commission Rule 45-511 *Local Prospectus Exemptions and Related Requirements* provides that the following statutory rights of action apply to information contained in an offering memorandum, such as this Offering Memorandum, that is provided to a purchaser of securities in respect of a distribution made in reliance only on the "minimum amount investment" exemption in section 2.10 of NI 45-106.

The rights of action for damages or rescission described herein is conferred by section 204 of the *Securities Act* (Alberta) (the "**ASA**") and the time limits specified by section 211 of the ASA in which an action to enforce a right under section 204 must be commenced. If this Offering Memorandum, or any amendment to it, provided in connection with a distribution made in reliance on the "minimum amount investment" exemption contains a misrepresentation, a purchaser resident in Alberta who purchases under such exemption a security offered by this Offering Memorandum: (a) is deemed to have relied on the misrepresentation if it was a misrepresentation at the time of purchase and, in addition to any other rights the purchaser may have at law, (b) has a right of action for damages against (i) the Fund, and (ii) each person who signed this Offering Memorandum (each a "**Signatory**" and collectively, the "**Signatories**"). If a purchaser elects to exercise a right of rescission against the Fund, the purchaser will have no right of action for damages against the Fund or the Signatories.

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.

No action may be commenced to enforce either right of action unless the right is exercised:

(a) in the case of an action for rescission, on notice given to the Fund not later than 180 days from the date of the transaction that gave rise to the cause of action; or

(b) in the case of an action for damages, on notice given to the Fund not later than the earlier of (i) 180 days from the date the purchaser first had knowledge of the facts giving rise to the cause of action; or (ii) three years from the date of the transaction that gave rise to the cause of action,

and also provided that:

(a) the Fund or a Signatory will not be held liable under this paragraph if the Signatory or the Fund proves the defendant purchased the Units with knowledge of the misrepresentation;

(b) in an action for damages, the Fund or the Signatory will not be liable for all or any portion of those damages that they prove do not represent the depreciation in value of the Units as a result of the misrepresentation; and

(c) in no case will the amount recoverable under this paragraph exceed the price at which the Units were sold to the purchaser.

Purchasers Resident in Manitoba

In the event that this Offering Memorandum, or any amendment hereto, contains a misrepresentation and it is a misrepresentation at the time of purchase, the purchaser shall be deemed to have relied upon the misrepresentation and shall have, in addition to any other rights the purchaser may have at law: (a) a right of action for damages against (i) the Fund, (ii) every director of the Fund at the date of the Offering Memorandum (each a "**Director**" and collectively, the "**Directors**"), and (iii) every Signatory; and (b) a right of rescission against the Fund. If a purchaser elects to exercise a right of rescission against the Fund, the purchaser will have no right of action for damages against the Fund, the Directors or the Signatories.

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.

The Fund, the Directors and the Signatories will not be liable if they prove that the purchaser purchased the Units with knowledge of the misrepresentation.

All of the Fund, the Directors and the Signatories that are found to be liable or accept liability 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 the circumstances of the case, the court is satisfied that it would not be just and equitable.

Directors or Signatories will not be liable:

(a) if they prove the Offering Memorandum was sent to the purchaser without their knowledge or consent and, after becoming aware that it was sent, promptly gave reasonable notice to the Fund that it was delivered without their knowledge and consent;

(b) if they prove that, after becoming aware of a misrepresentation in the Offering Memorandum they withdrew their consent to the Offering Memorandum and gave reasonable notice to the Fund of their withdrawal and the reasons therefor;

(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, a report, opinion or statement of an expert ("Expert Opinion"), if they prove they did not have any reasonable grounds to believe and did not believe that there was a misrepresentation or that the relevant part of the Offering Memorandum did not fairly represent the Expert Opinion or was not a fair copy of, or an extract from, such Expert Opinion; or

(d) with respect to any part of the Offering Memorandum not purporting to be made on an expert's authority, or not purporting to be a copy of, or an extract from an Expert Opinion, unless the Director or Signatory (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.

