PURPOSE FUNDS

PURPOSE INVESTMENTS

Simplified Prospectus dated October 14, 2022 of:

Purpose Global Flexible Credit Fund *(formerly Purpose Floating Rate Income Fund)*	ETF units ETF non-currency hedged USD units ETF non-currency hedged CAD units Class A units Class A non-currency hedged units Class F units Class F non-currency hedged units Class I units Class I non-currency hedged units
MLD Core Fund	Class F units
PK Core Fund	Class A units Class F units
Purpose Gold Bullion Fund	ETF units ETF non-currency hedged units U.S. dollar denominated ETF non-currency hedged units Class A non-currency hedged units Class A currency hedged units Class F currency hedged units Class F non-currency hedged units
Purpose Healthcare Innovation Yield Fund *(formerly Purpose Healthcare Innovation Yield ETF)*	ETF units Class A units Class F units Class I units
StoneCastle Global Tactical Asset Allocation Fund	Class A units Class F units Class I units
Black Diamond Global Equity Fund, an alternative mutual fund	ETF units Class A units Class F units Class I units Class TA3 units Class TF3 units
Black Diamond Distressed Opportunities Fund, an alternative mutual fund	ETF units Class A units Class F units Class I units
Black Diamond Global Enhanced Income Fund	Class A units Class F units Class I units

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INTRODUCTION

In this document, "we", "us" and "our" refer to Purpose Investments Inc. ("**Purpose**" or the "**manager**"). We refer to all of the mutual funds listed on the front cover of this simplified prospectus as the "**funds**" and each individual mutual fund as a "**fund**". Each of the funds is a mutual fund established as a trust under the laws of the Province of Ontario. The authorized capital of each fund includes one or more classes of exchange-traded units (each such class, "**ETF Securities**") and/or one or more classes of mutual fund units (as defined herein). An unlimited number of ETF Securities and mutual fund units, as applicable, are authorized for issuance.

Black Diamond Global Equity Fund and Black Diamond Distressed Opportunities Fund are considered "alternative mutual funds", as defined in National Instrument 81-102 - *Investment Funds*. This permits them to use strategies generally prohibited to conventional mutual funds and as described herein.

This document contains selected important information about the funds to help you make an informed investment decision and to help you understand your rights.

This document is divided into two parts. Pages 1 to 98 of this document explain general information that applies to all of the funds as well as general information regarding mutual funds and their risks. Pages 99 to 142 contain specific information about each of the funds described in this document.

You will find additional information about each fund in the following documents:

- the fund's most recently filed Fund Facts document and, if applicable, the fund's most recently filed ETF Facts document;
- the fund's most recently filed annual financial statements;
- any interim financial statements filed after those annual financial statements;
- the fund's most recently filed annual management report of fund performance; and
- any interim management report of fund performance filed after that annual management report of fund performance.

These documents are incorporated by reference into this document, which means that they legally form part of this document just as if they were printed as part of this document. You can get copies of these documents, at your request, and at no cost, by calling us toll-free at 1-877-789-1517, by emailing us at info@purposeinvest.com or by contacting your dealer (which, in the case of MLD Core Fund and PK Core Fund, refers to Canaccord Genuity Corp., as the principal distributor of such funds).

You can also get copies of this simplified prospectus, the Fund Facts, the ETF Facts (as applicable), the management reports of fund performance and the financial statements from the funds' designated website at www.purposeinvest.com. These documents and other information about the funds are also available at www.sedar.com.

GLOSSARY

In this simplified prospectus:

"**adjusted cost base**" means, in general terms, the total price you paid for all the units of a class of a fund in your account, including reinvested distributions. The adjusted cost base per unit of a class is the weighted average price paid per unit of that class.

"**ADRs**" means American Depositary Receipts. An ADR is a type of negotiable financial security that is traded on a local stock exchange but which represents a security that is issued by a foreign publicly-listed company.

"**Alternative Funds**" means, together, Black Diamond Distressed Opportunities Fund and Black Diamond Global Equity Fund, and "**Alternative Fund**" means either one of them.

"**basket of securities**" means: (i) for all funds, other than KILO, a group of securities or assets determined by Purpose from time to time representing the constituent securities of a fund that offers ETF Securities; and (ii) for KILO, the gold bullion and cash in such amount as determined by Purpose in its discretion from time to time.

"**Black Diamond Funds**" means, collectively, Black Diamond Global Enhanced Income Fund, Black Diamond Global Equity Fund and Black Diamond Distressed Opportunities Fund.

"**bond**" means a long-term debt security issued or guaranteed by a government or business entity wherein the issuer promises to pay the holder a specified amount of interest and return the principal amount when the bond matures. Bonds can be transferred from one owner to another.

"**business day**" means: (i) for a fund that offers ETF Securities, any day on which the Designated Exchange on which the fund's ETF Securities are listed is open for trading; or (ii) for a fund that does not offer ETF Securities, a day on which there is a regular trading session of the TSX.

"**Cash Exchange Fee**" for KILO means the fee payable in connection with cash payments (in whole or in part) for exchanges of a prescribed number of ETF Securities of KILO, representing, as applicable, brokerage expenses, commissions, transaction costs, costs or expenses related to market impact and other costs or expenses that KILO incurs or expects to incur in selling gold bullion on the market to obtain the necessary cash for the exchange.

"**cash subscription fee**" means the fee payable in connection with cash payments (in whole or in part) for subscriptions of a prescribed number of ETF Securities of a fund, representing, as applicable, brokerage expenses, commissions, transaction costs, costs or expenses related to market impact, and other costs or expenses that the fund incurs or expects to incur in purchasing securities or assets with such cash proceeds.

"**CDS**" means CDS Clearing and Depository Services Inc.

"**CDS Participant**" means a participant in CDS that holds ETF Securities of a fund on behalf of beneficial owners of ETF Securities.

"**Class A Securities**" means the class A units, the Class A currency hedged units, and class A non-currency hedged units of a fund, as applicable.

"**Class F Securities**" means the class F units, the Class F currency hedged units, and class F non-currency hedged units of a fund, as applicable.

“**Class I Securities”** the Class I units and Class I non-currency hedged units of a fund, as applicable.

“**Class TA3 Securities**” means class TA3 units of a fund.

“**Class TF3 Securities**” means class TF3 units of a fund.

“**CLO**” means a collateralized loan obligation secured primarily by senior secured loans of U.S. and/or non-U.S. obligors.

“**dealer**” means: (i) the registered dealer (including, in respect of MLD Core Fund and PK Core Fund, the principal distributor) and representative who advises a purchaser on investments; and (ii) in respect of the ETF Securities, a registered dealer (that may or may not be a designated broker), that has entered into a dealer agreement with Purpose, pursuant to which the dealer may subscribe for ETF Securities of a fund.

“**dealer agreement**” means an agreement between Purpose, on behalf of one or more funds, and a dealer, as amended from time to time.

“**debt securities**” means obligations to repay borrowed money within a certain time, with or without interest (for example bonds, debentures, commercial paper, asset-backed commercial paper, notes and treasury bills (*T-bills*)).

“**Declaration of Trust**” means the amended and restated trust declaration of the funds dated October 14, 2022, as it may be further amended or amended and restated from time to time.

“**derivatives**” means a financial instrument that “derives” its value from the performance of an underlying asset, index or other investment.

“**designated broker**” means a registered dealer that has entered into a designated broker agreement with Purpose, on behalf of a fund, pursuant to which the designated broker agrees to perform certain duties in relation to the ETF Securities of a fund.

“**designated broker agreement**” means an agreement between Purpose, on behalf of a fund that offers ETF Securities, and a designated broker, as amended from time to time.

“**Designated Exchange**” means, for a fund that offers ETF Securities, the designated exchange on which such ETF Securities are listed.

“**DPSP**” means a trust governed by a deferred profit sharing plan.

“**equity**” means, in relation to buying shares of a corporation, the purchase of “equity,” or ownership rights, in such corporation. Shares of a corporation are often referred to as “equities”.

“**ETF**” means an exchange-traded fund.

“**ETF Securities**” means the ETF units, the ETF non-currency hedged USD units, the ETF non-currency hedged units, the U.S. dollar denominated ETF non-currency hedged units, and the ETF non-currency hedged CAD units of a fund, as applicable.

“**FHSA**” means a trust governed by a “first home savings plan,” as defined in draft legislation to amend the Tax Act released on August 9, 2022.

“**forward contract**” means a commitment made to buy or sell a currency, commodity or security on a specific day in the future at a specified price. The terms of the contract are agreed upon when the commitment is made. Forward contracts are traded through an over-the-counter telephone or computer network.

“**funds**” means one or more of the following mutual funds offered in connection with this simplified prospectus: Purpose Global Flexible Credit Fund, MLD Core Fund, PK Core Fund, Purpose Gold Bullion Fund, Purpose Healthcare Innovation Yield Fund, StoneCastle Global Tactical Asset Allocation Fund, Black Diamond Global Enhanced Income Fund, Black Diamond Global Equity Fund and Black Diamond Distressed Opportunities Fund and “**fund**” means any one of them.

“**futures contract**” means a contract, similar to that of a forward contract (described above), except that the contract has standardized terms and conditions and is traded only on a futures exchange, not over-the-counter.

“**hedge**” or “**hedging**” means a strategy used to offset or reduce the risk associated with an investment or a group of investments.

“**index participation unit**” or “**IPU**” is a security traded on a stock exchange in Canada or the U.S. that is issued by an issuer the only purpose of which is to: hold the securities that are included in a specified widely quoted market index in substantially the same proportion as those securities are reflected in that index, or invest in a manner that causes the issuer to replicate the performance of that index.

“**IRC**” means the independent review committee of the funds.

“**KILO**” means Purpose Gold Bullion Fund.

“**leverage**” means using borrowed funds to help pay for an investment. Leveraging magnifies the amount you make or lose, because the gain or loss is measured against the portion of the investment you have not borrowed, not against the total investment.

“**liquidity**” means a liquid investment that can be bought and sold on a public market. Liquidity also refers to how easy it is to convert an investment to cash at a reasonable price.

“**London Good Delivery Bars**” means gold and silver bars that meet the standard measure of quality in gold bullion as set forth by the London Bullion Market Association.

“**management expense ratio**” or “**MER**” means the total fees and expenses a fund paid during a year divided by its average assets for that year.

“**management fee rebate**” means an amount equal to the difference between the management fee otherwise chargeable and a reduced fee determined by Purpose, from time to time payable to certain securityholders of the funds who have signed an agreement with Purpose. Management fee rebates are reinvested in units unless otherwise requested.

“**Monthly Redemption**” for KILO has the meaning ascribed to that term under “Purchases, Switches and Redemptions – Redemptions – Mutual fund units – Monthly Redemptions - KILO”.

“**Monthly Redemption Date**” for KILO has the meaning ascribed to that term under “Purchases, Switches and Redemptions – Redemptions – Mutual fund units – Monthly Redemptions - KILO”.

“**mutual fund units**” means the Class A Securities, Class F Securities, Class I Securities, Class TA3 Securities and Class TF3 Securities of a fund, as applicable.

“**NAV per unit**” means, in relation to a class of units of a fund, the net asset value (NAV) per unit of that class.

“**NI 81-101**” means National Instrument 81-101 – *Mutual Fund Prospectus Disclosure*, as may be amended or restated from time to time.

“**NI 81-102**” means National Instrument 81-102 – *Investment Funds,* as may be amended or restated from time to time.

“**NI 81-107**” means National Instrument 81-107 – *Independent Review Committee for Investment Funds*, as may be amended or restated from time to time.

“**note**” means a debt security committing the issuer to pay a specific sum of money, either on demand or on a fixed date in the future, with or without interest.

“**Notice Date**” for KILO has the meaning ascribed to that term under “Purchases, Switches and Redemptions – Redemptions – Mutual Fund Units – Monthly Redemptions - KILO”.

“**option**” means the owner’s right, but not its obligation, to buy or sell a security within a certain time period, at a specified price. A call option is the right to buy; a put option is the right to sell. The buyer of the option pays the seller a premium. Options can be traded on an exchange or over-the-counter.

“**other securities**” means ADRs or securities of investment funds other than constituent securities of a fund, including ETFs, mutual funds or other public investment funds or derivative instruments.

“**over-the-counter trading”** or **“OTC”** means trading in stocks or options through a computer or telephone network rather than through a public stock exchange.

“**Performance Fee Funds**” means the funds that each pay a performance fee, as described herein, being the Alternative Funds and StoneCastle Global Tactical Asset Allocation Fund.

“**plan agent**” means TSX Trust Company, plan agent for the dividend reinvestment plan.

“**portfolio turnover rate**” means the portfolio turnover rate which is calculated based on the lesser of the value of securities purchased or sold divided by the average market value of portfolio securities for the period, excluding short-term securities.

“**prescribed number of ETF Securities**” means the number of ETF Securities of a fund determined by Purpose from time to time for the purpose of subscription orders, exchanges, redemptions or for other purposes.

“**principal distributor**” means Canaccord Genuity Corp. in its capacity as the principal distributor of the units of MLD Core Fund and PK Core Fund.

“**RDSP**” means a trust governed by a registered disability savings plan.

“**Registered Plan**” means a RRSP, RRIF, RESP, TFSA, RDSP, FHSA or DPSP.

“**RESP**” means a trust governed by a registered education savings plan.

“**return of capital**” means the return of capital which occurs when a fund pays an amount to the unitholders that is part of the capital of the fund rather than being an income distribution paid out of amounts earned by the fund. This enables a fund to pay a set amount of distributions each year that may consist of, in part, income distributions and, in part, a return of capital. The main benefit of return of capital distributions is that they are not immediately taxable when received. This makes it different from other types of distributions such as income distributions.

“**RRIF**” means a trust governed by a registered retirement income fund.

“**RRSP**” means a trust governed by a registered retirement savings plan.

“**securities**” means investments or financial instruments such as shares, debt securities, units of an underlying fund and derivatives.

“**Tax Act**” means the *Income Tax Act* (Canada).

“**TFSA**” means a trust governed by a tax-free savings account.

“**trading day**” means, for a fund, a day on which: (i) if applicable, a regular session of the Designated Exchange is held; (ii) the primary market or exchange for the majority of the securities held by the fund is open for trading; and (iii) if applicable, the index provider calculates and publishes data relating to the index.

“**treasury bills”** or **“T-bills”** means short-term debt securities issued or guaranteed by federal, provincial or other governments. T-bills are issued at a discount and do not pay any interest. The return on a T-bill is the difference between the price you pay and its “face” or par value.

“**TSX**” means the Toronto Stock Exchange.

“**units**” means the mutual fund units and ETF Securities of a fund, as applicable.

“**U.S.**” means the United States of America.

“**valuation date**” means each trading day and any other day designated by Purpose on which the NAV per unit of each class of units of a fund will be calculated.

“**valuation time**” means 4:00 p.m. (Toronto time) or such other time as Purpose may deem appropriate on each valuation date.

RESPONSIBILITY FOR MUTUAL FUND ADMINISTRATION

Manager and Trustee

Pursuant to the Declaration of Trust, Purpose Investments Inc. is the manager and trustee of each fund. As trustee and manager, and under the Declaration of Trust, Purpose has the responsibility to oversee all activities of the funds. Purpose oversees the day-to-day administration of the funds and is empowered, among other things, to determine the policies of the funds and to calculate the net asset value of the funds, and is entitled to sign all documents on their behalf. Moreover, Purpose is responsible for providing all management and administrative services required by the funds, which includes the management of the investment portfolio, investment analysis, recommendations and decisions, the implementation of the portfolio purchase and sale transactions and arranging for the distribution of fund securities. Purpose may delegate any or all of its duties and responsibilities to one or more agents to assist it in the performance of such duties and responsibilities. Purpose receives a management fee from each fund in return for carrying out such activities.

Purpose may be indemnified by a fund in certain circumstances for any losses incurred in connection with its duties. Purpose, as manager, may resign as manager of a fund on 60 days' prior written notice to the trustee and to the securityholders of such fund. The manager is overseen by the IRC as described further below.

No approval of securityholders is required for any amendment to the Declaration of Trust except pursuant to the requirements of applicable regulatory authorities and as specifically outlined pursuant to the provisions of the Declaration of Trust.

The Declaration of Trust provides that the manager may terminate a fund in accordance with the terms described therein. Any such termination must also comply with the terms of applicable securities law which requires that applicable unitholders be provided with at least 60 days' notice of termination.

The registered office of Purpose is located at:

130 Adelaide Street West, Suite 3100
P.O. Box 109
Toronto, Ontario
M5H 3P5

The contact information of Purpose is as follows:

Toll-free: 1-877-789-1517
E-mail: info@purposeinvest.com
Website: www.purposeinvest.com

The names, municipalities of residence, offices held with the manager and principal occupations of the directors and executive officers of the manager are as follows:

Name and Municipality of Residence	Current Position and Office(s) with Purpose
SOM SEIF Toronto, Ontario	Chief Executive Officer, Chairman of the Board of Directors, Ultimate Designated Person and Director
JEFF BOUGANIM Oakville, Ontario	Chief Financial Officer and Director
VLADIMIR TASEVSKI Toronto, Ontario	Chief Operating Officer and Director
ALESSIA CRESCENZI Toronto, Ontario	Chief Compliance Officer

Each director and executive officer is responsible for managing and supervising the business and affairs of Purpose and each is an employee of Purpose. The funds do not have any directors or officers. As noted, Purpose is also the trustee for each fund. The trustee holds the assets of each fund in trust on behalf of unitholders. Purpose is not paid a fee for acting as trustee of the funds.

Investments and Voting Policy for Underlying Funds

The funds may invest in underlying funds, subject to certain conditions. Purpose, as manager, will either not vote the securities of the underlying funds if the underlying funds are managed by Purpose or an affiliate or will pass the voting rights directly to securityholders of such funds. Purpose may, in some circumstances, choose not to pass the vote to securityholders because of the complexity and costs associated with doing so.

Portfolio Advisor and Sub-Advisors

Purpose also acts as portfolio advisor to certain funds. In addition, Purpose may retain other firms to act as portfolio advisors, portfolio managers and sub-advisors of the funds (collectively with Purpose, the "**Portfolio Advisors**" and each a "**Portfolio Advisor**") pursuant to investment advisory agreements. The Portfolio Advisors are responsible for providing investment analysis, making investment recommendations to the manager, making investment decisions for the funds' portfolios and arranging for the acquisition and disposition of portfolio investments, including all necessary brokerage arrangements.

Each of the Portfolio Advisors provides investment management services to other clients. Those client accounts may follow the same or similar investment objectives and strategies as used by the funds. In placing an order to buy and sell securities, execution between a fund and other accounts will be conducted in a manner that the Portfolio Advisor believes is fair and equitable. Each Portfolio Advisor and its principals may also trade in securities for their personal accounts and may also invest in the same securities as a fund. In doing so, each Portfolio Advisor and its principals will comply with all applicable laws.

Investment decisions for the funds are made completely and solely by the Portfolio Advisors. Subject to the manager's duty of general oversight, investment decisions made by the Portfolio Advisors are not subject to oversight, approval or ratification by the manager except where the manager itself acts as the Portfolio Advisor.

Canaccord Genuity Corp.

Purpose has retained Canaccord, located in Toronto, Ontario, to provide investment sub-advisory services to MLD Core Fund and PK Core Fund pursuant to the terms of an investment advisory agreement (the "**Canaccord Investment Advisory Agreement**") between Purpose, on behalf of each fund, and Canaccord dated June 1, 2018, as amended the 26th day of September, 2018. Pursuant to the Canaccord Investment Advisory Agreement, Canaccord will manage the assets held by the funds noted above in accordance with the applicable fund's investment objectives and investment strategies and subject to applicable investment restrictions. The Canaccord Investment Advisory Agreement provides that it may be terminated by either party if the other party commits certain acts or fails to perform its duties under the agreement. The Canaccord Investment Advisory Agreement also provides that the agreement will automatically terminate in the event of certain circumstances (i.e. either party becomes bankrupt or insolvent or makes a general assignment for the benefit of its creditors). In consideration for the services provided by Canaccord pursuant to the Canaccord Investment Advisory Agreement, Canaccord will be paid by Purpose out of the management fee payable by each applicable fund to Purpose.