A person or company is not liable in an action for a misrepresentation in forward-looking information if the person or company proves that this Offering Memorandum contained, proximate to that information, reasonable cautionary language identifying the forward-looking information as such, and identifying material factors that could cause actual results to differ materially from a conclusion, forecast or projection

in the forward-looking information, and a statement of the material factors or assumptions that were applied in drawing the conclusion or making the forecast or projection, and the person or company had a reasonable basis for drawing the conclusions or making the forecasts or projections set out in the forward-looking information.

In an action for damages, the Fund, the Directors and the Signatories will not be liable for all or any part of the damages that they prove do not represent the depreciation in value of the Units as a result of the misrepresentation. The amount recoverable under the right of action shall not exceed the price at which the Units were offered under this Offering Memorandum.

A purchaser of Units to whom the Offering Memorandum was required to be sent in compliance with the regulations respecting an offering memorandum but was not sent within the time prescribed for sending the Offering Memorandum by those regulations, has a right of action for rescission or damages against the Fund or any dealer who did not comply with the requirement.

A purchaser to whom the Offering Memorandum is required to be sent may rescind the contract to purchase the Units by sending a written notice of rescission to the Fund not later than midnight on the second day, excluding Saturdays and holidays, after the purchaser signs the agreement to purchase the Units.

Unless otherwise provided under applicable securities laws, no action shall be commenced to enforce a right of action unless the right is exercised:

(a) in the case of rescission, not later than 180 days from the day of the transaction that gave rise to the cause of action; or

(b) in the case of an action, other than an action for rescission, the earlier of (i) 180 days from the day the purchaser first had knowledge of the facts giving rise to the cause of action; and (ii) two years from the day of the transaction that gave rise to the cause of action.

Purchasers Resident in New Brunswick

New Brunswick Securities Commission Rule 45-802 provides that the statutory rights of action for rescission or damages referred to in section 150 ("**Section 150**") of the *Securities Act* (New Brunswick) (the "**NBSA**") apply to information relating to an offering memorandum, such as this Offering Memorandum, that is provided to a purchaser of securities in connection with a distribution made in reliance on the "accredited investor" prospectus exemption in section 2.3 of NI 45-106. Section 150 provides purchasers who purchase securities offered for sale in reliance on an exemption from the prospectus requirements of the NBSA with a statutory right of action against the issuer of securities for rescission or damages in the event that an offering memorandum provided to the purchaser contains a "misrepresentation". In New Brunswick, "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 not misleading in the light of the circumstances in which it was made.

Where this Offering Memorandum is delivered to a prospective purchaser of Units in connection with a trade made in reliance on section 2.3 of NI 45-106, and this Offering Memorandum contains a misrepresentation, a purchaser who purchases Units will be deemed to have relied on the misrepresentation and will have, subject to certain limitations and defences, a statutory right of action against the Fund for damages or, while still the owner of Units, for rescission, in which case, if the purchaser elects to exercise the right of rescission, the purchaser will have no right of action for damages, provided that the right of action for rescission will be exercisable by the purchaser only if the purchaser commences an action against the defendant, not more than 180 days after the date of the transaction that gave rise to the cause of action, or, in the case of any 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 Fund shall not be liable where it is not receiving any proceeds from the distribution of the Units being distributed and the misrepresentation was not based on information provided by the Fund unless the misrepresentation (i) was based on information that was previously publicly disclosed by the Fund, (ii) was a misrepresentation at the time of its previous public disclosure, and (iii) was not subsequently publicly corrected or superseded by the Fund before the completion of the distribution of the Units being distributed.

In addition, if advertising or sales literature is relied upon by a purchaser in connection with a purchase of Units and such advertising or sales literature contains a misrepresentation, the purchaser shall also have a right of action for damages or rescission against every promoter or director of the Fund at the time the advertising or sales literature was disseminated.

In addition, where an individual makes a verbal statement to a prospective purchaser that contains a misrepresentation relating to the Units and the verbal statement is made either before or contemporaneously with the purchase of the Units, the purchaser shall be deemed to have relied upon the misrepresentation if it was a misrepresentation at the time of purchase, and has a right of action for damages against the individual who made the verbal statement. No such individual will be liable if:

(a) that individual can establish that he or she cannot reasonably be expected to have known that his or her statement contained a misrepresentation; or

(b) prior to the purchase of Units by the purchaser, that individual notified the purchaser that the individual's statement contained a misrepresentation.