The name and title of the persons employed by Canaccord who are principally responsible for providing investment advisory services in respect of the applicable funds are as follows:

Fund	**Name**	**Title**
MLD Core Fund	Chad Larson	Director, Wealth Management and Portfolio Manager
PK Core Fund	Kevin Vandermeer	Portfolio Manager

Neuberger Berman Investment Advisers LLC

Neuberger Berman Investment Advisers LLC ("**Neuberger Berman**"), located in New York, New York, acts as the Portfolio Advisor to Purpose Global Flexible Credit Fund pursuant to an investment advisory agreement dated as of November 16, 2018, as amended and restated from time to time, between Purpose, as the manager of Purpose Global Flexible Credit Fund, and Neuberger Berman (the "**NB Investment Advisory Agreement**").

Subject to certain notice and cure periods, either party may terminate the NB Investment Advisory Agreement in the following circumstances: (i) upon 60 days' notice; (ii) in the event that the other party is in material breach of the NB Investment Advisory Agreement and the material breach has not been cured; or (iii) immediately upon the occurrence of certain events affecting the other party.

Purpose is responsible for: (a) any investment advice given to Purpose Global Flexible Credit Fund by Neuberger Berman; or (b) any loss that arises out of the failure of Neuberger Berman to: (i) exercise the powers and discharge the duties of its office honestly, in good faith and in the best interests of Purpose and Purpose Global Flexible Credit Fund; or (ii) exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances. There may be difficulty in enforcing any legal rights against Neuberger Berman (or any of its representatives) as Neuberger Berman is resident outside of Canada and all or substantially all of its assets are situated outside of Canada.

The name and title of the persons employed by Neuberger Berman who are principally responsible for providing investment advisory services to Purpose Global Flexible Credit Fund are as follows:

Name	Title
Thomas Sobanski	Vice President, Associate Portfolio Manager & Trader
Dave Brown	Managing Director, Senior Portfolio Manager and Global Co-Head of Investment Grade
Joseph Lynch	Managing Director, Senior Portfolio Manager and Global Head of Non-Investment Grade Credit
Ashok Bhatia	Managing Director, Deputy Chief Investment Officer – Fixed Income

Next Edge Capital Corp.

Next Edge Capital Corp. ("**Next Edge**"), located in Toronto, Ontario acts as the Portfolio Advisor to Purpose Healthcare Innovation Yield Fund pursuant to an investment sub-advisory agreement dated as of October 4, 2021 between Purpose, as the manager of Purpose Healthcare Innovation Yield Fund, and Next Edge (the "**Next Edge Investment Sub-Advisory Agreement**").

Subject to certain notice and cure periods, either party may terminate the Next Edge Investment Sub-Advisory Agreement in the following circumstances: (i) upon 60 days' notice; (ii) in the event that the other party is in material breach of the Next Edge Investment Sub-Advisory Agreement and the material breach has not been cured; or (iii) immediately upon the occurrence of certain events affecting the other party.

The name and title of the persons employed by Next Edge who are principally responsible for providing investment sub-advisory services to Purpose Healthcare Innovation Yield Fund are as follows:

Name	Title
Eden Rahim	Portfolio Manager
Michael Bird	Associate Portfolio Manager

StoneCastle Investment Management Inc.

StoneCastle Investment Management Inc. ("**StoneCastle**"), located in Kelowna, British Columbia acts as the Portfolio Advisor to StoneCastle Global Tactical Asset Allocation Fund pursuant to an investment sub-advisory agreement dated as of August 31, 2021, as amended, between Purpose, as the manager of StoneCastle Global Tactical Asset Allocation Fund, and StoneCastle (the "**StoneCastle Investment Sub-Advisory Agreement**").

Subject to certain notice and cure periods, either party may terminate the StoneCastle Investment Sub-Advisory Agreement in the following circumstances: (i) upon 60 days' notice; (ii) in the event that the other party is in material breach of the StoneCastle Investment Sub-Advisory Agreement and the material breach has not been cured; or (iii) immediately upon the occurrence of certain events affecting the other party.

The name and title of the person employed by StoneCastle who is principally responsible for providing investment sub-advisory services to StoneCastle Global Tactical Asset Allocation Fund is as follows:

Name	Title
Bruce Campbell	Portfolio Manager

<u>*Black Diamond Asset Management Inc.*</u>

Black Diamond Asset Management Inc. ("**Black Diamond**"), located in Toronto, Ontario, has been retained by Purpose to provide sub-advisory services to the funds pursuant to an investment sub-advisory agreement dated as of April 15, 2021, as amended and restated from time to time, between Purpose, as the Manager of the funds, and Black Diamond (the "**BD Investment Advisory Agreement**").

Subject to certain notice and cure periods, either party may terminate the BD Investment Advisory Agreement in the following circumstances: (i) upon 60 days' notice; (ii) in the event that the other party is in material breach of the BD Investment Advisory Agreement and the material breach has not been cured; or (iii) immediately upon the occurrence of certain events affecting the other party.

The name and title of the person employed by Black Diamond who is principally responsible for providing investment sub-advisory services to the Black Diamond Funds is as follows:

Name	Title
Eugene Profis	Portfolio Manager

Brokerage Arrangements

<u>All Funds Other than KILO</u>

The manager utilizes various brokers to effect securities transactions on behalf of the funds (other than KILO). These brokers may directly provide the manager with research and related services including advice, both directly and in writing, as to the value of the securities; the availability of securities, or purchasers or sellers of securities; as well as analysis and reports concerning issuers, industries, securities, economic factors and trends. Although each fund may not benefit equally from the research and related service received from a broker, the manager will endeavour to ensure that all of the funds receive an equitable benefit over time.

The manager maintains a list of brokers that have been approved to effect securities transactions on behalf of the funds. When determining whether a broker should be added to that list there are numerous factors that are considered including: (a) the dealer's reliability, (b) the quality of its execution services on a continuing basis, and (c) its financial condition. When more than one dealer is believed to meet these criteria, preference may be given to dealers who provide research or statistical materials or other services to the manager or its affiliates.

Approved brokers are monitored on a regular basis to ensure that the value of the goods and services, as outlined above, provides a reasonable benefit as compared to the amount of brokerage commissions paid for the goods and services. In conducting this analysis, the manager considers the use of the goods and services, execution quality in terms of trade impact and the ability to achieve the target benchmark price, as well as the amount of brokerage commissions paid relative to other brokers and the market in general.

The monitoring processes are the same regardless of whether the broker is affiliated with the manager or is an unrelated third party.

Additional information including the services supplied by each broker can be obtained at no cost by contacting us at 1-877-789-1517 or by sending an email to us at info@purposeinvest.com.

KILO

KILO has no pre-arrangement, formula or method for allocating the brokerage business arising from its purchases and sales of gold bullion. Transactions in gold bullion are generally done with dealers acting as principals and thus are done on a net price basis, which reflects the dealers' spread between bid and asked prices. KILO's policy is to execute all gold bullion transactions at the most favourable prices consistent with the best execution, considering all of the costs of the transactions, including brokerage commissions, spreads and delivery charges. This policy governs the selection of brokers and dealers and the market in which a transaction is executed.

Principal Distributor

Pursuant to a principal distributor agreement dated June 1, 2018, as amended the 26th day of September, 2018, between the manager, on behalf of MLD Core Fund and PK Core Fund, and Canaccord (the "**Principal Distributor Agreement**"), the principal distributor has been appointed the principal distributor for MLD Core Fund and PK Core Fund. The Principal Distributor Agreement may be terminated by a party on not less than six months' notice to the other party.

Custodian

For All Funds – Fund Assets Other than Physical Gold Bullion

CIBC Mellon Trust Company acts as the custodian of the assets of the funds, other than the physical gold bullion held by KILO, pursuant to a custodial services agreement between Purpose, on behalf of the funds, and CIBC Mellon Trust Company dated August 8, 2013, as amended (the "**Custodian Agreement**"). The address of CIBC Mellon Trust Company is 1 York Street, Suite 500, Toronto, Ontario M5J 0B6. Purpose, on behalf of the funds, or CIBC Mellon Trust Company may terminate the Custodian Agreement upon at least 90 days' written notice or immediately in the event of a bankruptcy event in respect of a party that is not cured within 30 days. Purpose, on behalf of the funds, may terminate the Custodian Agreement immediately if CIBC Mellon Trust Company ceases to be qualified to act as custodian of the funds under applicable law. CIBC Mellon Trust Company is entitled to receive fees from Purpose and to be reimbursed for all expenses and liabilities that are properly incurred by it in connection with the activities of the funds.

The custodian holds the funds' cash and securities on behalf of the funds and is responsible for ensuring that they are safe and secure. All such securities will be held by the custodian with the exception of foreign portfolio securities, gold and precious minerals, if any, or at the offices of sub-custodians under arrangements made to the satisfaction and order of the custodian and in compliance with applicable regulatory requirements. The custodian hold title to the securities owned by the funds on behalf of securityholders.

KILO - Physical Gold Bullion

Purpose has appointed Royal Canadian Mint to act as custodian for KILO's physical gold bullion pursuant to an agreement (the "**Bullion Custodian Agreement**") between Purpose, on behalf of KILO, and Royal Canadian Mint dated October 15, 2018. The address of Royal Canadian Mint is 320 Sussex Drive, Ottawa, Ontario K1A 0G8. Royal Canadian Mint is entitled to receive fees from Purpose and to be reimbursed for all expenses and liabilities that are properly incurred by it in connection with the activities of KILO.

All gold bullion owned by KILO will be stored in the vault facilities of Royal Canadian Mint on a segregated basis. The term "vault" means a high security facility ordinarily in use by Royal Canadian Mint for the safekeeping and storage of gold bullion. The gold bullion owned by KILO will be held in Canada.

Auditor

The auditor of the funds is Ernst & Young LLP of Toronto, Ontario. Any change in the auditor by the funds may be made only in accordance with securities legislation.

Registrar and Transfer Agents

Pursuant to the terms of an agreement dated December 14, 2016 between the manager and CIBC Mellon Global Securities Services Company ("**GSS**"), GSS has been appointed as recordkeeper (the "**Recordkeeper**") of the mutual fund units. The Recordkeeper keeps a register of the owners of mutual fund units, processes purchase and redemption orders, issues investor account statements and issues annual tax reporting information.

Pursuant to transfer agency agreements between the manager and Computershare Investor Services Inc., Computershare Investor Services Inc. is the registrar and transfer agent and plan agent for the ETF Securities of each fund, other than KILO and the Black Diamond Funds. The register and transfer ledger of the funds is kept in Toronto, Ontario.

TSX Trust Company, at its principal offices in Toronto, is the registrar and transfer agent and plan agent for the ETF Securities of KILO and the Black Diamond Funds.

Securities Lending Agent

The Bank of New York Mellon is the securities lending agent of MLD Core Fund, PK Core Fund, Purpose Global Flexible Credit Fund and Purpose Healthcare Innovation Yield Fund. CIBC Mellon Trust Company of Toronto, Ontario is the securities lending agent of the Black Diamond Funds. Each securities lending agent acts pursuant to a securities lending authorization agreement between Purpose, in its capacity as manager of the funds, CIBC Mellon Trust Company, CIBC Mellon Global Securities Services Company, Canadian Imperial Bank of Commerce and The Bank of New York Mellon dated February 12, 2013, as amended (the "**Securities Lending Authorization Agreement**").

In accordance with the Securities Lending Authorization Agreement, each agent will determine the market value of both the securities loaned by the applicable fund under a securities lending transaction or sold by the fund under a repurchase transaction and the cash or collateral held by the fund for such transactions. If on any day the market value of the cash or collateral is less than 102% of the market value of the borrowed or sold securities, on the next day the borrower will be required to provide additional cash or collateral to the fund to make up the shortfall.

Pursuant to the terms of the Securities Lending Authorization Agreement, the applicable agent will indemnify and hold harmless the manager, on behalf of a fund, from all losses, damages, liabilities, costs or expenses (including reasonable counsel fees and expenses but excluding consequential damages) suffered by the manager or the fund arising from (a) the failure of the agent to perform any obligations under the Securities Lending Authorization Agreement or (b) any inaccuracy of any representation or warranty made by the agent in its Securities Lending Authorization Agreement. A party may terminate the

Securities Lending Authorization Agreement by giving the other parties 30 days' notice. Neither agent is an affiliate or an associate of the manager.

Independent Review Committee and Fund Governance

Independent Review Committee

The manager has appointed an IRC for the funds pursuant to NI 81-107. The mandate of the IRC is to review conflict of interest matters identified and referred to the IRC by the manager and to give an approval or a recommendation, depending on the nature of the conflict of interest matter. At all times, the members of the IRC are required to act honestly and in good faith in the best interests of the funds and, in connection therewith, will exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

The manager has established written policies and procedures for dealing with each conflict of interest matter. At least annually, the IRC will review and assess the adequacy and effectiveness of the manager's written policies and procedures relating to conflict of interest matters and will conduct a self-assessment of the IRC's independence, compensation and effectiveness.

The manager will maintain records of all matters and/or activities subject to the review of the IRC, including a copy of the manager's written policies and procedures dealing with conflict of interest to the IRC. The manager will also provide the IRC with assistance and information sufficient for the IRC to carry out its responsibilities under NI 81-107.

The members of the IRC are entitled to be compensated by the funds and reimbursed for all reasonable costs and expenses for the duties they perform as IRC members. In addition, the members of the IRC are entitled to be indemnified by the funds, except in cases of wilful misconduct, bad faith, negligence or breach of their standard of care.

The name and municipality of residence of each of the members of the IRC is as follows:

Name	Municipality of Residence
Douglas G. Hall(1)	Halifax, Nova Scotia
Randall C. Barnes	Las Vegas, Nevada
Jean M. Fraser	Toronto, Ontario

Note:
(1) Chair of the IRC.

The IRC prepares, at least annually, a report of its activities for unitholders and makes such reports available on the manager's website at www.purposeinvest.com, or at the unitholder's request and at no cost, by contacting us at info@purposeinvest.com. A copy is also available at www.sedar.com.

Dealer managed mutual funds - MLD Core Fund and PK Core Fund

MLD Core Fund and PK Core Fund are each currently subject to certain additional restrictions set out in NI 81-102 because each is a dealer-managed mutual fund due to Canaccord (a full service dealer) being the sub-advisor to such funds. Under these additional restrictions, and subject to certain exceptions, such funds will not knowingly make an investment in any class of securities of any issuer, other than those issued or fully and unconditionally guaranteed by the Government of Canada or by the Government of a Province of Canada:

(a) for a period of sixty (60) days after Canaccord, or any associate or affiliate of Canaccord, has acted as an underwriter in the distribution of such class of securities of the issuer (except as a member of the selling group distributing 5% or less of the securities underwritten); or

(b) of which any partner, director, officer or employee of Canaccord or any partner, director, officer or employee of any affiliate or associate of Canaccord is an officer or director, provided that this prohibition does not apply where any such partner, director, officer or employee does not:

  (i) participate in the formulation of investment decisions made on behalf of MLD Core Fund or PK Core Fund, as applicable;

  (ii) have access before implementation to information concerning investment decisions made on behalf of MLD Core Fund or PK Core Fund, as applicable; and

  (iii) influence (other than through research, statistical and other reports generally available to clients) the investment decisions made on behalf of MLD Core Fund or PK Core Fund, as applicable.

Policies and Practices

Generally

As the manager of the funds, Purpose is responsible for the day-to-day management, administration and operation of the funds.

Purpose has established appropriate policies, procedures, practices and guidelines to ensure the proper management of the funds, including as required by NI 81-107, policies and procedures relating to conflicts of interest. The systems used by Purpose in relation to the funds monitor and manage the business and sales practices, risk and internal conflicts of interest relating to the funds, while ensuring compliance with applicable regulatory, compliance and corporate requirements. Purpose personnel responsible for compliance ensure that these policies, procedures, practices and guidelines are communicated from time to time to all relevant persons and are updated as necessary (including the systems referred to above) to reflect changing circumstances. Purpose also monitors the application of all such policies, procedures, practices and guidelines to ensure their continuing effectiveness.

Compliance with the investment practices and investment restrictions mandated by securities legislation is monitored by Purpose on a regular basis.

Purpose has also developed a personal trading policy for employees (the “policy”) which is designed to prevent potential, perceived or actual conflicts between the interests of Purpose and its staff and the interests of clients and the funds. Under the policy, certain Purpose personnel are required to pre-clear certain personal securities transactions in order to ensure that those trades do not conflict with the best interests of the funds and have not been offered to the person because of the position they hold in Purpose. Purpose has also adopted the basic principles set out in the Code of Ethics on Personal Investing established by The Investment Funds Institute of Canada.

Derivatives

The funds may use derivatives as permitted by the Canadian securities regulators for hedging or non-hedging purposes. The risk factors associated with the use of derivatives are as disclosed herein.

Purpose is responsible for managing the risks associated with the use of derivatives. Purpose has written guidelines that set out the objectives and goals for derivatives trading, which are established and reviewed annually by Purpose. In addition, Purpose has written control policies and procedures in place that set out the risk management procedures applicable to derivatives trading. These policies and procedures set out specific procedures for the authorization, documentation, reporting, monitoring and review of derivative strategies ensuring that these functions are performed by individuals independent of those who trade.

Limits and controls on derivatives trading are part of Purpose's compliance regime. All derivatives transactions are reviewed by trained personnel that ensures that the derivative positions of the funds are within the existing control policies and procedures. The risk management procedures also cover the testing of a fund's portfolio under stress conditions.

Securities Lending

Each fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions in accordance with the rules of the Canadian Securities Administrators.

Pursuant to the Securities Lending Authorization Agreement, Purpose has appointed Bank of New York Mellon as securities lending agent on behalf of the funds that are engaged in securities lending (currently, MLD Core Fund, PK Core Fund, Purpose Global Flexible Credit Fund and Purpose Healthcare Innovation Yield Fund). The agent has been appointed to enter into securities lending transactions, repurchase transactions and reverse repurchase transactions on behalf of such funds. The Securities Lending Authorization Agreement provides for the types of transactions that may be entered into by a fund, the types of portfolio assets of the fund that may be used, collateral requirements, limits on transaction sizes, permitted counterparties to the transactions and investment of any cash collateral. The agent will:

(a) ensure that collateral is provided in the form of cash, qualified securities or securities that can be converted into the securities which are the subject of the securities lending transactions;

(b) value the loaned or purchased securities and the collateral every day to ensure that the collateral is worth at least 102% of the value of the securities;

(c) invest any cash collateral in accordance with the investment restrictions specified in the Securities Lending Authorization Agreement; and

(d) assess the creditworthiness of the counterparties to securities lending transactions.

A fund will not enter into a securities lending transaction or a repurchase transaction if, immediately thereafter, the aggregate market value of all securities loaned by the fund and not yet returned to it or sold by the fund in a repurchase transaction and not yet repurchased would exceed 50% of the net asset value (the "**NAV**") of the fund (exclusive of collateral held by the fund for securities lending transactions and cash held by the fund for repurchase transactions).

The securities lending transactions of each fund may be terminated by the fund at any time.

Purpose, the IRC and each agent will review at least annually the policies and procedures described above to ensure that the risks associated with securities lending, repurchase and reverse repurchase transactions are being properly managed. Purpose does not simulate stress conditions to measure risk in connection with the funds' use of securities lending transactions, repurchase transactions and reverse repurchase transactions.