Neither the Fund nor any other person referred to above will be liable, whether for misrepresentations in this Offering Memorandum, any advertising or sales literature or in a verbal statement:

(a) if the Fund or such other person proves that the purchaser purchased the Units with knowledge of the misrepresentation; or

(b) in an action for damages, for all or any portion of the damages that the Fund or such other person proves do not represent the depreciation in value of the Units as a result of the misrepresentation relied on.

No person, other than the Fund, is liable for misrepresentations in any advertising or sales literature if the person proves:

(a) that the advertising or sales literature was disseminated without the person's knowledge or consent and that, on becoming aware of its dissemination, the person gave reasonable general notice that it was so disseminated,

(b) that, after the dissemination of the advertising or sales literature and before the purchase of the Units by the purchaser, on becoming aware of any misrepresentation in the advertising or sales literature the person withdrew the person's consent to it and gave reasonable general notice of the withdrawal and the reason for the withdrawal, or

(c) that, with respect to a false statement purporting to be a statement made by an official person or contained in what purports to be a copy of, or an extract from, a public official document, it was a correct and fair representation of the statement or copy of, or extract from, the document, and the person had reasonable grounds to believe and did believe that the statement was true.

No person, other than the Fund, is liable with respect to any part of the advertising or sales literature 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 such reasonable investigation as to provide reasonable grounds for a belief that there had been no misrepresentation, or

(b) believed there had been a misrepresentation.

Any person who, at the time the advertising or sales literature was disseminated, sells Units on behalf of the Fund with respect to which the advertising or sales literature was disseminated is not liable if that person can establish that the person cannot reasonably be expected to have had knowledge that the advertising or sales literature was disseminated or contained a misrepresentation.

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

This summary is subject to the express provisions of the NBSA and the regulations and rules made under it, and prospective purchasers should refer to the complete text of those provisions.

Purchasers Resident in Newfoundland and Labrador

The right of action for damages or rescission described herein is conferred by section 130.1 of the *Securities Act* (Newfoundland and Labrador) (the "**NL Act**"). The NL Act provides, in the relevant part, that where an offering memorandum, such as this Offering Memorandum, contains a misrepresentation, as defined in the NL 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) a statutory right of action for damages against (i) the Fund, (ii) every director of the Fund at the date of the offering memorandum, and (iii) every person or the Fund who signed the offering memorandum; and (b) for rescission against the Fund.

The NL Act provides a number of limitations and defences in respect of such rights. Where a misrepresentation is contained in an offering memorandum, a person or company shall not be liable for damages or rescission:

(a) where the person or company proves that the purchaser purchased the Units with knowledge of the misrepresentation;

(b) where the person or company proves that the offering memorandum was sent to the purchaser without the person's or company's knowledge or consent and that, on becoming aware of its being sent, the person or company promptly gave reasonable notice to the Fund that it was sent without the knowledge and consent of the person or company;

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

(d) if, 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, opinion or statement of an expert, 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 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;

(e) 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 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;

(f) in the case of 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 Units as a result of the misrepresentation; and

(g) in no case will the amount recoverable in any action exceed the price at which the Units were offered under the offering memorandum.

Section 138 of the NL 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 summary is subject to the express provisions of the NL Act and the regulations and rules made under it, and prospective purchasers should refer to the complete text of those provisions.