Short Selling

Each fund may engage in short selling which involves borrowing securities from a lender which are then sold in the open market (or "sold short"). At a later date, the same number of securities are repurchased by the fund and returned to the lender. In the interim, the proceeds from the first sale are deposited with the lender and the fund pays interest to the lender. If the value of the securities declines between the time that the fund borrows the securities and the time it repurchases and returns the securities, the fund makes a profit for the difference (less any interest the fund is required to pay to the lender). In this way, the fund has more opportunities for gains when markets are generally volatile or declining.

The funds will engage in short selling only within certain controls and limitations, pursuant to applicable securities legislation, which imposes the following conditions and limits on the funds' short-selling activities. Securities will be sold short only for cash. A security sold short shall not be: (i) a security that the mutual fund is otherwise not permitted to purchase at the time of the short sale transaction; (ii) an illiquid asset; or (iii) a security of an investment fund unless the security is an index participation unit.

As well, at the time securities of a particular issuer are sold short by a fund, (i) the fund has borrowed or arranged to borrow from a borrowing agent the security that is to be sold under the short sale transaction; (ii) the aggregate market value of all securities of that issuer sold short will not exceed 5% of the NAV of the fund; and (iii) the aggregate market value of all securities sold short by a fund will not exceed 20% of the NAV of the fund. The fund also will hold cash cover (as defined in NI 81-102) in an amount, including the fund's assets deposited with borrowing agents as security in connection with short transactions, that is at least 150% of the aggregate market value of all securities it sold short on a daily market-to-market basis. No proceeds from short sales will be used by a fund to purchase long positions other than cash cover.

The manager and the custodian have in place policies and procedures relating to short selling by the funds. Any agreements, policies and procedures that are applicable to a fund relating to short selling (including trading limits and controls in addition to those specified above) will be prepared and reviewed by the manager. The decision to effect any particular short sale will be made by the Portfolio Adviser and reviewed and monitored as part of the manager's ongoing compliance procedures and risk control measures.

Proxy Voting Guidelines

The manager has a fiduciary responsibility to act in the best interest of the funds. One aspect of this duty is the exercise of voting rights attaching to securities held by the funds.

The manager has established policies and procedures with respect to the voting of proxies (the "**Proxy Voting Guidelines**") received from issuers of securities held in a fund portfolio. The Proxy Voting Guidelines provide that the manager will vote (or refrain from voting) proxies for each fund for which it has voting power in the best economic interests of the fund. The Proxy Voting Guidelines are not exhaustive and due to the variety of proxy voting issues that the manager may be required to consider, are intended only to provide guidance and are not intended to dictate how proxies are to be voted in each instance. The manager may depart from the Proxy Voting Guidelines in order to avoid voting decisions that may be contrary to the best interests of the funds.

The proxies associated with securities held by the funds will be voted in accordance with the best interests of securityholders of each such fund determined at the time the vote is cast. The manager maintains policies and procedures that are designed to be guidelines for the voting of proxies; however, each vote is ultimately cast on a case-by-case basis taking into consideration the relevant facts and circumstances at the time of the vote.

The manager's Proxy Voting Guidelines sets out various considerations that the manager will address when voting, or refraining from voting, proxies, including that:

(a) The manager will generally vote with management on routine matters such as electing corporate directors, appointing external auditors and adopting or amending management compensation plans unless it is determined that supporting management's position would not be in the best interests of the shareholders;

(b) The manager will address on a case-by-case basis, non-routine matters, including those business issues specific to the issuer or those raised by shareholders of the issuer with a focus on the potential impact of the vote on the NAV of the funds; and

(c) The manager has the discretion whether or not to vote on routine or non-routine matters. In cases where the manager determines that it is not in the best interests of the securityholders to vote, or in cases where no value is added by voting, the manager will not be required to vote.

We will post the proxy voting record on www.purposeinvest.com no later than August 31 of each year. For a copy of the proxy voting policies and procedures and proxy voting record, at no cost, call us toll-free at 1-877-789-1517 or email us at info@purposeinvest.com.

Remuneration of Directors and Officers

During the year ended December 31, 2021, the most recent financial year-end of the funds, no salaries or other compensations or reimbursements were paid (or are payable) by the funds to the directors or officers of the manager, nor to any independent boards except the IRC. The initial compensation and reimbursement policy for costs and expenses of the IRC was established by the manager. As at the date hereof, each IRC member will be paid a fixed annual fee of $5,000, plus a $400 fee per fund, subject to a maximum of $70,000 per member per annum, managed by the manager, per meeting, for the duties they perform as IRC members in relation to the funds. This amount will be allocated among the funds in a manner that is fair and reasonable.

Material Contracts

Copies of the following material contracts are available for inspection during normal business hours at the offices of the manager at 130 Adelaide Street West, Suite 3100, P.O. Box 109, Toronto, Ontario M5H 3P5:

(a) the Declaration of Trust;

(b) the Custodian Agreement;

(c) in respect of Purpose Global Flexible Credit Fund, the NB Investment Advisory Agreement;

(d) in respect of MLD Core Fund and PK Core Fund, the Canaccord Investment Advisory Agreement;

(e) in respect of MLD Core Fund and PK Core Fund, the Principal Distributor Agreement;

(f) in respect of KILO, the Bullion Custodian Agreement;

(g) in respect of Purpose Healthcare Innovation Yield Fund, the Next Edge Investment Sub-Advisory Agreement;

(h) in respect of StoneCastle Global Tactical Asset Allocation Fund, the StoneCastle Investment Sub-Advisory Agreement; and

(i) in respect of the Black Diamond Funds, the BD Investment Advisory Agreement.

Designated Website

A mutual fund is required to post certain regulatory disclosure documents on a designated website. The designated website of the funds this document pertains to can be found at the following location: www.purposeinvest.com.

VALUATION OF FUND SECURITIES

As at 4:00 p.m. (Toronto time) on each valuation date, or such other time as Purpose deems appropriate, the net asset value per unit of a fund is calculated by subtracting from the classes' proportionate share of the assets of the fund its proportionate share of common expenses of the fund and the liabilities attributable to that class. To arrive at the net asset value per unit of a class, the net asset value of a class is divided by the number of outstanding units of that class.

In determining the market value of the assets of a fund the following rules apply. We may deviate from these valuation practices in circumstances where this would be appropriate, for example, if trading in a security is halted because of significant negative news about a company. The manager has not, in the past 3 years, deviated from these valuation practices.

(a) the value of any cash on hand or on deposit, bills, 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, 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;

(b) 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 funds 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; and 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 shares or securities necessary to effect any redemptions of securities, the manager may place such value upon such shares or securities as appears to the manager to most closely reflect the fair value of such shares or securities;

(c) bonds, debentures and other debt securities shall be marked-to-market based on prices obtained from a recognized pricing service at the valuation time on the valuation date.

Short-term investments, including notes and money market instruments, shall be recorded at their fair value

(d) any security that is listed or dealt in on a stock exchange shall be valued at the closing sale price (or such other value as the securities regulatory authorities may permit) last reported at the valuation time on the valuation date on the principal stock exchange on which such security is traded, or, if no reliable closing sale price is available at that time, the security shall be fair valued;

(e) in the case of gold bullion, its market value is based on that day's announced LBMA Gold Price. If there is no announced LBMA Gold Price on a business day, the gold bullion shall be valued at the most recently announced LBMA Gold Price or an alternative market price as determined by the valuation agent;

(f) currency accounts shall be expressed in Canadian dollars on the following basis: (i) investments and other assets shall be valued by applying the applicable exchange rate at the end of the relevant valuation period; and (ii) purchases and sales of investments, income and expenses shall be recorded by applying the applicable exchange rate on the dates of such transactions;

(g) the fund's holdings shall be valued in Canadian dollars before its NAV is calculated;

(h) forward foreign exchange contracts shall be valued as the difference between the value of the contract on the date the contract was originated and the value of the contract on the valuation date. Foreign exchange options shall be valued at their quoted market value. When the contract or option closes or expires, a realized foreign exchange gain or loss shall be recognized;

(i) forward contracts shall be valued as the difference between the value of the contract on the date the contract originated and the value of the contract on the valuation date;

(j) clearing corporation options shall be valued at the current market value;

(k) should the fund write a covered clearing corporation option, the premium received shall be considered a deferred credit with a value equal to the current market value of an option that would have the effect of closing the position. Any difference resulting from revaluation will be treated as an unrealized gain or loss. Deferred credits will be deducted to arrive at the NAV of the fund;

(l) the value of an underlying fund shall be the net asset value per security held by the fund as of the end of the business day;

(m) the value of any security, the resale of which is restricted or limited by reason of a representation, undertaking, or agreement by the fund shall be restricted to the lesser of (1) the value based on reported quotations of that restricted security in common use and (2) that percentage of the market value of securities of the same class, or series of a class of which the restricted security forms part that are not restricted securities, equal to the percentage that the fund's acquisition cost was of the market value of the securities at the time of acquisition, but taking into account, if appropriate, the amount of time remaining until the restricted securities will cease to be restricted securities;

(n) a long position in an option or a debt-like security shall be valued at the current market value of the position;

(o) for options written by the fund (1) the premium received by the fund for those options shall be reflected as a deferred credit and the option shall be valued at an amount equal to the current market value of the option that would have the effect of closing the position; (2) any difference resulting from revaluation shall be treated as an unrealized gain or loss on investment; (3) the deferred credit shall be deducted in calculating the net asset value per unit of the fund; and (4) any securities that are the subject of a written option shall be valued at their current market value;

(p) futures contracts shall be valued as the difference between the current price and the purchase price (i.e. the mark-to-market value of the contract);

(q) bullion, coins, certificates or other evidences of precious metals shall be valued at current market value;

(r) restricted securities shall be valued according to reported quotations in common use, or according to the following method, whichever is less: restricted securities shall be valued at that percentage of the market value of unrestricted securities which the fund paid to acquire them, provided that if the time period during which the restrictions on these securities will apply is known, the price may be adjusted to reflect this time period;

(s) the value of a forward contract or swap shall be the gain or loss on the contract that would be realized if, on the date that valuation is made, the position in the forward contract or swap were to be closed out;

(t) the value of all assets and liabilities of the fund valued in terms of a currency other than the currency used to calculate the fund's net asset value shall be converted to the currency used to calculate the fund's net asset value by applying the rate of exchange obtained from the best available sources to the manager;

(u) the value of standardized futures shall be (1) if daily limits imposed by the futures exchange through which the standardized future was issued are not in effect, the gain or loss on the standardized future that would be realized if, on the date that valuation is made, the position in the standardized future were to be closed out; or (2) if daily limits imposed by the futures exchange through which the standardized future was issued are in effect, based on the current market value of the underlying interest of the standardized future;

(v) margin paid or deposited on standardized futures or forward contracts shall be reflected as an account receivable, and if not in the form of cash, shall be noted as held for margin; and

(w) 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. The manager may also determine the fair value of securities in the following circumstances: (i) when there is a halt trade on a security which is normally traded on an exchange; (ii) on securities that trade on markets that have closed prior to the time of calculation of the NAV of the fund and for which there is sufficient evidence that the closing price on the market is not the most appropriate value at the time of valuation; and (iii) when there are investment or currency restrictions imposed by a country that affect the fund's ability to liquidate the assets held in that market.

The liabilities of a fund shall be deemed to include:

(a) all bills and accounts payable;

(b) all administrative expenses payable and/or accrued;

(c) all obligations for the payment of money or property, including the amount of any declared but unpaid distributions;

(d) all allowances authorized or approved by the manager for taxes or contingencies; and

(e) all other liabilities of the fund of whatever kind and nature, except liabilities represented by outstanding securities.

In the event of any inconsistency between the foregoing valuation principles and the provisions of securities legislation, the provisions of securities legislation shall prevail.

Portfolio transactions (investment purchases and sales) will be reflected in the first computation of the net asset value per unit made after the date on which the transaction becomes binding.

The manager may declare a suspension of the calculation of the net asset value per unit of a fund, in the circumstances described under "Purchases, Switches and Redemptions – Redemptions - When you may not be allowed to redeem your units". There will be no calculation of net asset value per unit during any suspension period and the fund will not be permitted to issue further units or redeem any units during this period.

CALCULATION OF NET ASSET VALUE

Each fund's units may be divided into several classes. Each class is divided into units of equal value. When you invest in a fund, you are actually purchasing units of a specific class of the fund.

All transactions are based on the class net asset value per unit ("**unit value**"). We usually calculate the unit value for each class of each fund on each business day (and, in the case of a fund that offers ETF Securities, after the Designated Exchange closes) but in some circumstances, we may calculate it at another time. The NAVs per unit can change daily. A business day is any day on which a regular session of the TSX is held.

A separate NAV per unit is calculated for each class of units.

The unit value is the price used for all purchases and redemptions of units of that class (including purchases made on the reinvestment of distributions). The price at which units are issued or redeemed is based on the next applicable unit value determined after the receipt of the purchase or redemption order.

The NAV per unit of each class of a fund is calculated as follows:

(a) First, we determine the fair value of all of the investments and other assets allocated to the class.

(b) Second, we subtract the liabilities allocated to that class from the fair value of such class. The difference between the fair value and the liabilities expressed in Canadian dollars at the applicable exchange rate on such date of a class is the net asset value for that class.

(c) Lastly, we divide the net asset value for the class by the total number of units of that class that investors in the fund are holding, which gives us the NAV per unit for that class.

In respect of mutual fund units denominated in U.S. dollars, we calculate the NAV in Canadian dollars and convert it to U.S. dollars using that day's exchange rate. Please see "Optional Services – U.S. dollar purchase option" on page 38 for more details.

You can determine the worth of your investment in your fund by multiplying the NAV attributable to the class of units you own by the number of units you own.

Although the purchases and redemptions of units are recorded on a class basis, the assets attributable to all of the classes of a fund are pooled to create one fund for investment purposes. Each class pays its proportionate share of fund costs in addition to its management fee. The difference in fund costs and management fees between each class means that each class has a different NAV per unit.

You may obtain the NAV per unit of the respective class of a fund by visiting by visiting Purpose's website at www.purposeinvest.com or by calling 1-877-789-1517.

PURCHASES, SWITCHES AND REDEMPTIONS

General

As noted, each fund's units may be divided into several classes. Each class is divided into units of equal value. When you invest in a fund, you are actually purchasing units of a specific class of the fund. As also noted, all transactions are based on unit value. We usually calculate the unit value for each class of each fund on each business day (and, in the case of a fund that offers ETF Securities, after the Designated Exchange closes) but in some circumstances, we may calculate it at another time. The NAVs per unit can change daily. A business day is any day on which a regular session of the TSX is held.

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

When you buy units of a fund, the price you pay is the net asset value of those units. Each class of units has a separate net asset value (in Canadian or U.S. dollars, as applicable).

It is up to you or your investment professional, if applicable, to determine which class is appropriate for you. Different funds or classes, as applicable, may have different minimum investment levels and may require you to pay different fees. The choice of different purchase options requires you to pay different fees and expenses and affects the amount of compensation received by your dealer. For example, when you buy Class A Securities or Class TA3 Securities, you may pay a fee. You and your dealer negotiate that fee, which may be up to 5% of the cost of the Class A Securities or Class TA3 Securities, as applicable, and you pay it to your dealer when you buy the units. Purpose is not involved in determining, collecting or paying any fees negotiated directly with your advisor. Units of certain funds are also available for purchase in U.S. dollars, as described herein. Units purchased in Canadian dollars are Canadian dollar denominated and units purchased in U.S. dollars are U.S. dollar denominated. See "Fees and expenses" on page 38 and "Dealer compensation" on page 43.

We may limit or "cap" the size of a fund by restricting new purchases. We will continue redemptions and the calculation of the fund's value for each class. We may subsequently decide to start accepting new purchases to that fund at any time.

Purchase of mutual fund units

Minimum Investment

An investment in mutual fund units requires you to invest and maintain a minimum balance. The table below outlines these minimums along with the minimum requirements for additional investments, pre-authorized purchase plans and redemptions of units. See "Optional services" on page 34.

Class	Minimum Balance(1)(2)(3)	Minimum Additional Investments/ Pre-authorized purchase plans/Redemptions(1)(2)
A	$5,000	$100
F	$5,000	$100
I	N/A	N/A
TA3	$5,000	$100
TF3	$5,000	$100

Notes:

(1) Amounts in Canadian and U.S. dollars, as applicable.

(2) Investors purchasing through dealers may be subject to higher minimum initial or additional investment/redemption amounts.

(3) Minimums are per transaction and are in Canadian and U.S. dollars, as applicable.

If your balance falls below the minimum required balance for a particular fund or class, as the case may be, or you otherwise become ineligible to hold a particular fund or class, as applicable, we may redeem or switch your units. Where a securityholder is or becomes a citizen or resident of the U.S. or a resident of any other foreign country, we may require such securityholder to redeem their units if their participation has the potential to cause adverse regulatory or tax consequences for a fund or other securityholders of a fund. We may redeem your units if we are permitted or required to do so, including in connection with the termination of a fund, in accordance with applicable law. If we redeem or switch your units, the effect will be the same as if you initiated the transaction. For redemptions in non-registered accounts, we may transfer the proceeds to you, and for redemptions in Registered Plans, we may transfer the proceeds to a registered savings deposit within the plan. We will not give you or your dealer notice prior to taking any action.

Order Procedures

For us to act on an order to buy, redeem or switch units, the branch, telephone salesperson or dealer (or principal distributor, as applicable) must send the order to us on the same day it is received before 4:00 p.m. (Toronto time) or such other time as indicated on the website for each fund ("**order cut-off time**") and assume all associated costs. See page 86 for further information respecting how units may be distributed by the principal distributor.

When you place your order through a financial advisor, the financial advisor sends it to us. If we receive your order before the order cut-off time your order will be processed using that day's NAV. A separate NAV is calculated for each class of units. If we receive your order after the order cut-off time, your order will be processed using the next business day's NAV. If the manager determines that the NAV will be calculated at a time other than after the usual closing time of the Designated Exchange, the NAV paid or received will be determined relative to that time. All orders are processed within two business days. A dealer may establish earlier cut-off times. Check with your dealer for details.

You have to pay for your units when you buy them. In our discretion, units may be paid for by delivering securities to a fund rather than cash provided (i) the fund is permitted to purchase those securities, (ii) the securities are acceptable to us and consistent with the fund's investment objectives, and (iii) the value of the securities is at least equal to the issue price of the units, valued as if the securities were portfolio assets of the fund.

If we do not receive payment in full, we will cancel your order and redeem the units, including any units acquired through a switch. If we redeem the units for more than the value for which they were issued, the difference will go to the fund. If we redeem the units for less than the value for which they were issued, we will pay the difference to the fund and collect this amount, plus the cost of doing so, from your dealer. Your dealer may require you to reimburse the amount paid if it suffers a loss as a result.

We have the right to refuse any order to buy or switch units. We must do so within one business day from the time we receive the order. If we refuse your order to buy or switch, we will immediately return any monies we received with your order.

Issuance of ETF Securities

ETF Securities currently trade on the Designated Exchange under the ticker symbols listed below and are offered on a continuous basis. An investor is therefore able to buy or sell ETF Securities on the Designated Exchange registered brokers and dealers in the province or territory where the investor resides.

Fund	**Designated Exchange**	**Class**	**Ticker Symbol**
Purpose Global Flexible Credit Fund	TSX	ETF units	FLX
		ETF non-currency hedged USD units	FLX.U
		ETF non-currency hedged CAD units	FLEX.B
Purpose Gold Bullion Fund	TSX	ETF units	KILO
		ETF non-currency hedged units	KILO.B
		U.S. dollar denominated ETF non-currency hedged units	KILO.U
Purpose Healthcare Innovation Yield Fund	TSX	ETF units	HEAL
Black Diamond Global Equity Fund	TSX	ETF units	BDEQ
Black Diamond Distressed Opportunities Fund	TSX	ETF units	BDOP

If a fund offers ETF units, ETF non-currency hedged USD units (including U.S. dollar denominated ETF non-currency hedged units) or ETF non-currency hedged CAD units (including ETF non-currency hedged units) and the fund invests in securities that are denominated in a currency other than Canadian dollars, then where possible: (i) all foreign currency exposure of the fund's portfolio attributable to its ETF units will be hedged back to the Canadian dollar; and (ii) none of the foreign currency exposure of the fund's portfolio attributable to its ETF non-currency hedged USD units (including U.S. dollar denominated ETF non-currency hedged units) and ETF non-currency hedged CAD units (including ETF non-currency hedged units) will be hedged back to the Canadian dollar.

The ETF Securities are being issued and sold on a continuous basis and there is no maximum number of ETF Securities that may be issued. An investor is able to buy or sell such securities on the Designated Exchanges in Canada through registered brokers and dealers in the Province or Territory where the investor resides. Investors will incur customary brokerage commissions in buying or selling the ETF Securities.

All orders to purchase ETF Securities directly from a fund must be placed by designated brokers or dealers. The funds reserve the absolute right to reject any subscription order placed by a designated broker or dealer. No fees will be payable by a fund to a designated broker or dealer in connection with the issuance of ETF Securities. On the issuance of ETF Securities, Purpose may, in its discretion, charge an administrative fee to a designated broker or dealer to offset the expenses (including any applicable additional listing fees) incurred in issuing the ETF Securities. There is no minimum investment required for ETF Securities of a fund.

Purpose, on behalf of each of the funds that offer ETF Securities, has entered into a designated broker agreement with one or more designated brokers pursuant to which the designated broker agrees, or will agree, to perform certain duties relating to the ETF Securities of the funds including, without limitation: (i) to subscribe for a sufficient number of ETF Securities, as the case may be, to satisfy the Designated Exchange's original listing requirements; (ii) to subscribe for ETF Securities on an ongoing basis in connection with the rebalancing of and adjustments to the portfolio of the fund; (iii) to post a liquid two-way market for the trading of ETF Securities on the Designated Exchange. Purpose may, in its discretion from time to time, reimburse any designated broker for certain expenses incurred by the designated broker in performing these duties.

The designated broker agreement provides that Purpose may from time to time require the designated broker to subscribe for ETF Securities, as the case may be, of a fund for cash in a dollar amount not to exceed 0.30% of the NAV of the ETF Securities of a fund per quarter. The number of ETF Securities issued will be the subscription amount divided by its NAV per unit next determined following the delivery by Purpose of a subscription notice to the designated broker. Payment for the ETF Securities must be made by the designated broker, and the ETF Securities will be issued, by no later than the second trading day after the subscription notice has been delivered.

On any trading day, a designated broker or dealer may place a subscription order for the prescribed number of ETF Securities, as applicable, (or an integral multiple thereof) of a fund. If a subscription order is received by the fund by 9:00 a.m. (Toronto time) on a trading day (or such later time on such trading day as Purpose may permit), the fund will issue to the designated broker or dealer the prescribed number of ETF Securities (or an integral multiple thereof) by no later than the second trading day following the effective date of the subscription order or on such other day as mutually agreed between Purpose and the designated broker or dealer, provided that payment for such ETF Securities has been received.

For each prescribed number of ETF Securities issued, a designated broker or dealer must deliver payment consisting of, in Purpose's discretion: (i) a basket of securities and cash in an amount sufficient so that the value of the securities and the cash received is equal to the NAV of the units of the fund next determined following the receipt of the subscription order and cash subscription fee if applicable; (ii) cash in an amount equal to the NAV of the units of the fund next determined following the receipt of the subscription order and cash subscription fee, if applicable; or (iii) a combination of securities and cash, as determined by Purpose, in an amount sufficient so that the value of the securities and cash received is equal to the NAV of the units of the fund next determined following the receipt of the subscription order prior to the subscription cut-off time and cash subscription fee, if applicable.

Purpose may, in its discretion, increase or decrease the prescribed number of ETF Securities from time to time.

ETF Securities may be issued by a fund to designated brokers in connection with the rebalancing of and adjustments to the fund or its portfolio when cash redemptions of ETF Securities occur. See "Purchases, Switches and Redemptions – Redemptions" on page 27.

Switches

A switch is a redemption of mutual fund units of the fund that you own and a purchase of mutual fund units of the new fund and is a disposition for tax purposes. You must maintain a minimum account balance of $1,000 and you must switch at least $500 worth of units. These minimum investment amounts may be adjusted or waived in the absolute discretion of the manager. Another restriction is that mutual fund units of one class cannot be switched for mutual fund units of another class within the same fund unless you meet the criteria for the new class. **You cannot switch mutual fund units for ETF Securities, or vice versa, and you cannot switch between ETF Securities of different funds. Switches of units of MLD Core Fund to another fund are also not permitted.**

If you switch your mutual fund units of one class for a mutual fund units of a different class of the same fund, or if you switch the type of account in which you hold your mutual fund units (for example, switching from an investment account to an RRSP), your dealer or financial advisor may charge you a fee of up to 2% of the amount you switch. You and your advisor negotiate the fee. If you switch between a fund and other mutual funds managed by Purpose, your dealer or financial advisor may also charge you a fee of up to 2% of the amount you switch. In general, your dealer may receive a switch fee or a sales commission for your switch, but not both.

Switching mutual fund units of a fund for mutual fund units of another fund (or vice versa) is accomplished by redeeming mutual fund units of one fund and purchasing mutual fund units of the other fund and is considered to result in a disposition for tax purposes. Switching between classes of mutual fund units of the same fund (other than a switch between a currency hedged and a non-currency hedged unit of the same fund) is generally not considered to result in a disposition for tax purposes, except to the extent that mutual fund units are redeemed to pay for a switching fee. A switch between a currency hedged and a non-currency hedged unit of the same fund (and vice versa) will constitute a taxable disposition at fair market value and may result in a capital gain or capital loss. See "Income Tax Considerations for Investors" on page 45 for more information.

As noted above, if a unitholder ceases to be eligible to hold Class F Securities, Class TF3 Securities or Class I Securities, as applicable, the manager may switch a unitholder's Class F Securities, Class TF3 Securities or Class I Securities into Class A Securities of the same fund (or Class TA3 Securities in the case of Class TF3 Securities) after providing the unitholder with 5 days' notice, unless the unitholder notifies the manager during the notice period and the manager agrees that such unitholder is once again eligible to hold Class F Securities, Class TF3 Securities or Class I Securities, as applicable. Unitholders may be charged a sales commission in connection with the switch by their dealer.

Redemptions

<u>Mutual fund units (other than Monthly Redemptions in respect of KILO)</u>

You can sell some or all of your mutual fund units at any time. This is called a redemption. Redemptions will only be permitted in certain minimum amounts. See "Purchases, Switches and Redemptions – Redemptions" on page 27 for details. Your dealer must send your redemption request on the same day it is received. The dealer must assume all associated costs. Redemption requests for a fund are processed in the order in which they are received. We will not process redemption requests specifying a forward date or specific price.

Redemption orders which are received by Purpose before 4:00 p.m. (Toronto time) or such other order cut-off time as specified by Purpose on any valuation date will be priced using that day's NAV. Redemption orders which are received by Purpose after 4:00 p.m. (Toronto time) or such other cut-off time as specified by Purpose on a valuation date will be priced on the next valuation date. If Purpose decides to calculate NAV at a time other than after the usual closing time of the Designated Exchange, the NAV value received will be determined relative to that time. Note that your dealer may establish an earlier cut-off time.

The Tax Act requires that all amounts including capital gains and losses be reported in Canadian dollars. As a result, if you bought and redeemed units under the U.S. dollar option, you need to calculate gains or losses based on the Canadian dollar value of your units when they were purchased and when they were sold. In addition, although distributions will be made in U.S. dollars, they must be reported in Canadian dollars for Canadian tax purposes. Consequently, all investment income will be reported to you in Canadian dollars for income tax purposes. You may want to consult your tax advisor regarding such requirements.

Redemption requests for mutual fund units, other than as noted below in respect of MLD Core Fund, must be for an amount of at least $1,000 (unless the account balance is less than $1,000). Redemption requests for units of MLD Core Fund must be for an amount of at least $100 (unless the account balance is less than $100).

Within two business days following each valuation date, we will pay to each securityholder who has requested a redemption the value of the units determined on the valuation date. Payments will be considered made upon deposit of the redemption proceeds in the securityholder's bank account or the mailing of a cheque in a postage prepaid envelope addressed to the securityholder unless the cheque is not honoured for payment.

Your redemption transaction will not be processed until your dealer (which in the case of MLD Core Fund and PK Core Fund means the principal distributor) has received all required documentation. Your dealer or financial advisor will inform you of the documentation it requires. Your dealer must provide all required documents within 10 business days of the date your redemption order is processed. If not, we will repurchase the units for your account. If the cost of repurchasing the units is less than the redemption proceeds, the fund will keep the difference. If the cost of repurchasing the units is more than the redemption proceeds, your dealer must pay the difference and any related costs. Your dealer may require you to reimburse the amount paid if the dealer suffers a loss.

If you redeem units of a fund, you can tell us to mail you a cheque or transfer the proceeds to your bank account with any financial institution. **For non-registered accounts, you are responsible for tracking and reporting to the Canada Revenue Agency any capital gains or losses that you realize from redeeming units of a fund.** If you hold your funds in a Registered Plan, withholding tax may apply if you withdraw money from the plan.

<u>Mutual Fund Units - Monthly Redemptions – KILO</u>

In respect of KILO and in addition to the redemption rights described above, you may also redeem some or all of your mutual fund units of KILO on the last business day of each month (each, a "**Monthly Redemption Date**") in exchange for physical gold bullion in an amount equal to the NAV per unit on the Monthly Redemption Date (a "**Monthly Redemption**").

Your dealer must send your redemption request in the form prescribed by the manager from time to time on or before the 10th day of the month (or the next business day if the 10th day falls on a day which is not a business day) prior to the applicable Monthly Redemption Date (each, a "**Notice Date**"). The dealer must assume all associated costs. Redemption requests for KILO are processed in the order in which they are received. We will not process redemption requests in connection with a Monthly Redemption specifying a specific price.

Redemption orders which are received by Purpose in a good form before 4:00 p.m. (Toronto time) or such other order cut-off time as specified by Purpose on any Notice Date will be priced using the NAV as of the applicable Monthly Redemption Date. Redemption orders which are received by Purpose after 4:00 p.m. (Toronto time) or such other cut-off time as specified by Purpose on a Notice Date will be effective as of the next Monthly Redemption Date. Note that your dealer may establish an earlier cut-off time.

Redemption requests for a Monthly Redemption must be for physical gold bullion in amount equal to at least the equivalent in value to 1,000 grams international bar or an integral multiple thereof, plus applicable expenses. Any fractional amount of redemption proceeds in excess of a 1,000 grams international bar or an integral multiple thereof will be paid in cash.

A unitholder redeeming mutual fund units of KILO for physical gold bullion will be responsible for all expenses incurred by KILO in connection with such redemption and applicable delivery expenses, including the handling of the notice of redemption, the delivery of the physical gold bullion for mutual fund units that are being redeemed and the applicable fees charged by the fund's custodian, including but not limited to gold storage in-and-out fees, transfer fees, pallet repackaging fees and pallet banding fees. Neither the fund nor the manager will have any liability for the physical gold bullion delivered to a unitholder in connection with a Monthly Redemption once it leaves the premises of the Custodian and the fund and the manager shall have no responsibility or liability for such physical gold bullion once the Custodian is no longer holding such physical gold bullion being delivered.

Within ten business days following each Monthly Redemption Date, we will deliver to each unitholder who has requested a Monthly Redemption, physical gold bullion equal to the value of the units redeemed on the Monthly Redemption Date determined on the Monthly Redemption Date. Payments will be considered made upon delivery of the redemption proceeds to the location specified by the unitholder in the redemption notice.

Your redemption transaction will not be processed until your dealer has received all documentation with respect to such redemption. Your dealer will inform you of the documentation it requires. Your dealer must provide all required documents within 10 business days of the date your redemption order is processed. If not, we will repurchase the units for your account. If the cost of repurchasing the units is less than the redemption proceeds, the fund will keep the difference. If the cost of repurchasing the units is more than the redemption proceeds, your dealer must pay the difference and any related costs. Your dealer may require you to reimburse the amount paid if the dealer suffers a loss.

<u>ETF Securities (other than Monthly Redemptions in respect of KILO)</u>

On any trading day, holders of ETF Securities may redeem ETF Securities of a fund for cash at a redemption price per ETF Security equal to the lesser of (a) 95% of the market price of the ETF Securities on the effective date of redemption and (b) the net asset value per ETF Security. "**Market price**" means the weighted average trading price of the ETF Securities on the Canadian marketplaces on which the ETF Securities have traded on the effective date of the redemption. Because holders of ETF Securities will generally be able to sell ETF Securities at the market price on the Designated Exchange through a registered broker or dealer subject only to customary brokerage commissions, holders of ETF Securities are advised to consult their brokers, dealers or investment advisors before redeeming their ETF Securities for cash.

In order for a cash redemption to be effective on a trading day, a cash redemption request in the form prescribed by Purpose from time to time must be delivered to Purpose at its registered office by 9:00 a.m. (Toronto time) on the trading day (or such later time on such trading day as Purpose may permit). If a cash redemption request is not received by the delivery deadline noted immediately above on a trading day, the cash redemption request will be effective on the next trading day. Payment of the redemption price will be made by no later than the second trading day after the effective day of the redemption. Cash redemption request forms may be obtained from your registered broker or dealer.

Unitholders that redeem ETF Securities prior to the record date for any distribution will not be entitled to receive that distribution.

ETF Securities – Monthly Redemptions - KILO

In respect of KILO and in addition to the redemption rights described above, holders of ETF Securities may redeem ETF Securities of KILO on a Monthly Redemption Date for physical gold bullion equal to the NAV per ETF Security on the applicable Monthly Redemption Date.

In order for a Monthly Redemption to be effective on a Monthly Redemption Date, a redemption request in the form prescribed by the manager from time to time must be delivered to Purpose at its registered office by 9:00 a.m. (Toronto time) on the Notice Date immediately prior to the Monthly Redemption Date (or such later time on such trading day as Purpose may permit) of the unitholder's intention to redeem units of KILO for physical gold bullion (a "**Request for Physical Redemption of Gold**"). A Request for Physical Redemption of Gold must be made on the unitholder's behalf by the unitholder's broker, who must be a direct or indirect participant of CDS or The Depository Trust Company. If the units being redeemed are held through the direct registration system ("**DRS**"), the unitholder first has to request and then receive a trust unit certificate before engaging in the redemption process. If a redemption request is not received by the delivery deadline noted immediately above and in the manner specified, the redemption request will be effective on the next Monthly Redemption Date. Within ten business days following each Monthly Redemption Date, we will deliver to each unitholder who has requested a Monthly Redemption, physical gold bullion equal to the value of the units redeemed on the Monthly Redemption Date determined on the Monthly Redemption Date. Payments will be considered made upon delivery of the redemption proceeds to the location specified by the unitholder in the Request for Physical Redemption of Gold.

Redemption requests for a Monthly Redemption must be for physical gold bullion in amount equal to at least the equivalent in value to 1,000 grams international bar or an integral multiple thereof, plus applicable expenses. Any fractional amount of redemption proceeds in excess of a 1,000 grams international bar or an integral multiple thereof will be paid in cash.

A unitholder redeeming ETF Securities for physical gold bullion will be responsible for all expenses incurred by the fund in connection with such redemption and applicable delivery expenses, including the handling of the notice of redemption, the delivery of the physical gold bullion for ETF Securities that are being redeemed and the applicable fees charged by the fund's custodian, including but not limited to gold storage in-and-out fees, transfer fees, costs related to redemptions through DRS (as applicable), pallet repackaging fees and pallet banding fees.

Unitholders that redeem ETF Securities prior to the ex-dividend date for the record date for any dividend will not be entitled to receive that dividend.

Exchange of ETF Securities for baskets of securities

On any trading day, a holder of ETF Securities may exchange the prescribed number of ETF Securities (or an integral multiple thereof) for baskets of securities and cash.

To effect an exchange of a prescribed number of ETF Securities, a holder of ETF Securities must submit an exchange request in the form prescribed by Purpose from time to time to Purpose at its registered office by 9:00 a.m. (Toronto time) on a trading day (or such later time on such trading day as Purpose may permit). The exchange redemption request forms may be obtained from any registered broker or dealer. The exchange price will be equal to the NAV of the ETF Securities of the applicable fund on the effective day of the exchange request, payable by delivery of baskets of securities and cash less, if applicable and in respect of KILO, a Cash Exchange Fee. The ETF Securities will be redeemed in the exchange.

If an exchange request is not received by the submission deadline noted immediately above on a trading day, the exchange order will be effective on the next trading day. Settlement of exchanges for baskets of securities and cash will be made by no later than the second trading day after the effective day of the exchange request. The securities to be included in the baskets of securities delivered on an exchange shall be selected by Purpose in its discretion.

Holders of ETF Securities should be aware that the NAV per ETF Security of a fund will decline by the amount of the distribution on the ex-distribution date, which is two trading days or such other day as announced by the manager prior to the distribution record date. A securityholder that is no longer a holder of record on the applicable distribution record date will not be entitled to receive that distribution.

Costs associated with exchange and redemption (other than Monthly Redemptions in respect of KILO)

Purpose may charge to a holder of ETF Securities, in its discretion, an administrative fee of up to 2% of the exchange or redemption proceeds of a fund to offset certain transaction costs associated with the exchange or redemption of ETF Securities of such fund. Such fee does not apply to Monthly Redemptions in respect of KILO.

Exchange and redemption of ETF Securities through CDS Participants

The exchange and redemption rights described above must be exercised through the CDS Participant through which the holder of ETF Securities holds its ETF Securities. Beneficial owners of ETF Securities should ensure that they provide exchange and/or redemption instructions to the CDS Participants through which they hold ETF Securities sufficiently in advance of the cut-off times described above to allow such CDS Participants to notify CDS and for CDS to notify us prior to the relevant cut-off time.

When you may not be allowed to redeem your units

Under extraordinary circumstances, you may not be allowed to redeem your units. We may suspend your right to redeem if:

(a) normal trading is suspended on any stock exchange or market where more than 50% of the assets of a fund are listed or traded; or

(b) we get permission from the Canadian Securities Administrators to allow us to temporarily suspend the redemption of units.

Special considerations for holders of ETF Securities

The provisions of the so-called "early warning" requirements set out in Canadian securities legislation do not apply in connection with the acquisition of ETF Securities. The funds obtained exemptive relief from the securities regulatory authorities to permit holders of ETF Securities to acquire more than 20% of any class of ETF Securities of any fund through purchases on the Designated Exchange without regard to the take-over bid requirements of Canadian securities legislation, provided that any such holder, and any person acting jointly or in concert with the holder, undertakes to the manager not to vote more than 20% of the ETF Securities of that class of the fund at any meeting of securityholders.

Non-resident securityholders

At no time may: (i) non-residents of Canada; (ii) partnerships that are not Canadian partnerships; or (iii) a combination of non-residents of Canada and such partnerships (all as defined in the Tax Act), be the beneficial owners of a majority of the units of a fund. The manager may require declarations as to the jurisdictions in which a beneficial owner of units is resident and, if a partnership, its status as a Canadian partnership. If the manager becomes aware, as a result of requiring such declarations as to beneficial ownership or otherwise, that the beneficial owners of 40% of the units of a fund then outstanding are, or may be, non-residents and/or partnerships that are not Canadian partnerships, or that such a situation is imminent, the manager may make a public announcement thereof. If the manager determines that more than 40% of such units are beneficially held by non-residents and/or partnerships that are not Canadian partnerships, the manager may send a notice to such non-resident unitholders and partnerships, chosen in inverse order to the order of acquisition or in such manner as the manager may consider equitable and practicable, requiring them to sell their units or a portion thereof within a specified period of not less than 30 days. If the unitholders receiving such notice have not sold the specified number of units or provided the manager with satisfactory evidence that they are not non-residents or partnerships other than Canadian partnerships within such period, the manager may on behalf of such unitholders sell such units and, in the interim, shall suspend the voting and distribution rights attached to such units. Upon such sale, the affected holders shall cease to be beneficial holders of units and their rights shall be limited to receiving the net proceeds of sale of such units.