Purchasers Resident in Nova Scotia

The right of action for rescission or damages described herein is conferred by section 138 of the *Securities Act* (Nova Scotia) (the "**NSSA**"). Section 138 provides, in the relevant part, that in the event that an offering memorandum, such as this Offering Memorandum, together with any amendments hereto, or any advertising or sales literature (as defined in the NSSA) contains an untrue statement of material fact or omits to state a material fact that is required to be stated or that is necessary in order to make any statements contained herein or therein not misleading in light of the circumstances in which it was made (in Nova Scotia, a "misrepresentation"), a purchaser of securities is 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 seller of such securities, the directors of the seller at the date of the offering memorandum and the persons who have signed the offering

memorandum or, alternatively, while still the owner of such securities, may elect instead to exercise a statutory right of rescission against the seller, in which case the purchaser will have no right of action for damages against the seller, the directors of the seller at the date of the offering memorandum or the persons who have signed the offering memorandum, provided that, among other limitations:

(a) no action shall be commenced to enforce the right of action for rescission or damages by a purchaser resident in Nova Scotia later than 120 days after the date payment was made for the securities (or after the date on which initial payment was made for the securities where payments subsequent to the initial payment are made pursuant to a contractual commitment assumed prior to, or concurrently with, the initial payment);

(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; 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, no person or company (other than the issuer if it is the seller) will be liable if such person or company proves that:

(a) the offering memorandum or the 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 the 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 the 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 if it is the seller) will be liable under section 138 of the NSSA 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 in, or deemed incorporated into, the offering memorandum or amendment to the offering memorandum, the misrepresentation is deemed to be contained in the offering memorandum or amendment to the offering memorandum.

The liability of all persons or companies referred to above is joint and several with respect to the same cause of action. A defendant who is found liable to pay a sum in damages may recover a contribution, in whole or in part, from a person or company who is jointly and severally liable to make the same payment in the same cause of action unless, in all the circumstances of the case, the court is satisfied that it would not be just and equitable.

This summary is subject to the express provisions of the NSSA and the regulations and rules made under it, and prospective purchasers should refer to the complete text of those provisions.

Purchasers Resident in Ontario

Securities laws of Ontario provide that, subject to the following paragraph, a purchaser resident in Ontario shall have, in addition to any other rights the purchaser may have at law, a right of action for damages or rescission against the Fund and a selling security holder on whose behalf the distribution is made if an offering memorandum, such as this Offering Memorandum, contains a "misrepresentation" (for the purposes of this section, as defined in the *Securities Act* (Ontario)) (the "**OSA**"), without regard to whether the purchaser relied on the misrepresentation. Purchasers should refer to the applicable provisions of the Ontario securities laws for particulars of these rights or consult with a lawyer.

OSC Rule 45-501 *Ontario Prospectus and Registration Exemptions* provides that, when an offering memorandum is delivered to a prospective purchaser in connection with a distribution made in reliance on the "accredited investor" prospectus exemption in section 2.3 of NI 45-106, the rights of action referred to in section 130.1 of the OSA ("**Section 130.1**") will apply in respect of the offering memorandum unless the prospective purchaser is:

(a) a Canadian financial institution, meaning either:

(i) an association governed by the *Cooperative Credit Associations Act* (Canada) or a central cooperative credit society for which an order has been made under section 473(1) of that Act; or

(ii) a bank, loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services corporation, or league that, in each case, is authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction of Canada;

(b) a Schedule III bank, meaning an authorized foreign bank named in Schedule III of the Bank Act (Canada);

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

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

Subject to the foregoing, Section 130.1 of the OSA provides a purchaser who purchases Units offered by this Offering Memorandum during the period of distribution with a statutory right of action for damages or rescission against the Fund and a selling security holder on whose behalf the distribution is made in the event that the Offering Memorandum or any amendment to it contains a "misrepresentation", without regard to whether the purchaser relied on the misrepresentation. A "misrepresentation" is defined in the OSA as an untrue statement of material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it is made. A "material fact", when used in relation to securities issued or proposed to be issued, is defined in the OSA as a fact that would be reasonably expected to have a significant effect on the market price or value of the securities. In the event that this Offering Memorandum, together with any amendment to it, is delivered to a purchaser of Units and this Offering Memorandum contains a misrepresentation which was a misrepresentation at the time of purchase of the Units, the purchaser will have statutory right of action for damages against the Fund and a selling security holder on whose behalf the distribution is made or, while still the owner of the Units, for rescission against the Fund and a selling security holder on whose behalf the distribution is made, in which case, if the purchaser elects to exercise the right of rescission, the purchaser will have no right of action for damages against the Fund and a selling security holder on whose behalf the distribution is made, provided that:

(a) no action shall be commenced more than, in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or, in the case of any action other than an action for rescission, the earlier of (i) 180 days after 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;

(b) no person or company will be liable if he, she or it proves that the purchaser purchased the Units with knowledge of the misrepresentation;

(c) in an action for damages, the defendant will not be liable for all or any portion of the damages that the defendant proves do not represent the depreciation in value of the Units as a result of the misrepresentation relied upon;

(d) no person or company will be liable for a misrepresentation in "forward-looking information" (as defined in the OSA) if he, she or it proves that:

(i) the Offering Memorandum contains, proximate to the forward-looking information, reasonable cautionary language identifying the forward-looking information as such, and identifying material factors that could cause actual results to differ materially from a conclusion, forecast or projection set out in the forward- looking information, and a statement of material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection set out in the forward-looking information; and

(ii) it had a reasonable basis for drawing the conclusions or making the forecasts and projections set out in the forward-looking information;

(e) in no case will the amount recoverable exceed the price at which the Units were offered to the

purchaser; and

(f) the right of action for damages or rescission is in addition to, and does not derogate from, any other right or remedy the purchaser may have at law.

Purchasers Resident in Prince Edward Island

The right of action for rescission or damages described herein is conferred by section 112 of the *Securities Act* (Prince Edward Island) (the "**PEI Act**"). Section 112 provides, that in the event that an offering memorandum, such as this Offering Memorandum, contains a "misrepresentation", a purchaser who purchased securities during the period of distribution, without regard to whether the purchaser relied upon such misrepresentation, has a statutory right of action for damages against the Fund, the selling security holder on whose behalf the distribution is made, every director of the Fund at the date of the offering memorandum, and every person who signed the offering memorandum. Alternatively, the purchaser while still the owner of Units may elect to exercise a statutory right of action for rescission against the Fund or the selling security holder on whose behalf the distribution is made. Under the PEI Act, "misrepresentation" means an untrue statement of material fact, or an omission to state a material fact that is required to be stated by the PEI Act, or an omission to state a material fact that needs to be stated so that a statement is not false or misleading in light of the circumstances in which it is made. Statutory rights of action for rescission or damages by a purchaser are subject to the following limitations:

(a) no action shall be commenced to enforce the right of action for rescission by a purchaser resident in Prince Edward Island, later than 180 days after the date of the transaction that gave rise to the cause of action;

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

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

(ii) three years after the date of the transaction giving rise to the cause of action or whichever period expires first;

(c) no person will be liable if the person proves that the purchaser purchased the Units with knowledge of the misrepresentation;

(d) no person other than the Fund and selling security holder will be liable if the person proves that

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

(ii) 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 Fund of the withdrawal and the reason for it; or

(iii) 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;

(A) there had been a misrepresentation; or

(B) the relevant part of the offering memorandum:

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

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

If the purchaser elects to exercise a right of action for rescission, the purchaser will have no right of action for damages.

In no case will the amount recoverable in any action exceed the price at which the Units were offered to the purchaser.

In an action for damages, the defendant will not be liable for any damages that the defendant proves do not represent the depreciation in value of the Units as a result of the misrepresentation.

This summary is subject to the express conditions of the PEI Act and the regulations and rules made under it, and prospective purchasers should refer to the complete text of those provisions.

Purchasers Resident in Saskatchewan

Section 138 of *The Securities Act, 1988* (Saskatchewan), as amended (the "**SSA**"), provides that where an offering memorandum, such as this Offering Memorandum, or any amendment to it is sent or delivered to a purchaser and it contains a misrepresentation (for the purposes of this section, as defined in the SSA), a purchaser who purchases securities covered by the offering memorandum or any amendment to it has, without regard to whether the purchaser relied on the misrepresentation, a right of action for rescission against the Fund or a selling security holder on whose behalf the distribution is made or has a right of action for damages against:

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

(b) every promoter and director of the Fund or the selling security holder, as the case may be, at the time of 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 Units on behalf of the Fund 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 its right of rescission against the Fund 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 Units resulting from the misrepresentation relied on;

(c) no person or company, other than the Fund 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 there had been a misrepresentation;

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

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

In addition, no person or company, other than the Fund or selling security holder, will be liable in an action pursuant to section 138 of the SSA 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 immediately 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.