Notwithstanding the foregoing, the manager may determine not to take any of the actions described above if the manager has been advised by legal counsel that the failure to take any of such actions would not adversely impact the status of the fund as a mutual fund trust for purposes of the Tax Act or, alternatively, may take such other action or actions as may be necessary to maintain the status of the fund as a mutual fund trust for purposes of the Tax Act.

International information reporting

Each fund is a "Reporting Canadian financial institution" for purposes of intergovernmental agreement between the governments of Canada and the United States (the IGA) and Part XVIII of the Tax Act, and intends to satisfy its obligations under Canadian law for enhanced tax reporting to the Canada Revenue Agency ("**CRA**"). As a result of such status, certain securityholders may be requested to provide information to the fund or their registered dealer relating to their citizenship, residency and, if applicable, a U.S. federal tax identification number ("**TIN**") or such information relating to the controlling person(s) in the case of certain entities. If a securityholder or any of the controlling person(s) of certain entities is identified as a U.S. taxpayer (including a U.S. citizen who is a resident in Canada) or if the securityholder does not provide the requested information (and there are indications of U.S. status), the IGA and Part XVIII of the Tax Act will generally require information about the securityholder's investment in the fund to be reported to the CRA, unless the investment is held in a Registered Plan. The CRA will then exchange the information with the U.S. Internal Revenue Service pursuant to the provisions of the Canada-U.S. Income Tax Treaty.

The Tax Act also includes provisions that require procedures to be 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 (other than the U.S.) and to report required information to the CRA. Such information would be exchanged on a reciprocal, bilateral basis with the countries that have agreed to a bilateral information exchange with Canada in which the account holders or such controlling persons are resident. Unitholders are required to provide certain information regarding their investment in the funds for the purposes of such information exchange, unless the investment is held within a Registered Plan.

We may also, if a securityholder fails to provide the funds with the necessary certification to comply with such reporting requirements or any other tax requirements, redeem the necessary securities from your account in order to pay any penalties or fines imposed by the tax authorities. If the proceeds from the redemption are insufficient to cover the penalties or fines, we may ask your dealer to reimburse the difference, and your dealer may in turn ask you to pay that amount.

Registration and transfer through CDS – ETF Securities

Registration of interests in, and transfers of, ETF Securities will be made only through CDS. ETF Securities must be purchased, transferred and surrendered for exchange or redemption only through a CDS Participant. All rights of an owner of ETF Securities must be exercised through, and all payments or other property to which such owner is entitled will be made or delivered by, CDS or the CDS Participant through which the owner holds such ETF Securities. Upon purchase of any ETF Securities you will receive only the customary confirmation; physical certificates evidencing your ownership will not be issued. References in this prospectus to a holder of ETF Securities mean, unless the context otherwise requires, the beneficial owner of such ETF Securities.

Neither the funds nor the manager will have any liability for: (i) records maintained by CDS relating to the beneficial interests in the ETF Securities or the book entry accounts maintained by CDS; (ii) maintaining, supervising or reviewing any records relating to such beneficial ownership interests; or (iii) any advice or representation made or given by CDS and made or given with respect to the rules and regulations of CDS or any action taken by CDS or at the direction of the CDS Participants.

The ability of a beneficial owner of ETF Securities to pledge such ETF Securities or otherwise take action with respect to such owner's interest in such ETF Securities (other than through a CDS Participant) may be limited due to the lack of a physical certificate.

The funds have the option to terminate registration of the ETF Securities through the book-based system in which case certificates for ETF Securities in fully registered form will be issued to beneficial owners of such ETF Securities or to their nominees.

Short-term trading

<u>Mutual fund units</u>

Most mutual funds are considered long-term investments, so we discourage investors from buying or redeeming units frequently.

Some investors may seek to trade fund units frequently in an effort to benefit from differences between the value of a fund's units and the value of the underlying securities ("market timing"). Frequent trading in order to time the market or otherwise can negatively impact the value of the fund to the detriment of other securityholders. Excessive short-term trading can also reduce a fund's return because the fund may be forced to hold additional cash to pay redemption proceeds or, alternatively, to sell portfolio holdings, thereby incurring additional trading costs.

Depending on the fund and the particular circumstances, Purpose will employ a combination of preventative and detective measures to discourage and identify excessive short-term trading in the funds, including:

(a) imposition of short-term trading fees; and

(b) monitoring of trading activity and refusal of trades.

Short-term trading fees for mutual fund units

If you redeem or switch mutual fund units within 90 days of purchase, we may charge a short-term trading fee on behalf of the fund in circumstances where we determine that the trading activity represents market timing or excessive short-term trading. See "Fees and Expenses – Fees and expenses payable directly by you" on page 42. No short-term trading fees are charged on redemptions made under a systematic withdrawal plan or redemptions that may occur when an investor fails to meet the minimum investment amount for the funds. See "Purchases, Switches and Redemptions" on page 23.

Fees charged will be paid directly to the fund, and are designed to deter excessive trading and offset its associated costs. For the purposes of determining whether the fee applies, we will consider the units that were held the longest to be the units which are redeemed first. The fee will not apply in certain circumstances, including:

(a) pre-authorized or systematic withdrawal plans;

(b) redemptions of units purchased by the reinvestment of distributions; or

(c) redemptions initiated by Purpose or a fund where redemption notice requirements have been established by Purpose.

ETF Securities

At the present time, we are of the view that it is not necessary to impose any short-term trading restrictions on the funds as the ETF Securities are generally traded by investors on an exchange in the secondary market in the same way as other listed securities. In the few situations where ETF Securities are not purchased in the secondary market, purchases usually involve a designated broker or a dealer upon whom Purpose may impose a subscription or redemption fee, which is intended to compensate the applicable fund for any costs and expenses incurred in relation to the trade.

Monitoring of trading activity

We regularly monitor transactions in all of the funds managed by Purpose. We have established criteria for each fund that we apply fairly and consistently in an effort to eliminate trading activity that we deem potentially detrimental to long-term securityholders. We have the right to restrict or reject any purchase or switch order without any prior notice, including transactions accepted by your dealer.

Generally speaking, your trading may be considered excessive if you sell or switch your units of a fund within 90 days of buying them on more than one occasion.

We have the right to consider trading activity in multiple accounts under common ownership, control or influence as trading in a single account when exercising our right to reject a purchase or switch. **Whether your trading is considered excessive will be determined by Purpose in its sole discretion.**

OPTIONAL SERVICES

This section tells you about the optional services we offer to investors.

Distribution reinvestment plan

Mutual fund units

The funds may earn income from their investments. They may also realize capital gains when investments are sold at a profit. A fund pays out its income (less expenses) and net realized capital gains to investors in the form of distributions and may also pay amounts as returns of capital to investors. We call all of these types of payments distributions.

Distributions payable on mutual fund units are automatically reinvested in additional mutual fund units Holders of mutual fund units who wish to receive cash as of a particular distribution record date should speak with their broker, dealer or investment advisor for details.

ETF Securities

Each fund that offers ETF Securities has adopted a reinvestment plan, which provides that a holder of ETF Securities (an "**ETF plan participant**") may elect to automatically reinvest all distributions paid on the ETF Securities held by that ETF plan participant in additional ETF Securities ("**ETF plan securities**") of such funds in accordance with the terms of the reinvestment plan and the distribution reinvestment agency agreement between Purpose, on behalf of the fund, and the plan agent, as it may be amended. The key terms of the reinvestment plan are as described below.

Holders of ETF Securities who are not residents of Canada may not participate in the reinvestment plan and any holder of ETF Securities who ceases to be a resident of Canada will be required to terminate its participation in the reinvestment plan. No fund will be required to purchase ETF plan securities if such purchase would be illegal.

A holder of ETF Securities who wishes to enrol in the reinvestment plan as of a particular distribution record date should notify the CDS Participant through which the holder holds its ETF Securities sufficiently in advance of that distribution record date to allow such CDS Participant to notify CDS by 4:00 p.m. (Toronto time) on the distribution record date.

Distributions that ETF plan participants are due to receive will be used to purchase ETF plan securities on behalf of such ETF plan participants in the market.

No fractional ETF plan securities will be purchased under the reinvestment plan. Any funds remaining after the purchase of whole ETF plan securities will be credited to the plan participant via its CDS Participant in lieu of fractional ETF plan securities.

The automatic reinvestment of the distributions under the reinvestment plan will not relieve ETF plan participants of any income tax applicable to such distributions. See "Income Tax Considerations for Investors" on page 45.

ETF plan participants may voluntarily terminate their participation in the reinvestment plan as of a particular distribution record date by notifying their CDS Participant sufficiently in advance of that distribution record date. ETF plan participants should contact their CDS Participant to obtain details of the appropriate procedures for terminating their participation in the reinvestment plan. Beginning on the first distribution payment date after such notice is received from an ETF plan participant and accepted by a CDS Participant, distributions to such ETF plan participant will be made in cash. Any expenses associated with the preparation and delivery of such termination notice will be borne by the ETF plan participant exercising its right to terminate participation in the reinvestment plan. Purpose may terminate the reinvestment plan, in its sole discretion, upon not less than 30 days' notice to: (i) the CDS Participants through which the ETF plan participants hold their ETF Securities; (ii) the plan agent; and (iii) if necessary, the TSX (or such other Designated Exchange on which the ETF Securities of a fund may be listed from time to time).

Purpose may amend, modify or suspend the reinvestment plan at any time in its sole discretion, provided that it gives notice of that amendment, modification or suspension to: (i) the CDS Participants through which the ETF plan participants hold their ETF Securities; (ii) the plan agent; and (iii) if necessary, the Designated Exchange.

Pre-authorized cash contribution

Mutual fund units

If you want to invest in mutual fund units of a fund on a regular basis, you can use our pre-authorized purchase plan so that money is automatically withdrawn from your bank account at regular intervals and invested in the funds that you choose. This plan allows you to take advantage of dollar-cost averaging.

Here is how the plan works:

(a) See "Purchases, Switches and Redemptions – How to buy, redeem and switch" for the minimum initial investment and the minimum additional investments required for each fund or class, as the case may be.

(b) You must have at least $5,000 in your account to set up a pre-authorized cash contribution.

(c) You can invest weekly, bi-weekly, semi-monthly, monthly, quarterly, semi-annually or annually, depending on the kind of account you have. For more information, please ask your dealer.

(d) We will automatically transfer money from your bank account with any financial institution to purchase units in the fund you choose.

(e) We will cancel your participation in the plan if your payment is returned because there are not sufficient funds in your bank account.

You may choose this option when you first buy mutual fund units or at any time afterwards. You must set up your pre-authorized purchase plan through your advisor. We must receive at least five business days' notice to set up a pre-authorized purchase plan.

We do not charge a fee for setting up your pre-authorized purchase plan. However, your initial investment must meet the required minimum initial investment and the minimum additional investments required for each fund or class, as the case may be. You can only buy mutual fund units in Canadian dollars through your pre-authorized purchase plan.

You may change your pre-authorized purchase plan instructions or cancel such plan at any time as long as we receive at least two business days' notice. If you redeem all of the units in your account, we will terminate your pre-authorized purchase plan unless you tell us otherwise.

Pre-authorized cash contributions are also available under the U.S. dollar purchase option. See "Optional Services – U.S. dollar purchase option" on page 38 for more details.

ETF Securities

ETF plan participants may also make pre-authorized cash contributions under the reinvestment plan by notifying their CDS Participant sufficiently in advance to allow such CDS Participant to notify the plan agent by 5:00 p.m. (Toronto time) at least ten business days before the last business day of the month. An ETF plan participant may invest a minimum of $100 and a maximum of $5,000 per pre-authorized cash contribution no more frequently than monthly. The manager reserves the right to reject any request for pre-authorized cash contributions.

Distributions due to ETF plan participants, along with any pre-authorized cash contributions, will be applied, on behalf of ETF plan participants, to purchase ETF plan securities in the market. ETF plan securities will be allocated pro rata based on the number of ETF Securities held by ETF plan participants. ETF plan securities will be credited for the benefit of ETF plan participants to the account of the CDS Participant through whom that ETF plan participant holds ETF Securities.

Systematic withdrawal plan

Mutual fund units

If you would like to make regular withdrawals from your non-registered investment in a fund, you can open a systematic withdrawal plan. Here is how the plan works:

(a) You must have at least $15,000 in your non-registered account to set up a systematic withdrawal plan.

(b) You can choose to withdraw a minimum of $100 weekly, bi-weekly, semi-monthly, monthly, quarterly, semi-annually or annually, depending on the kind of account you have. For more information, please ask your dealer.

(c) We will deposit the money directly to your bank account.

(d) If you decide to discontinue your systematic withdrawal plan and your investment is below the minimum balance for a fund, we may ask you to increase your investment to the minimum amount or to redeem your remaining investment in the fund.

We must receive at least five business days' notice to set up a systematic withdrawal plan. We do not charge a fee for such plan. However, we may set a minimum withdrawal amount.

You may change your systematic withdrawal plan instructions or cancel such plan at any time as long as we receive at least two business days' notice. Most changes must be made through your advisor or dealer.

It is important to remember that if you withdraw more than your investment is earning, you will reduce and eventually use up your original investment. Remember, a systematic withdrawal plan is like a redemption. You are responsible for tracking and reporting to the Canada Revenue Agency any capital gains or losses you realize on mutual fund units disposed of.

ETF Securities

Under the reinvestment plan, holders of ETF Securities will also be able to elect to systematically withdraw units by selling a specific dollar amount of ETF Securities (in minimum amounts of $100 and maximum amounts of $5,000) owned by such holder in respect of each subsequent payment date. A holder of an ETF Security may elect to sell ETF Securities by notifying the plan agent via the applicable CDS Participant through which such holder holds its ETF Securities of its intention to so sell ETF Securities. In this regard, the CDS Participant must, on behalf of such securityholder, (i) provide a systematic withdrawal notice directly to the plan agent that the securityholder wishes to sell ETF Securities in this manner until the fund is otherwise notified by 5:00 p.m. (Toronto time) on the applicable record date for which the securityholder no longer wishes to sell ETF Securities or there remain no further ETF Securities to be sold on behalf of such securityholder, whichever comes first and (ii) specify the specified dollar amount of units to be sold in respect of each subsequent payment date.

A holder of ETF Securities who makes pre-authorized cash contributions may not deliver a systematic withdrawal notice under the reinvestment plan.

U.S. dollar purchase option

You may purchase the following mutual fund units in U.S. dollars under the U.S. dollar purchase option:

- class A non-currency hedged units and class F non-currency hedged units of Purpose Global Flexible Credit Fund;
- all mutual fund units of PK Core Fund and the Black Diamond Funds; and
- class A non-currency hedged units and Class F non-currency hedged units of KILO.

In addition, you may purchase the following ETF Securities under separate, U.S. dollar denominated, ticker symbols on the Designated Exchange:

- ETF non-currency hedged USD units of Purpose Global Flexible Credit Fund; and
- U.S. dollar denominated ETF non-currency hedged units of KILO.

The U.S. dollar purchase option, and ability to purchase certain ETF Securities in U.S. dollars, is offered only as a convenience for investors and does not act as a currency hedge between the Canadian dollar and the U.S. dollar.

Registered Plans

Each of the funds may be purchased within all Registered Plans subject to tax rules that deal with prohibited investments. See "Income Tax Considerations for Investors – Securityholders that Hold Units of a Fund in a Registered Plan" on page 50.

Registered Plans receive special treatment under the Tax Act. A key benefit is that you do not pay tax on the money you earn in these plans until you withdraw it; however, withdrawals from a TFSA and certain withdrawals from RESPs, FHSAs (if the Tax Act is amended as proposed) and RDSPs are not taxable. In addition, contributions to an RRSP (and FHSAs if the Tax Act is amended as proposed) are deductible from your taxable earnings up to your allowable limit. You should consult your tax advisor for more information about the tax implications of Registered Plans.

FEES AND EXPENSES

The table set forth below outlines the fees and expenses that you may have to pay directly or indirectly when you invest in the funds. The funds may have to pay some of these fees and expenses, which you pay indirectly, because those fees and expenses will reduce the value of your investment in the funds.

Being a "no-load" class, the type and level of expenses payable by Class F Securities, Class TF3 Securities and Class I Securities may change. While you will be sent a written notice advising you of any increases in fees or other expenses payable by any such classes, or the introduction of a new fee or expense, at least 60 days prior to such increase or introduction being effective, securityholder approval will not be obtained. In connection with all other classes, the consent of securityholders is required before: (i) any change is made to the basis of the calculation of a fee or expense charged to a fund or directly to its securityholders by a non-arm's length party (such as the fund or the manager) in connection with the holding of securities of the fund, if such change could result in an increase in charges to the fund or securityholders; or (ii) the introduction of a fee or expense to be charged to the fund or securityholders by a non-arm's length party (like a fund or the manager) is made in connection with the holding of securities of a fund. In the case of such changes by an arm's length party, no prior consent is needed but unitholders will be sent a written notice at least 60 days before the effective date of the change.

Fees and expenses payable by the funds	
Management fees	Purpose, as manager of the funds, is entitled to a management fee payable by each fund. The management fee varies for each class of units of a fund. See the "Fees and expenses" in the fund details table for each fund in this simplified prospectus for information on the maximum percentage of the management fee which you will be required to pay as an investor in the funds. Purpose is the manager, portfolio manager and promoter of the funds. Purpose manages the day-to-day business and operations of the funds and provides all general management and administrative services. No management fees or administration fees are payable by a fund that, to a reasonable person, would duplicate a fee payable by the underlying funds of that fund for the same service. In addition, the fund will not pay any sales fees or redemption fees upon a purchase or redemption of securities of an underlying fund. Any service fees paid by Purpose to your dealer, will be paid out of the management fee payable to Purpose.
Incentive Fees - StoneCastle Global Tactical Asset Allocation Fund and Alternative Funds Only	StoneCastle Global Tactical Asset Allocation Fund Each class of StoneCastle Global Tactical Asset Allocation Fund will pay to Purpose a performance bonus per unit (in this section, the "**Performance Bonus**"), as described below. The Performance Bonus will be equal to 20% of the difference by which the return in the NAV per unit of the applicable class of this fund for each calendar quarter exceeds the percentage return for the same period of a blended index, comprised as follows: • Dow Jones US Total Stock Market Index (25%) • MSCI World (ex-USA) Index (25%) • Bloomberg Barclays US Aggregate Bond Total Return Index (35%) • S&P GSCI Commodity Total Return Index (15%) The Performance Bonus will be payable in all circumstances where the performance of the subject class of units exceeds that of the above blended benchmark, even in circumstances where the value of the class of units of the Fund has declined. The Performance Bonus, if any, is accrued daily such that, to the extent possible, the NAV per class on each valuation date will reflect any Performance Bonus payable as at the end of such period. The Performance Bonus is calculated and paid at the end of each fiscal quarter.

	Where a unit is purchased or redeemed on a trading day other than the last valuation date of a fiscal quarter, the Performance Bonus payable to Purpose in respect of such unit shall (a) in the case of a purchase, accrue as of the date on which such units were purchased and (b) in the case of a redemption, be calculated as if the date on which such units were redeemed was the last valuation date in such fiscal quarter, respectively. Purpose may reduce the Performance Bonus payable with respect to a particular investor or class at its discretion and will depend on a number of factors, including the size of the investment and a negotiated fee agreement between the securityholder and Purpose. Investors who are entitled to the benefit of a lower and will depend on a number of factors, including the size of the investment and a negotiated fee agreement between the securityholder and Purpose may receive a fee rebate from the fund so that those investors receive the benefit of the lower Performance Bonus. <u>Alternative Funds</u> Each class of an Alternative Fund will pay to Purpose in respect of each calendar year of the fund a performance bonus per unit (in this section, the "**Performance Bonus**") equal to the percentage stated below of the amount by which the Adjusted Net Asset Value per unit at the end of the fiscal year exceeds the highest year end Adjusted Net Asset Value per unit previously achieved. For these purposes, "**Adjusted Net Asset Value per Unit**" of any class of Units of an Alternative Fund means the Net Asset Value per Unit of that class at the end of a fiscal year without giving effect to the accrual of any Performance Bonus, plus the aggregate amount of all distributions previously declared on a per unit basis in respect of such class of unit. The Performance Bonus for an Alternative Fund will be calculated and accrued each day the NAV of the fund is calculated, but will only be payable following the end of the fiscal year of the fund based on the actual annual performance of the fund. Notwithstanding the foregoing, no Performance Bonus will be payable with respect to any fiscal year of an Alternative Fund unless the Adjusted Net Asset Value per Unit of the fund at the end of such fiscal year exceeds the NAV per Unit at the end of the preceding year (or on the date the Units are first issued), plus the aggregate amount of all distributions previously declared on a per unit basis, by a minimum percentage as stated below, and as applicable (the "**Hurdle Rate**"). If any Units of an Alternative Fund are purchased during the calendar year, the Hurdle Rate will be prorated in the calculation of the Performance Bonus with respect to those Units, in the same manner as described above. If any Units of an Alternative Fund are redeemed prior to the end of a calendar year, a Performance Bonus will be payable on the redemption date in respect of each such unit in the same manner as described above. For greater certainty, the Hurdle Rate will be prorated in the calculation of the Performance Bonus on a unit redeemed during the calendar year.

	Performance Bonus	*Hurdle Rate*
Black Diamond Global Equity Fund	10%	8%

<table>
<tr><td>Black Diamond Distressed Opportunities Fund</td><td>20%</td><td>0%</td></tr>
<tr><td>Management fee rebates</td><td colspan="2">To achieve effective and competitive management fees, Purpose may reduce the management fee borne by certain securityholders who have signed an agreement with Purpose. The applicable fund will pay out the amount of the reduction in the form of a management fee rebate directly to the eligible securityholder. Distributions by a fund of management fee rebates will generally be paid out of net income or net realized capital gains of the fund but could also be paid as a return of capital. Management fee rebates are reinvested in units unless otherwise requested. The decision to pay management fee rebates will be in Purpose's discretion and will depend on a number of factors, including the size of the investment and a negotiated fee agreement between the securityholder and Purpose. Purpose reserves the right to discontinue or change management fee rebates at any time.</td></tr>
<tr><td>Operating expenses</td><td colspan="2">Each fund pays all its own operating expenses. These include but are not limited to brokerage commissions and fees, taxes, audit fees, legal fees and expenses, safekeeping, registrar and transfer agent fees, trustee and custodial fees, bullion settlement fees as applicable (including delivery, movement and transportation expenses), interest expenses, administrative costs, regulatory participation fees, investor servicing costs and costs of financial and other reports to investors, the costs of complying with any new governmental or regulatory requirement introduced after a fund was established, as well as costs and expenses in connection with the preparation of renewal prospectuses.

Each fund also pays the costs and any expenses related to the IRC. The compensation and other expenses of the IRC, including the costs of complying with NI 81-107, are paid pro rata by the fund and the other investment funds managed by the manager or its affiliates for which the IRC acts as the independent review committee. Such fees and expenses include compensation payable to each IRC member and travel expenses in connection with meeting attendance. Each IRC member receives an annual retainer of $5,000, as well as a meeting fee of $400 per investment fund per meeting attended. Other fees and expenses payable by the fund in connection with the IRC include insurance costs, legal fees, and attendance fees for educational seminars. These retainers, fees and expenses are allocated amongst the reporting issuer investment funds managed by the manager in a manner that is fair and reasonable to such investment funds.

Operating expenses and other costs of a fund are subject to applicable taxes. A fund's share of the IRC's compensation will be disclosed in the fund's financial statements.

As each fund has more than one class of securities, the securityholders of each class of a fund bear their pro rata share of those expenses which are common to the operation of all classes, of the fund as well as those expenses which are attributable solely to that class.</td></tr>
<tr><td></td><td colspan="2">Effect of HST on MERs

A fund is required to pay HST on management fees and administration fees charged to the fund. In general, the HST rate depends on the residence of a fund's securityholders at a certain point in time. Changes in existing HST rates, changes to which provinces impose HST and changes in the breakdown on the residence of a fund's securityholders will have an impact on the management expense ratio of a fund year over year.</td></tr>
</table>

Fund of funds fees and expenses	The funds can invest in underlying funds managed by Purpose or an affiliate of Purpose or by third parties. In accordance with applicable laws, we cannot charge management fees to both the funds and the underlying funds where, to a reasonable person, that would result in the duplication of a fee for the same services. In addition, no sales charges or redemption fees are payable by the funds in relation to their purchases or redemptions of securities of an underlying fund if the underlying fund is managed by Purpose or an affiliate.
Fees and expenses payable directly by you	
Sales charges	Your dealer, investment advisor or financial advisor may charge a sales charge and you may have to pay your dealer at the time of purchase up to 5% of the purchase price of the Class A Securities of Class TA3 Securities you buy. We deduct the sales charge from the amount you invest and pay it to your dealer as a commission.
Switch fees	The sales charges, as described above, apply when you switch between funds (or with other mutual funds managed by Purpose). If you switch your mutual fund units of one class for mutual fund units a different class of the same fund, or if you switch the type of account in which you hold your mutual fund units, your dealer or financial advisor may charge you a fee of up to 2% of the amount you switch. In general, your dealer may receive a switch fee or a sales commission for your switch, but not both. Switches of units of MLD Core Fund to another fund are not permitted.
Redemption fees	There are no redemption fees payable upon the redemption of units of a fund (subject to the short-term trading fee, if applicable).
Short-term trading fees	If a holder of mutual fund units redeems mutual fund units within 90 days of purchasing such mutual fund units, the manager may charge a short-term trading fee on behalf of the fund of up to 2% of the value of such units in circumstances where it determines that the trading activity represents market timing or excessive short-term trading. No short-term trading fees are charged on redemptions made under a systematic withdrawal plan or redemptions that may occur when an investor fails to meet the minimum investment amount for the fund. At the present time, the manager is of the view that it is not necessary to impose any short-term trading restrictions on the ETF Securities. See "Purchases, Switches and Redemptions – Short term trading – Short-term trading fees for mutual fund units" on page 34.
Registered tax plan fees	Fees may be payable to your dealer if you transfer an investment within a Registered Plan to another financial institution. None of these fees are paid to Purpose.
Other fees and expenses - failed orders	You may have to reimburse your dealer if it suffers a loss as a result of our having to redeem your units, as the case may be, for insufficient payment. See "Purchases, Switches and Redemptions – Purchase of mutual fund units" on page 24.

ETF Security administrative fee	You may have to pay a fund an administrative fee of up to 2% of the value of any ETF Securities you redeem to offset certain transaction costs associated with the exchange or redemption of ETF Securities.
Fees for fee-based accounts	You may have to pay an annual fee to your dealer based on the market value of your Class F Securities or Class TF3 Securities. The amount of the fee is determined between you and your dealer.
Monthly Redemption administration fee - KILO	A unitholder redeeming mutual fund units and/or ETF Securities for physical gold bullion will be responsible for expenses incurred by KILO in connection with such redemption and applicable delivery expenses, including the handling of the notice of redemption, the delivery of the physical gold bullion for units that are being redeemed and the applicable fees charged by the fund's custodian, including but not limited to gold storage in-and-out fees, transfer fees, costs related to redemptions through DRS (as applicable), pallet repackaging fees and pallet banding fees.
Cash subscription fee	You may have to pay a fee in connection with cash payments (in whole or in part) for subscriptions of a prescribed number of ETF Securities, representing, as applicable, brokerage expenses, commissions, transaction costs, costs or expenses related to market impact, and other costs or expenses that a fund incurs or expects to incur in purchasing securities or gold bullion, as applicable, on the market with such cash proceeds.
Cash exchange fee - KILO	You may have to pay a fee in connection with cash payments (in whole or in part) for exchanges of a prescribed number of ETF Securities of KILO, representing, as applicable, brokerage expenses, commissions, transaction costs, costs or expenses related to market impact and other costs or expenses that the fund incurs or expects to incur in selling gold bullion on the market to obtain the necessary cash for the exchange.

DEALER COMPENSATION

How your investment professional and dealer are paid

Your investment professional usually is the person through whom you purchase the funds. Your investment professional could be a broker, financial planner or advisor who is registered to sell mutual funds. Your dealer is the firm for which your investment professional works.

<u>Sales Commissions</u>

Class A Securities and Class TA3 Securities

If you buy Class A Securities or Class TA3 Securities, the commission you negotiate (up to 5% of your purchase amount) is deducted from your purchase amount and paid by you, through us, to your dealer. In addition, we pay your dealer a service fee when you hold Class A Securities or Class TA3 Securities as described below. The funds may also charge a short-term trading fee if you redeem your units within 90 days of buying them. See "Purchases, Switches and Redemptions – Short term trading – Short-term trading fees for mutual fund units" on page 33.

Class F Securities and Class TF3 Securities

We do not pay your dealer a commission if you buy Class F Securities or Class TF3 Securities. Investors who buy Class F Securities or Class TF3 Securities pay a negotiated fee to their dealer for investment advice and other services. The funds may also charge a short-term trading fee if you redeem your units within 90 days of buying them. See “Purchases, Switches and Redemptions – Short term trading – Short-term trading fees for mutual fund units” on page 33.

Class I Securities

We do not pay your dealer a commission if you buy Class I Securities. Investors who buy Class I Securities pay a negotiated fee to their dealer for investment advice and other services. The funds may also charge a short-term trading fee if you redeem your units within 90 days of buying them. See “Purchases, Switches and Redemptions – Short term trading – Short-term trading fees for mutual fund units” on page 33.

ETF Securities

We do not pay your dealer a commission if you buy ETF Securities. At the present time, we are of the view that it is not necessary to impose any short-term trading restrictions on the ETF Securities. See “Purchases, Switches and Redemptions – Short-term trading – ETF Securities” on page 34.

Trailing Commission

We pay a service fee known as a “trailing commission” to your dealer either monthly or quarterly for ongoing services your dealer may provide to you on your Class A Securities and Class TA3 Securities of the funds. The service fee is a percentage of the value of the units you hold (see the table below for further details). Purpose pays your dealer the service fee out of the management fee payable to Purpose for as long as you hold units of the fund. We may change the terms of the service fee including the manner and frequency with which it is paid at any time. We may do this without informing you. Dealers typically pay a portion of the service fee they receive to their investment professionals for the services they provide to their clients.

Fund	**Annual Trailing Commission[1] (Class A Securities and Class TA3 Securities)**
Purpose Global Flexible Credit Fund	0.50%
PK Core Fund	1.00%
Purpose Gold Bullion Fund	0.50%
Purpose Healthcare Innovation Yield Fund	1.00%
StoneCastle Global Tactical Asset Allocation Fund	1.00%
Black Diamond Global Equity Fund	1.00%
Black Diamond Distressed Opportunities Fund	1.00%
Black Diamond Global Enhanced Income Fund	1.00%

Note:

(1) Plus applicable HST.

We do not pay service fees on Class F Securities, Class TF3 Securities, Class I Securities or ETF Securities.

Other forms of dealer support

We may participate in co-operative advertising programs with dealers (including the principal distributor) to help them market the funds. We may use part of the management fee to pay up to 50% of the cost of these advertising programs in accordance with rules set out in National Instrument 81-105 – *Mutual Fund Sales Practice*s.

INCOME TAX CONSIDERATIONS FOR INVESTORS

Introduction

The following is a summary of the Canadian federal income tax considerations that generally apply to a holder of mutual fund units and/or ETF Securities (in this section, "**Units**") of the funds. This summary only applies to a holder of Units of a fund who, for the purposes of the Tax Act, is an individual who is resident in Canada, is not affiliated and deal at arm's length with the funds, is not a trust, and who holds units as capital property **("Securityholder**").

Generally, Units should be considered to be capital property to a Securityholder if the Securityholder does not hold such Units in the course of carrying on a business of buying and selling securities and has not acquired the Units in one or more transactions considered to be an adventure or concern in the nature of trade. Certain Securityholders who might not otherwise be considered to hold their Units as capital property may, in certain circumstances, be entitled to have their Units (and all of their other "Canadian securities") treated as capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act.

This summary is based on the assumption that none of the issuers in the investment portfolio of a fund will be foreign affiliate of the fund or of any Securityholder and that none of the securities in the investment portfolio of a fund will be a "tax shelter investment" within the meaning of the Tax Act, an offshore investment fund property that would require a fund to include significant amounts in the fund's income pursuant to section 94.1 of the Tax Act, or an interest in a non-resident trust other than an "exempt foreign trust" as defined in the Tax Act.

This summary is based on the facts set out in this prospectus, the provisions of the Tax Act and the regulations promulgated thereunder as of the date of this annual information form, all specific proposals to amend the Tax Act and the regulations promulgated thereunder publicly announced by the Minister of Finance (Canada) prior to the date of this prospectus (the "**Tax Proposals**"), and an understanding of the publicly available published administrative and assessing practices of the CRA as of the date of this prospectus. There can be no assurance that the Tax Proposals will become law as proposed or at all. Other than the Tax Proposals, this summary does not take into account or anticipate any changes in law, whether by legislative, governmental or judicial action.

This summary is not exhaustive of all possible federal income tax considerations relating to the acquisition, ownership or disposition of Units and does not take into account other federal or any provincial, territorial or foreign income tax legislation or considerations. This summary is of a general nature only and is not intended to be legal or tax advice to any investor. Investors are advised to consult their own tax advisors for advice with respect to the income tax consequences of investing in Units based on their own particular circumstances.

Status of the Funds

This summary is based, in part, on the assumption that, at all material times, each fund will qualify at all material times as a "mutual fund trust" within the meaning of the Tax Act. In order to qualify as a "mutual fund trust" for the purposes of the Tax Act, a fund must comply on a continuous basis with certain conditions, including certain minimum distribution requirements relating to its Units. This summary assumes that at no time will any fund, including a fund with ETF Securities, be a SIFT trust as defined in the Tax Act.

In the event that a fund were not to qualify as a "mutual fund trust" or is a SIFT Trust, the income tax consequences described below would, in some respects, be materially different.

Income Tax Considerations for the Funds

Each fund is subject to tax in each taxation year under Part I of the Tax Act on the amount of its income for the year, including net realized taxable capital gains, less the portion thereof that it claims in respect of amounts paid or payable to Securityholders in the year that is permitted as a deduction in computing its income under the Tax Act. In accordance with the Declaration of Trust, the Manager intends to cause the funds to distribute to its Securityholders in each year, its net income and net realized capital gains, if any, to such an extent that the fund will not be liable in any year for income tax under Part I of the Tax Act. Provided a fund is a "mutual fund trust" throughout a taxation year, it is allowed to retain, without incurring a liability for tax, a portion of its net realized capital gains based on a formula that takes into account the amount of redemptions of its Units during the year.

Each fund is required to compute its net income and net realized capital gains in Canadian dollars for the purposes of the Tax Act and may, as a consequence, realize income, gains or losses by virtue of changes in the value of the foreign currency relative to the Canadian dollar.

In determining its income under the Tax Act, each fund intends to treat gains or losses on the disposition of securities in its investment portfolio as capital gains and losses. However, the CRA has expressed the opinion that gains (or losses) of mutual fund trusts resulting from transactions in commodities should generally be treated for tax purposes as ordinary income rather than as capital gains, although the treatment in each particular case remains a question of fact to be determined having regard to all the circumstances. As KILO intends to be a long-term holder of gold bullion, the manager anticipates that KILO will generally treat gains (or losses) as a result of any disposition of gold bullion as capital gains (or capital losses) although, depending on the circumstances, KILO may instead include the full amount in (or deduct the full amount from) income.

Generally, gains and losses from using derivatives will be realized on income account rather than on capital account. In accordance with the CRA's published administrative practices and jurisprudence, derivatives used to hedge capital items should be treated and reported for purposes of the Tax Act on capital account and designations with respect to the income and capital gains of a Fund will be made and reported to Securityholders on this basis. If such dispositions or transactions of a fund are not considered to occur on capital account, the net income of the fund for tax purposes, and the taxable component of distributions to Securityholders from the funds could increase. A derivative that is on capital account may nonetheless be treated on income account if it is a "derivative forward agreement" within the meaning of the Tax Act

A fund may realize a capital gain (or sustain a capital loss) upon the disposition of the securities in its investment portfolio that are capital property to the extent that the proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of such securities. Taxable capital gains realized by a fund in a taxation year on the disposition of securities in its investment portfolio must be included in computing its income for the year, and allowable capital losses realized by a fund in a taxation year must be deducted against any taxable capital gains realized by the fund in the year. Any excess of allowable capital losses over taxable capital gains for a taxation year may be deducted against taxable capital gains realized by a fund in any subsequent taxation year to the extent and under circumstances described in the Tax Act.

A fund may be liable to pay foreign withholding or other taxes in connection with investments in foreign securities.

Generally, a fund will be entitled to deduct reasonable administrative expenses. Any non-capital losses incurred by a fund may generally be carried forward in accordance with the rules and limitations contained in the Tax Act and deducted in computing the taxable income of the fund. In certain situations, where a fund disposes of property and would otherwise realize a capital loss, the loss will be deemed to be a “suspended loss”. This may occur if a fund disposes of and acquires an identical property during the period that begins thirty (30) days before and ends thirty (30) days after the disposition of property and holds it at the end of that period.

All of a fund’s deductible expenses, including expenses common to all classes of Units of the fund and management fees and other expenses specific to a particular class of Units of the fund, will be taken into account in determining the income or loss of the fund as a whole. Losses incurred by a fund cannot be allocated to investors but may, subject to the rules in the Tax Act, be deducted by the fund from income and capital gains realized in other years.

A fund will not be subject to alternative minimum tax in any taxation year throughout which the Fund is a “mutual fund trust” for purposes of the Tax Act. In addition, provided a fund is a “mutual fund trust” for purposes of the Tax Act throughout a year, it will not be liable to a special tax that would otherwise apply if it has any “designated income” and any “designated beneficiaries” in such year, which include, among others, non-resident persons.

The Tax Act contains rules (“**SIFT Rules**”) that apply to trusts (defined as “SIFT trusts”) the securities of which are listed or traded on a stock exchange or other public market, and that hold one or more “non-portfolio properties” (as defined). A SIFT Trust is effectively taxed on income and taxable capital gains in respect of such non-portfolio properties at tax rates comparable to the rates that apply to income earned and distributed by public Canadian corporations. Distributions of such income received by unitholders of SIFT trusts are treated as eligible dividends from a taxable Canadian corporation. The SIFT Rules could affect a fund that has ETF Securities and its unitholders to the extent that the fund is a SIFT trust to which the SIFT Rules apply and the fund earns income from non-portfolio property or taxable capital gains from the disposition of “non-portfolio property”. The funds are not expected to own any non-portfolio property and in the case of KILO the manager believes that the SIFT Rules were not intended to apply to trusts such as KILO and KILO is subject to investment restrictions intended to restrict its ability to hold “non-portfolio property.” If KILO, or another fund, is considered to be a SIFT trust, “non-portfolio earnings” of such fund will be subject to the tax under the SIFT Rules when such amounts are distributed by the fund to its unitholders and such distributions will be treated in the hands of such unitholders as eligible dividends from a taxable Canadian corporation.