In addition, no person or company will be liable in an action pursuant to section 138 of the SSA if that person or company proves that in respect of a misrepresentation in forward looking information (as defined in the SSA), such person or company proves that with respect to the document containing the forward looking information, approximate to that information, there is contained reasonable cautionary language identifying the forward looking information as such and identifying material factors that could cause actual results to differ materially from a conclusion, forecast or projection in the forward looking information; and a statement of material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection set out in the forward looking information; and the person or company had a reasonable basis for drawing the conclusions or making the forecast and projections set out in the forward looking information.

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

Subsection 138.2(1) of the SSA 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 who made the verbal statement.

Subsection 141(1) of the SSA 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 by a vendor who is trading in Saskatchewan in contravention of the SSA, the regulations to the SSA or a decision of the Saskatchewan Financial Services Commission.

Subsection 141(2) of the SSA 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 SSA.

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

Section 147 of the SSA 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.

Section 80.1 of the SSA also provides a purchaser who has received an amended offering memorandum delivered in accordance with subsection 80.1(3) of the SSA with a right to withdraw from the agreement to purchase Units by delivering a notice to the person who or company that is selling the Units, 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.

Purchasers Resident in Northwest Territories, Nunavut or the Yukon

If this Offering Memorandum, or any amendments thereto, delivered to a purchaser of Units resident in the Northwest Territories, Nunavut or the Yukon contains a misrepresentation, a purchaser in such jurisdictions who purchases the Units during the period of distribution has, without regard to whether the purchaser relied on the misrepresentation, a statutory right of action for damages against (i) the Fund, (ii) the selling security holder on whose behalf the distribution was made, (iii) every director of the Fund at the date of the Offering Memorandum, and (iv) every person who signed the Offering Memorandum. Alternatively, the purchaser may elect to exercise a statutory right of action for rescission against the Fund or the selling security holder on whose behalf the distribution was made, in which case, the purchaser shall have no right of action for damages against the Fund, the selling security holder, the directors and persons who signed the Offering Memorandum. If a misrepresentation is contained in a record incorporated by reference in, or deemed to be incorporated into, an Offering Memorandum, or any amendments thereto, the misrepresentation is deemed to be contained in the Offering Memorandum, or any amendments thereto, as the case may be.

All or any one or more of the persons who are found to be liable, or who accept liability, for a misrepresentation will be jointly and severally liable; provided, however, that the Fund, and every director of the Fund at the date of the Offering Memorandum who is not a selling security holder, will not be liable if the Fund does not receive any proceeds from the distribution of the Units and the misrepresentation was not based on information provided by the Fund, unless the misrepresentation was

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

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

(c) not subsequently publicly corrected or superseded by the Fund before completion of the distribution of the Units.

Any person, including the Fund and the selling security holder, will not be liable for a misrepresentation:

(a) if the person proves that the purchaser purchased the Units with knowledge of the misrepresentation; or

(b) in an action for damages, the person will not be liable for all or any part of those damages that the person proves do not represent the depreciation in value of the Units as a result of the misrepresentation; and

(c) in no case will the amount recoverable in any action exceed the price at which the Units were sold to the purchaser.

A person, other than the Fund and the selling security holder, will not be liable in an action for damages for a misrepresentation:

(a) if the person proves that the Offering Memorandum, or any amendments thereto, was sent to the purchaser without the person's knowledge or consent and that, on becoming aware of its being sent, the person promptly gave reasonable notice to the Fund that it was sent without the knowledge and consent of the person;

(b) if the person proves that the person, on becoming aware of the misrepresentation in the Offering Memorandum, or any amendments thereto, withdrew the person's consent to the Offering Memorandum, or any amendments thereto, and gave reasonable notice to the Fund of the withdrawal and the reason for it; or

(c) if, with respect to any part of the Offering Memorandum, or any amendments thereto, purporting to be made on the authority of an expert or purporting to be a copy of, or any 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, or any amendments thereto, (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.