Income Tax Considerations for Securityholders who are not Registered Plans

Distributions from a Fund

A Securityholder of a fund must include in computing the securityholder’s income for a taxation year the amount of the fund’s net income for the taxation year, including net realized taxable capital gains, paid or payable by the fund to the Securityholder (whether in cash or reinvested in additional Units or paid as a management fee rebate) in the taxation year. The non-taxable portion of the fund’s net realized capital gains paid or payable and designated to a Securityholder in a taxation year will not be included in the Securityholder’s income for the year. Any other amount in excess of the Securityholder’s share of the fund’s net income and capital gains for a taxation year paid or payable to the Securityholder in the year will not generally be included in the Securityholder’s income, but will generally reduce the adjusted cost base of the Securityholder’s Units of the fund. To the extent that the adjusted cost base of a Unit would otherwise be less than zero, the negative amount will be deemed to be a capital gain realized by the Securityholder from the disposition of the Unit and the Securityholder’s adjusted cost base will be increased by the amount of such deemed capital gain. Any losses of a fund for purposes of the Tax Act cannot be allocated to, and cannot be treated as the losses of, a Securityholder.

Provided that appropriate designations are made by a fund, such portion of the net realized taxable capital gains of the fund and the taxable dividends received or deemed to be received by the fund on shares of taxable Canadian corporations as is paid or payable to a Securityholder will be deemed for tax purposes to be realized or received by the Securityholder in the year as a taxable capital gain or a taxable dividend, respectively. To the extent that amounts are designated as taxable dividends from taxable Canadian corporations, the gross-up and dividend tax credit rules will apply including an enhanced dividend gross-up and tax credit in respect of "eligible dividends".

To the extent that a fund designates its income from a foreign source and taxes it paid on that income to a foreign jurisdiction in respect of a Securityholder, the Securityholder will, for the purposes of computing its foreign tax credits, be entitled to treat the Securityholder's proportionate share of foreign taxes paid by the fund in respect of such income as foreign taxes paid by the Securityholder. The availability of foreign tax credits in respect of foreign source income designated to a Securityholder by a fund is subject to the foreign tax credit rules under the Tax Act and the Securityholder's particular circumstances. Securityholders should consult their own tax advisors for information regarding their potential ability to claim foreign tax credits in respect of a particular taxation year.

When a Securityholder acquires Units, a portion of the price may reflect income and capital gains of the fund that have not been realized or distributed. This may particularly be the case near year-end before year-end distributions have been made. When such income and capital gains are distributed by the fund, they must be taken into account by the Securityholder in computing its income for tax purposes even though such amounts may have been reflected in the price paid by the Securityholder.

The higher a fund's portfolio turnover rate in a year, the greater the chance it will generate gains and losses in that year, which may result in the acceleration of the recognition of taxable capital gains if net gains are realized. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

For Canadian tax reporting purposes, a Securityholder who holds U.S. dollar denominated Units of a fund must compute and report all dividends, capital gains and other amounts in respect of an investment in such Units in Canadian dollars.

<u>Dispositions of Units of a Fund</u>

Upon the disposition or deemed disposition of a Unit of a fund, including a redemption, sale, transfer or a switch of Units between the funds, a Securityholder will realize a capital gain (or a capital loss) to the extent that the proceeds of disposition of the Unit exceed (or are less than) the aggregate of the adjusted cost base of the Unit and any reasonable costs of disposition. Notwithstanding the foregoing, a switch between a class of Units of the same fund (unless it is a switch between a currency hedged and non-currency hedged class or vice versa) is generally not considered to be a disposition for tax purposes (except to the extent Units are redeemed to pay the switching fee). In the case of such switches, the Securityholder's adjusted cost base of the Units received on the switch will equal the adjusted cost base of the original Units held by the Securityholder. A permitted switch of Units of a fund from one class to another of the same fund will not result in a disposition for tax purposes and no capital gain or capital loss will be recognized unless the switch occurs between a hedged and an unhedged class of Units of the fund.

Generally, one-half of any capital gain realized by a Securityholder on the disposition of Units and the amount of any net taxable capital gains designated by a fund in respect of a securityholder will be included in the Securityholder's income as a taxable capital gain. One-half of a capital loss realized by a Securityholder will be an allowable capital loss that may be deducted from taxable capital gains subject to and in accordance with detailed rules in the Tax Act.

In general, the aggregate adjusted cost base under the Tax Act of your Units of a particular fund equals:

- the amount of the initial investment in Units of the fund (including any sales charges paid);

- plus the cost of any additional investments in Units of the fund (including any sales charges paid);
- plus reinvested distributions;
- less the capital returned as part of any distributions;
- less the adjusted cost base of any units previously disposed of.

Each fund will provide its Securityholders with details regarding their proceeds of disposition from a redemption of your units of the fund. However, in order to calculate the capital gain (or capital loss) resulting from a redemption or other disposition of Units, the Securityholder needs to know the aggregate adjusted cost base of the Units that were redeemed at the time redemption.

In certain situations where a Securityholder disposes of Units and would otherwise realize a capital loss, the loss will be denied. This may occur if the Securityholder, the Securityholder's spouse or another person affiliated with the Securityholder (including a corporation controlled by the Securityholder) has acquired Units of the same fund (which are considered to be "substituted property") within 30 days before or after the Securityholder disposed of the Securityholder's Units and the substituted property is held at the end of that period. In these circumstances, the Securityholder's capital loss may be deemed to be a "superficial loss" and denied. The amount of the denied capital loss will be added to the adjusted cost base to the owner of the Units which are substituted property.

If ETF Units of a fund are exchanged by the redeeming securityholder for baskets of securities (which for the purposes of this paragraph includes gold bullion in the case of KILO), or where securities are received by a Securityholder on a distribution in specie on the termination of any of the funds, the proceeds of disposition to the securityholder of the Units will be equal to the fair market value of the securities so received, plus the amount of any cash received on the exchange, and less any capital gain or income realized by the fund as a result of the transfer of those securities that has been designated by the fund to the securityholder. If a capital gain realized by a fund as a result of the transfer of securities on the redemption of Units has been designated by the fund to a redeeming securityholder, the securityholder will be required to include in income the taxable portion of the capital gain so designated. Based on recent amendments to the Tax Act there may be limitations on the ability of a fund to allocate capital gains to redeeming Securityholders. The cost for tax purposes of securities acquired by a redeeming securityholder on the exchange or redemption of Units will generally be the fair market value of such securities at that time.

Subscription for ETF Securities with a Basket of Securities

Where baskets of securities or gold bullion are accepted by a fund as payment for ETF Securities issued to a Securityholder, such Securityholder will generally realize a capital gain (or capital loss) in the taxation year of the Securityholder in which the disposition of such securities or gold bullion takes place to the extent that the proceeds of disposition for such securities or gold bullion, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of such securities or gold bullion to the Securityholder. For this purpose, the proceeds of disposition to the Securityholder will equal the aggregate of the fair market value of the ETF Securities received and the amount of any cash received in lieu of fractional ETF Securities. The cost to a Securityholder of ETF Securities so acquired will be equal to the fair market value of the baskets disposed of in exchange for such ETF Securities at the time of disposition less any cash received in lieu of fractional ETF Securities, which sum would generally be equal to or would approximate the fair market value of the ETF Securities received as consideration for the baskets. In computing the adjusted cost base of an ETF Security so acquired by a Securityholder, the cost of such ETF Security must be averaged with the adjusted cost base of any other ETF Securities of the same fund then held by that Securitytholder as capital property.

Alternative Minimum Tax

Individuals who receive distributions designated as taxable Canadian dividends or capital gains from funds, or who realize net capital gains from dispositions of Units of a Fund, may be subject to alternative minimum tax under the Tax Act. There is a Tax Proposal to amend the minimum tax rules but no draft legislation has been issued to date.

Securityholders that Hold Units of a Fund in a Registered Plan

Units of a fund are qualified investments under the Tax Act for Registered Plans provided that either (a) the fund is a "mutual fund trust" for purposes of the Tax Act, or (b) the Units are listed on a designated stock exchange for purposes of the Tax Act (which currently includes the TSX). Securities contained in a basket of securities (including gold bullion in the case of KILO) received upon a redemption of ETF Securities may not be a qualified investment for Registered Plans.

To the extent Units of a fund are held in a Registered Plan, the amount of distributions received or receivable by the Registered Plan from a fund and gains realized on dispositions of Units of a fund will not be subject to tax under the Tax Act until such amounts are withdrawn from the Registered Plan. Generally, amounts withdrawn from a Registered Plan (other than a TFSA and certain withdrawals from a RESP, FHSA or RDSP) are subject to tax.

A holder of a TFSA, FHSA or RDSP, an annuitant of a RRSP or RRIF, and a subscriber of a RESP may be subject to a penalty tax in respect of Units of a fund held by the plan if the Units are "prohibited investments" for the plan. An investment in such Units will not generally be a "prohibited investment" for a particular trust governed by such a plan, provided the holder, annuitant or subscriber of the particular plan deals at arm's length with, and does not have a "significant interest" in, the fund. Investors are responsible for determining the consequences to them under the relevant income tax legislation of acquiring Units through a Registered Plan, and the funds and the Manager do not assume any liability as a result of Units being acquired by a Registered Plan. **Investors who choose to purchase Units of a fund through a Registered Plan, the investor should consult their own professional advisor regarding the tax treatment of contributions to, and acquisitions of property by, such a plan.**

WHAT ARE YOUR LEGAL RIGHTS?

Mutual fund units

Under securities law in some provinces and territories, you have the right to:

- withdraw from an agreement to buy mutual funds within two business days after you receive a simplified prospectus or Fund Facts document, or
- cancel your purchase within 48 hours after you receive confirmation of the purchase.

In some provinces and territories, you also have the right to cancel a purchase, or in some jurisdictions, claim damages, if the simplified prospectus, Fund Facts document or financial statements contain a misrepresentation. You must act within the time limits set by law in the applicable province or territory.

For more information, see the securities law of your province or territory or ask a lawyer.

ETF Securities

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase ETF Securities within 48 hours after the receipt of a confirmation of a purchase of such securities. In several of the provinces and territories, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the simplified prospectus and any amendment contains a misrepresentation, or non-delivery of the ETF Facts, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory.

Purchasers should refer to the applicable provisions of the securities legislation of the province or territory for the particulars of these rights or consult with a legal advisor.

ADDITIONAL INFORMATION

Price Range and Trading Volume of ETF Securities

The following table sets out the market price range and monthly trading volume of the ETF Securities of the funds on the Designated Exchange for the calendar periods indicated.

Purpose Global Flexible Credit Fund – ETF Units

	Price ($) High	Low	Volume
2021			
September	8.09	8.03	242304
October	8.10	8.05	155797
November	8.10	7.94	228458
December	8.04	7.83	756338
2022			
January	8.01	7.73	181956
February	7.86	7.49	103375
March	7.72	7.29	826137
April	7.55	7.19	131225
May	7.24	6.88	130534
June	7.10	6.68	108917
July	6.76	6.59	86311
August	7.03	6.80	104845

Purpose Global Flexible Credit Fund – ETF Non-Currency Hedged USD Units

	Price (US$) High	Low	Volume
2021			
September	7.02	6.97	1909
October	7.04	6.98	8512
November	7.01	6.85	98227
December	6.88	6.71	142322
2022			
January	6.90	6.61	12800
February	6.68	6.66	2752
March	6.50	6.35	297700
April	6.55	6.21	147942
May	6.09	5.90	10500
June	6.14	5.70	678278
July	6.90	6.61	12800
August	6.68	6.66	2752

Purpose Global Flexible Credit Fund – ETF non-currency hedged CAD units

	Price ($) High	Low	Volume
2021			
September	8.94	8.71	19303
October	8.71	8.71	2024
November	8.67	8.67	503
December	8.80	8.74	119812

Purpose Global Flexible Credit Fund – ETF non-currency hedged CAD units

	Price ($)		
	High	**Low**	**Volume**
2022			
January	8.66	8.66	736
February	8.30	8.30	7
March	8.30	8.30	1003
April	8.35	8.12	2
May	7.96	7.96	1010
June	7.54	7.22	36
July	7.35	7.16	4
August	7.63	7.40	4

Purpose Gold Bullion Fund - ETF units

	Price		
	High	**Low**	**Volume (000's)**
2021			
September	27.73	26.17	159682
October	27.30	26.60	194672
November	28.22	26.83	420292
December	27.64	26.76	394876
2022			
January	27.94	27.05	402349
February	28.89	27.20	295824
March	31.07	29.01	837286
April	29.87	28.42	229367
May	28.43	27.25	152225
June	28.20	27.28	168011
July	27.18	25.57	397823
August	27.16	25.75	121482

Purpose Gold Bullion Fund - ETF non-currency hedged units

	Price		
	High	**Low**	**Volume (000's)**
2021			
September	27.55	26.47	77294
October	26.88	26.27	99317
November	28.29	26.40	170270
December	27.82	27.07	107407
2022			
January	28.00	27.23	65466
February	29.16	27.44	228401
March	31.67	28.75	162402
April	29.99	28.76	241938
May	29.09	27.92	397035
June	28.65	27.77	61087
July	27.80	26.18	101844

Purpose Gold Bullion Fund - ETF non-currency hedged units

	Price		
	High	Low	Volume (000's)
August	27.72	26.90	172242

Purpose Gold Bullion Fund - U.S. dollar denominated ETF non-currency hedged units

	Price (US$)		
	High	Low	Volume (000's)
2021			
September	28.13	27.51	2874
October	28.32	27.56	43296
November	29.19	27.90	25765
December	28.60	27.62	27708
2022			
January	28.69	28.02	25793
February	29.76	28.16	11725
March	31.80	29.99	10952
April	31.14	29.64	11412
May	29.52	28.23	12862
June	28.94	28.49	7378
July	27.63	26.56	20650
August	27.93	27.10	1387

Purpose Healthcare Innovation Yield Fund – ETF units

	Price		
	High	Low	Volume (000's)
2022			
January	19.70	19.05	4930
February	19.98	19.13	5775
March	20.16	19.30	4365
April	20.83	19.75	6171
May	19.53	18.84	4708
June	19.25	17.75	769
July	19.67	19.31	2205
August	19.73	18.74	2978

Black Diamond Global Equity Fund – ETF Units

	Price		
	High	Low	Volume (000's)
2021			
September	20.00	19.37	10976
October	19.90	18.64	269114
November	20.77	19.44	11463
December	18.79	14.75	142446

Black Diamond Global Equity Fund – ETF Units

	Price		
	High	**Low**	**Volume (000's)**
2022			
January	14.41	12.29	26559
February	13.92	12.94	27061
March	14.97	8.82	163874
April	10.79	8.78	261471
May	13.04	11.50	3641
June	14.95	14.52	953
July	14.88	13.87	1432
August	13.90	13.60	577

Black Diamond Distressed Opportunities Fund – ETF Units

	Price		
	High	**Low**	**Volume (000's)**
2021			
September	15.26	14.33	1475
October	13.95	13.90	721
November	14.68	13.41	15254
December	13.82	12.90	20254
2022			
January	15.03	13.96	3052
February	15.46	13.94	5163
March	15.61	10.98	7787
April	10.77	10.45	3648
May	12.31	12.31	792
June	16.00	14.56	3631
July	15.28	12.93	10690
August	13.85	13.82	373

EXEMPTIONS AND APPROVALS

Borrowing Relief - Purpose Global Flexible Credit Fund

The manager, on behalf of Purpose Global Flexible Credit Fund, has obtained an exemption from certain borrowing restrictions in NI 81-102 thereby permitting it to borrow cash in an amount that does not exceed 20% of its net asset value, as a temporary measure to accommodate requests for redemptions of units (the "**Borrowing Relief**"). This exemption may only be used in limited circumstances if Purpose Global Flexible Credit Fund cannot meet redemption requests because senior loans ordinarily take longer than the standard settlement period for a unitholder redemption.

In order to rely on the Borrowing Relief, Purpose Global Flexible Credit Fund must observe the following conditions: (i) the fund must have sold all of its liquid non-loan securities and used all of its available cash in order to satisfy requests to redeem units; (ii) the fund must enter into a fully binding agreement with a designated counterparty to sell a loan security in order to satisfy requests to redeem units, but where the settlement period for the sale of the loan security exceeds two business days; (iii) the amount of cash that the fund borrows will not exceed the amount of cash that it will receive in respect of the sale of the loan security referred to in paragraph (ii); (iv) the fund will not borrow cash to fund payment of expenses or to fund payment of a cash distribution to unitholders. Such payments instead will be funded through the net assets of the fund; (v) the fund will not pay a cash distribution to unitholders where that distribution would impair the ability of the fund to repay the funds borrowed; and (vi) the maximum percentage of assets of the fund represented by borrowing will not exceed 20%.

Underlying ETF Relief

The assets of the funds may be invested in underlying funds, including exchange traded funds ("**ETFs**"), provided applicable requirements under NI 81-102 are met. With respect to underlying ETFs managed by an affiliate of the manager (each an "**Underlying ETF**"), subject to certain conditions, the funds may also rely on exemptive relief (the "**Underlying ETF Relief**"), as well as recent amendments to NI 81-102, to permit the funds to:

- purchase a security of an Underlying ETF or enter into a specified derivatives transaction with respect to an Underlying ETF even though, immediately after the transaction, more than 10% of the net asset value of the fund would be invested, directly or indirectly, in the securities of the Underlying ETF;
- purchase securities of an Underlying ETF such that, after the purchase, the fund would hold securities representing more than 10% of: (i) the votes attaching to the outstanding voting securities of the Underlying ETF; or (ii) the outstanding equity securities of the Underlying ETF; and
- to invest in Underlying ETFs that are not subject to NI 81-101.

Additional Relief

The funds have also received exemptive relief from the Canadian securities regulatory authorities to permit the following:

(a) in respect of funds offering ETF Securities, the purchase by a securityholder of a fund of more than 20% of a class of ETF Securities of that fund through purchases on a stock exchange without regard to the take-over bid requirements of Canadian securities legislation;

(b) in respect of funds offering ETF Securities, to relieve the funds from the requirement that a prospectus contain a certificate of the underwriters;

(c) in respect of funds offering ETF Securities, to relieve the funds from the requirement to include in the prospectus a statement respecting purchasers' statutory rights of withdrawal and remedies of rescission;

(d) in respect of funds offering ETF Securities, to relieve the funds from the requirement to prepare and file a long form prospectus in accordance with National Instrument 41-101 – General Prospectus Requirements for the ETF Securities in the form prescribed by Form 41-101F2 – *Information Required in an Investment Fund Prospectus* provided that the funds file a prospectus for the ETF Securities in accordance with the provisions of NI 81-101, other than the requirements pertaining to the filing of a Fund Facts document;

(e) in respect of funds offering ETF Securities, to treat the ETF Securities and the mutual fund units of each fund as if such units were separate funds in connection with their compliance with the provisions of Parts 9, 10 and 14 of NI 81-102; and

(f) the Alternative Funds have also obtained exemptive relief from the restriction in subsection 5.1(4) of NI 81-101 to permit their simplified prospectus to be consolidated with the simplified prospectus of one or more other mutual fund(s): (i) that are reporting issuers to which NI 81-101 and NI 81-102 apply, (ii) that are not alternative mutual funds, and (iii) for which the manager, or an affiliate of the manager, acts as the investment fund manager.