In addition, a person, other than the Fund and the selling security holder, will not be liable in an action for damages for a misrepresentation with respect to any part of an Offering Memorandum, or any amendments thereto, 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, statement or opinion 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 that there had been a misrepresentation.

Any person, including the Fund and the selling security holder, will not be liable for a misrepresentation in forward-looking information (as defined in the *Securities Act* (Northwest Territories), the *Securities Act* (Nunavut) or the *Securities Act* (Yukon)) if the person proves that:

(a) the Offering Memorandum, any amendments thereto, or other document contained, proximate to

the forward-looking information, (A) reasonable cautionary language identifying the forward-looking information as such, and (B) identifying material factors that could cause actual results to differ materially from a conclusion, forecast or projection in the forward-looking information,

(i) a statement of the material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection set out in the forward-looking information, and

(ii) the person had a reasonable basis for drawing the conclusions or making the forecasts or projections set out in the forward-looking information;

provided, however, that the foregoing does not relieve a person of liability with respect to forward-looking information in a financial statement required to be filed under the securities laws of the Northwest Territories, Nunavut or the Yukon.

No action shall be commenced to enforce a right of action 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 that gave rise to the cause of action.

Other Rescission Rights

In certain provinces a purchaser of Units may, where the amount of the purchase does not exceed the sum of $50,000, rescind the purchase by written notice given to the registered dealer from whom the purchase was made (i) within 48 hours after receipt of the confirmation for a lump sum purchase, or (ii) within 60 days after receipt of the confirmation for the initial payment under a contractual plan. Subject to the registered dealer's reimbursement of sales charges and fees to the purchaser as described below, the amount a purchaser is entitled to recover on exercise of this right to rescind shall not exceed the Net Asset Value of the Units purchased, at the time the right is exercised. The right to rescind a purchase made under a contractual plan may be exercised only with respect to payments scheduled to be made within the time specified above for rescinding a purchase made under a contractual plan. Every registered dealer from whom the purchase was made must reimburse the purchaser who has exercised this right of rescission for the amount of sales charges and fees relevant to the investment of the purchaser in the Fund in respect of the Units for which the written notice of the exercise of the right of rescission was given.

Purchasers must exercise these rights within the prescribed time limits under applicable securities legislation. Purchasers should refer to the applicable provisions of the securities legislation in their province of residence to determine whether they have similar rescission rights or consult with their legal advisor for more details.

Contractual Rights of Action

Purchasers Resident in British Columbia or Québec or Purchasers Resident in Alberta in Reliance on the "Accredited Investor" Exemption

If this Offering Memorandum, or any amendments thereto, contains a misrepresentation, a purchaser

resident in British Columbia or Québec who purchased Units under this Offering Memorandum, or a purchaser resident in Alberta who purchased Units under this Offering Memorandum in reliance on the "accredited investor" exemption under NI 45-106, will not be entitled to the statutory rights of action described above. However, in consideration of purchasing Units under this Offering Memorandum and upon acceptance by the General Partner of the purchaser's subscription in respect thereof, purchasers in those jurisdictions are hereby granted a contractual right of action for damages or rescission that is the same as the statutory rights of action described above provided to purchasers resident in Ontario under the OSA.

CERTIFICATE

This Offering Memorandum does not contain a misrepresentation.

DATED as of the 1st day of April, 2020.

BRIDGING MID-MARKET DEBT RSP FUND,
by its Manager, Bridging Finance Inc.

By: (signed) Natasha Sharpe
Natasha Sharpe
Chief Investment Officer

By: (signed) David Sharpe
David Sharpe
Chief Executive Officer

ON BEHALF OF THE BOARD OF DIRECTORS OF BRIDGING FINANCE INC.

By: (signed) Natasha Sharpe
Natasha Sharpe
Director

By: (signed) Jenny Coco
Jenny Coco
Director