KILO has also received exemptive relief from the Canadian securities regulatory authorities to permit the following:

(a) to permit the payment for the issuance of units of the fund partially in cash and partially in gold bullion, provided that the acceptance of gold bullion as payment is made in accordance with Section 9.4(2)(b) of NI 81-102;

(b) to permit the fund to invest up to 100% of its net assets, taken at market value at the time of purchase, in gold bullion, provided that (i) no more than 10% of such net assets, taken at market value at the time of purchase, may be invested in gold certificates and (ii) the prospectus of the fund includes disclosure regarding the unique risks associated with an investment in the fund, including the risk that direct purchases of gold bullion by the fund may generate higher transaction and custody costs than other types of investments, which may impact the performance of the fund;

(c) to permit the fund to accept a combination of cash and physical gold bullion as subscription proceeds;

(d) to permit the fund to pay redemption proceeds in connection with a redemption of units of the fund pursuant to a Monthly Redemption later than two business days after the applicable Monthly Redemption Date; and

(e) to permit Royal Canadian Mint to act as the custodian of the fund's physical gold bullion.

CERTIFICATE OF THE TRUSTEE, MANAGER AND THE PROMOTER OF THE FUNDS

This simplified prospectus and the documents incorporated by reference into the simplified prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the simplified prospectus, as required by the securities legislation of each province and territory of Canada and do not contain any misrepresentations.

Dated: October 14, 2022

"Som Seif"
Som Seif
Chief Executive Officer and Chairman of the Board of Director, Purpose Investments Inc., as trustee, manager and promoter

"Jeff Bouganim"
Jeff Bouganim
Chief Financial Officer, Purpose Investments Inc., as trustee, manager and promoter

ON BEHALF OF THE BOARD OF DIRECTORS OF PURPOSE INVESTMENTS INC. IN ITS CAPACITY AS TRUSTEE, MANAGER AND PROMOTER OF THE FUNDS

"Som Seif"
Som Seif
Director

"Vladimir Tasevski"
Vladimir Tasevski
Director

"Jeff Bouganim"
Jeff Bouganim
Director

CERTIFICATE OF THE PRINCIPAL DISTRIBUTOR OF MLD CORE FUND AND PK CORE FUND

To the best of our knowledge, information and belief, this simplified prospectus and the documents incorporated by reference into the simplified prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the simplified prospectus, as required by the securities legislation of each province and territory of Canada and do not contain any misrepresentations.

Dated: October 14, 2022

CANACCORD GENUITY CORP.

"Tim Evans"

Tim Evans
Managing Director

SPECIFIC INFORMATION ABOUT EACH OF THE MUTUAL FUNDS DESCRIBED IN THIS DOCUMENT

The following information applies to certain funds and may be helpful when you are reviewing the fund profiles.

WHAT IS A MUTUAL FUND AND WHAT ARE THE RISKS OF INVESTING IN A MUTUAL FUND?

What is a mutual fund?

A mutual fund is a pool of investments made on behalf of people with a similar investment objective. When you invest in a mutual fund, your money is working together with that of many other investors. A professional investment manager invests this money on behalf of the whole group.

Investors share a mutual fund's income, expenses, gains and losses in proportion to their interest in the mutual fund. Mutual funds can give individuals the advantages of a simpler, more accessible, less expensive and less time-consuming method of investing in a portfolio of securities.

Mutual funds own different types of investments, depending on their investment objectives. These investments may include equities like shares, fixed-income securities like bonds and cash or cash equivalents like treasury bills, or units of other mutual funds, called "underlying funds". The value of these investments will change from day to day, reflecting changes in interest rates, economic conditions, financial markets and company news. As a result, the value of a mutual fund's units may go up and down, and the value of your investment in a mutual fund may be more or less when you redeem it than when you purchased it.

What do you own?

When you invest in a mutual fund, you are buying a portion of that mutual fund called a unit. Mutual funds keep track of all the individual investments by recording how many units each investor owns. The more money you put into a mutual fund, the more units you get. The price of a unit changes every day, depending on how the investments are performing. When the investments rise in value, the price of a unit goes up. When the investments drop in value, the price of the unit goes down.

Some mutual funds offer units in more than one class. A multi-class structure recognizes that different investors may seek the same investment objective, yet require different investment advice and/or service. Each class represents an investment in the same investment portfolio of the mutual fund. However, each class may charge a different management fee and incur its own specific expenses. As a result, a separate NAV per unit is calculated for each class on a daily basis. See "Calculation of Net Asset Value" on page 22.

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

As an investor, there is always a risk you could lose money. Mutual funds are no exception, but the degree of risk varies considerably from one mutual fund to the next. As a general rule, investments with the greatest risk have the greatest potential for gains, but also have the greatest potential for losses. The key is to recognize the risk involved with your investment, understand it, and decide whether it is a risk you are comfortable accepting.

Every investor has a different tolerance for risk. To be comfortable with your investments you should think about your risk comfort level before you invest.

This section and the section "What are the specific risks of investing in a mutual fund?" on page 62, describe the risks associated with investing in mutual funds. As you read the descriptions, keep in mind your risk comfort level and your various investments objectives to help determine which funds are right for you.

The general risks with investing in each fund include:

Price fluctuation

The price of a fund's units will generally vary with the value of the securities or assets it holds. Changes in interest rates, economic and stock market conditions or new company information, for example, may influence the value of securities held (or, in the case of KILO, the gold bullion held) by a fund. When you redeem or sell units of a fund, their value may be less than your original investment. Changes in rates and market conditions may also cause the value of a fund's units to change from day to day.

No guarantees

Your investment in a fund is not guaranteed. Unlike bank accounts or guaranteed investment certificates (GICs), each fund's units are not covered by Canada Deposit Insurance Corporation or any other government deposit insurer.

Alternative Mutual Funds

The Alternative Funds are considered "alternative mutual funds", as defined in NI 81-102. This permits them to use strategies generally prohibited to conventional mutual funds, such as the ability to invest more than 10% of its net asset value in securities of a single issuer, the ability to invest in physical commodities or specified derivatives, to borrow cash, to short sell beyond the limits prescribed for conventional mutual funds and to generally employ leverage.

Suspension of redemptions

Under exceptional circumstances, a fund may suspend redemptions. See "Purchases, Switches and Redemptions – Redemption - When you may not be allowed to redeem your units" on page 31.

How can an investor in a mutual fund manage risk?

Although the value of your investments may drop in the short term, a longer investment horizon will help to lessen the effects of short-term market volatility. A shorter investment horizon may result in you having to sell your investments in adverse conditions. Ideally, investors in equity funds should have a minimum five- to nine-year investment horizon, which generally provides enough time for the investments to overcome any short-term volatility and grow.

At any given time, however, one mutual fund may outperform another. The key is to have a diversified portfolio of mutual funds to try to ensure that a decline in one mutual fund is offset by growth in another, helping to reduce risk and smooth out returns. Your advisor can help you build a portfolio that's right for you.

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

Each fund also has specific risks. The description of each fund, starting on page 99, sets out the specific risks that apply to that fund or to the underlying fund in which it invests. Set forth below, in alphabetical order, is a description of each of those risks.

Absence of an active market for the ETF Securities risk

Although ETF Securities are, or will be, listed on a Designated Exchange, there can be no assurance that an active public market for the ETF Securities will develop or be sustained.

Asset class risk

The constituent securities may underperform the returns of other securities that track other countries, regions, industries, asset classes or sectors. Various asset classes tend to experience cycles of outperformance and underperformance in comparison to the general securities markets.

Biotechnology industry risk

Companies within the biotechnology industry invest heavily in research and development which may not necessarily lead to commercially successful products. This industry is also subject to increased governmental regulation which may delay or inhibit the release of new products. Many biotechnology companies are dependent upon their ability to use and enforce intellectual property rights and patents. Any impairment of such rights may have adverse financial consequences. Biotechnology companies can be characterized by competition and rapid technological developments which may make a company's products or services obsolete in a short period of time. The industry is also characterized by product liability lawsuits and consequential high insurance costs. The market values of investments in the biotechnology industry are often based upon speculation and expectations about future products, research progress, and new product filings with regulatory authorities. Biotechnology stocks, especially those of smaller, less-seasoned companies, also tend to be more volatile than the overall market.

Capital depreciation risk

Some units of the funds aim to make regular cash distributions. Such regular distributions may include returns of capital. Also, distributions of cash will reduce the net asset value of a fund, which may reduce the fund's ability to generate future income. In the case of Class TA3 Securities and Class TF3 Securities, regular monthly distributions may consist, in whole or in part, of a return of capital based on a targeted distribution rate of 3% per annum of the net asset value per Class TA3 Security or Class TF3 Security, as applicable, as determined on December 31 of the prior year (or on an initial issue price of $20.00, where a new class is launched).

A return of the original investment means a portion of the cash flow given back to the investor is the money that was invested in the fund originally, as opposed to the returns or income generated by the investment. A return of the original investment reduces the NAV of the particular class of the fund and also reduces the assets available to investors who continue to invest in the fund. As well, a return of the original investment reduces the total assets of the fund available for investment, which may reduce the ability of the fund to generate future income.

For Class TA3 Securities and Class TF3 Securities, the target distribution rate should not be confused with a fund's "yield" or "rate of return". An investor should not draw any conclusions about a fund's investment performance from the amount of the target distributions.

Cease trading of constituent securities

If constituent securities are cease-traded at any time by a securities regulatory authority or other relevant regulator or stock exchange, the manager may suspend the exchange or redemption of units until such time as the transfer of the securities is permitted by law.

Changes in legislation risk

There can be no assurance that tax, securities or other laws will not be changed in a manner that adversely affects the funds or securityholders, including distributions received by the funds or by securityholders.

In addition, there can be no assurance that Canadian federal income tax laws and the administrative policies and assessing practices of the Canadian Review Agency respecting the treatment of mutual fund trusts will not be changed in a manner that adversely affects the fund or its unitholders.

CLO risk

A fund may invest in CLOs. A CLO is a trust typically collateralized by a pool of loans, which may include, among others, domestic and foreign senior secured loans, senior unsecured loans, and subordinate corporate loans, including loans that may be rated below investment grade or equivalent unrated loans. CLOs often involve risks that are different from or more acute than risks associated with other types of debt instruments. Investing in CLOs may entail a variety of unique risks, such as prepayment risk, credit risk, liquidity risk, market risk, structural risk, legal risk and interest rate risk. In addition, the performance of a CLO will be affected by a variety of factors, including its priority in the capital structure of the issuer thereof, the availability of any credit enhancement, the level and timing of payments and recoveries on and the characteristics of the underlying loans or other assets that are being securitized, remoteness of those assets from the originator or transferor, the adequacy of and ability to realize upon any related collateral and the capability of the servicer or manager of the securitized assets. CLOs often represent a leveraged investment and may have significant volatility in value. The possibility of increased volatility and default rates in the structured finance sector may also adversely affect the price and liquidity of the CLOs included in the fund's investments.

Collateral risk

Changes in the credit and interest rate risks associated with collateral securities may impact the value of the collateral securing a loan. The collateral value may decline, be insufficient to meet the obligations of the borrower, or be difficult to liquidate. As a result, a loan may not be fully collateralized and can decline significantly in value which may negatively affect a fund.

Commodity risk

<u>All Funds Other than KILO</u>

A fund may invest indirectly in physical commodities, including precious metals (such as gold, silver, platinum and palladium), energy (such as crude oil, gasoline, heating oil and natural gas), industrial metals (such as aluminum, copper, nickel and zinc), livestock (such as hogs and cattle) and agricultural products (such as coffee, corn, cotton, livestock, soybeans, soybean oil, sugar and wheat). To obtain exposure to these commodities, the fund may invest in ETFs that hold, or obtain exposure to, one or more physical commodities and seek to replicate the performance of a physical commodity. A fund also may invest in companies involved in commodity sectors. The fund's exposure to commodities will be affected by changes in the prices of the commodities, which can fluctuate significantly in short time periods, causing volatility in the fund's net asset value. Commodity prices can change as a result of a number of factors, including supply and demand, speculation, central bank and international monetary activities, political or economic instability, changes in interest rates and currency values, new discoveries or changes in government regulations affecting commodities.

KILO

KILO provides exposure to gold bullion which has historically been more volatile than other markets, including the broader equity market.

Concentration risk

To the extent that a fund's investments are concentrated in a particular sector, region or asset class, the fund may be susceptible to loss due to adverse occurrences affecting that sector, region or asset class. With respect to KILO, KILO will be invested at all times in gold bullion, cash and permitted gold certificates, if any. Concentration of investments may increase the liquidity risk of a fund which may, in turn, have an effect on the fund's ability to satisfy redemption requests. This may also lower the diversification of the fund and may make the volatility of net asset value of the fund relatively greater.

Convertible securities

Convertible securities are fixed-income securities, preferred stocks or other securities that are convertible into common stock or other securities. The market value of convertible securities tends to decline as interest rates increase and, conversely, to increase as interest rates decline. A convertible security's market value, however, tends to reflect the market price of the issuer's common stock when that price approaches or exceeds the convertible security's "conversion price". The conversion price is defined as the predetermined price at which the convertible security could be exchanged for the associated stock. As the market price of the common stock declines, the price of the convertible security tends to be influenced more by the yield of the convertible security. Thus, it may not decline in price to the same extent as the underlying common stock.

In the event of a liquidation of the issuing company, holders of convertible securities would be paid before the company's common stockholders but after holders of any senior debt obligations of the company. Consequently, the issuer's convertible securities generally entail less risk than its common stock but more risk than its senior debt obligations.

Counterparty risk

A fund may enter into a derivative contract(s) with one or more counterparties. Investment in a derivative contract will expose the fund to the credit risk associated with the counterparty.

Unitholders will have no recourse against the assets of the counterparty or its affiliate(s) with respect to any aspect of the derivative contract or payments thereunder.

Credit risk

Credit risk is the possibility that a borrower, or the counterparty to a derivative, is unable or unwilling to repay the loan or obligation, either on time or at all. Debt securities issued by companies or governments in emerging markets often have higher credit risk (a lower credit rating assigned by specialized credit rating agencies), while debt securities issued by well-established companies or by governments of developed countries tend to have lower credit risk (a higher credit rating). A downgrade in an issuer's credit rating can negatively affect a debt security's market value. Other factors can also influence a debt security's market value, such as the level of liquidity of the security and a change in the market perception of the creditworthiness of the security. Lower rated and unrated debt instruments generally offer a better return than higher grade debt instruments but have the potential for substantial loss if the borrower defaults on payment. Investments by a fund in companies or markets with higher credit risk tend to be more volatile in the short term. However, they may offer the potential of higher returns over the long term.

Currency risk

Currency rates in foreign countries may fluctuate significantly over short periods of time for a number of reasons. As a result, a fund's investments in foreign currency denominated securities may reduce the returns of the fund.

A portion of the foreign currency exposure within the portfolio of a fund may be hedged back to the Canadian dollar by using derivatives, including currency forward contracts, in accordance with the investment objectives and investment strategies of the fund. However, with respect to the:

- ETF non-currency hedged USD units, ETF non-currency hedged CAD units, class A non-currency hedged units, class F non-currency hedged units and class I non-currency hedged units of Purpose Global Flexible Credit Fund; and

- class A non-currency hedged units, class F non-currency hedged units, ETF non-currency hedged units and U.S. dollar denominated ETF non-currency hedged units of KILO;

the foreign currency exposure of the portion of the portfolio attributable to such units will not be hedged back to the Canadian dollar.

You may purchase the following mutual fund units in U.S. dollars under the U.S. dollar purchase option:

- class A non-currency hedged units, class F non-currency hedged units and Class I non-currency hedged units of Purpose Global Flexible Credit Fund;

- all mutual fund units of PK Core Fund; and

- class A non-currency hedged units and Class F non-currency hedged units of KILO.

In addition, you may purchase the following ETF Securities under separate, U.S. dollar denominated, ticker symbols on the Designated Exchange:

- ETF non-currency hedged USD units of Purpose Global Flexible Credit Fund; and

- U.S. dollar denominated ETF non-currency hedged units of KILO.

The U.S. dollar purchase option, and ability to purchase certain ETF Securities in U.S. dollars, is offered only as a convenience for investors and does not act as a currency hedge between the Canadian dollar and the U.S. dollar.

Cybersecurity risk

Cybersecurity risk is the risk of harm, loss and liability resulting from a failure or breach of information technology systems. Failures or breaches of the information technology systems ("cybersecurity incidents") can result from deliberate attacks or unintentional events and may arise from external or internal sources. Deliberate cybersecurity attacks include, but are not limited to, gaining unauthorized access to digital systems (e.g., through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data, equipment or systems, or causing operational disruption. Deliberate cybersecurity attacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e., efforts to make network services unavailable to intended users).

The primary risks to a fund from the occurrence of a cybersecurity incident include disruption in operations, reputational damage, disclosure of confidential information, the incurrence of regulatory penalties, additional compliance costs associated with corrective measures, and/or financial loss. Cybersecurity incidents of the fund's third party service providers (e.g., administrators, transfer agents, custodians and sub-advisers) or issuers that the fund invests in can also subject the fund to many of the same risks associated with direct cybersecurity incidents.

The manager has established risk management systems designed to reduce the risks associated with cybersecurity. However, there is no guarantee that such efforts will succeed. Furthermore, a fund cannot control the cyber security plans and systems put in place by its service providers or any other third party whose operations may affect the fund or its unitholders. A fund and its unitholders could be negatively impacted as a result.

Debt securities risk

Investments in debt securities are subject to certain general investment risks in a manner similar to their effect on equity investments. In addition to credit risk and interest rate risk described elsewhere in this section, a number of factors may cause the price of a debt security to decline. For investments in corporate debt securities, this includes specific developments relating to the company and general financial, political and economic (other than interest rate) conditions in the country in which the company operates. For government debt securities, this includes general economic, financial and political conditions. The market value of a fund is affected by changes in the prices of the debt securities it holds.

Depletion of amount of bullion represented by each unit - KILO

Each unit of KILO represents an equal, fractional, undivided ownership interest in the net assets of KILO. As the fund would not be expected to generate any net income and may be required to sell gold bullion over time on an as-needed basis to pay for ongoing expenses and to fund certain redemptions, the amount of gold bullion represented by each unit of the fund will and the NAV per unit may, gradually decline over time, irrespective of whether the trading price of the units of the fund rises or falls in response to changes in the price of gold. The continuous offering of units of KILO will not reverse this trend, as the amount of gold bullion acquired by the proceeds from such offering will proportionately reflect the amount of gold bullion represented by the units of the fund issued pursuant thereto.

Depository Securities and Receipts risk

In some cases, rather than directly holding securities of non-Canadian and non-U.S. companies, a fund may hold these securities through a depository security and receipt (an "ADR" American Depository Receipt, a "GDR" Global Depository Receipt, or an "EDR" European Depository Receipt). A depository receipt is issued by a bank or trust company to evidence its ownership of securities of a non-local corporation. The currency of a depository receipt may be different than the currency of the non-local corporation to which it relates. The value of a depository receipt will not be equal to the value of the underlying non-local securities to which the depository receipt relates as a result of a number of factors. These factors include the fees and expenses associated with holding a depository receipt, the currency exchange relating to the conversion of foreign dividends and other foreign cash distributions into local currencies, and tax considerations such as withholding tax and different tax rates between the jurisdictions. In addition, the rights of a fund, as a holder of a depository receipt, may be different than the rights of holders of the underlying securities to which the depository receipt relates, and the market for a depository receipt may be less liquid than that of the underlying securities. The foreign exchange risk will also affect the value of the depository receipt and, as a consequence, the performance of a fund holding the depository receipt. As the terms and timing with respect to the depository for a depository receipt are not within the control of a fund or its portfolio manager or sub-advisor/investment advisor, as applicable, and if the portfolio manager or sub-advisor/investment advisor, as applicable, chooses only to hold depository receipts rather than the underlying security, the fund may be forced to dispose of the depository receipt, thereby eliminating its exposure to the non-local corporation, at a time not selected by the portfolio advisor or sub-advisor/investment advisor, as applicable, of the fund, which may result in losses to the fund or the recognition of gain at a time which is not opportune for the fund.

Derivative risk

A derivative is a type of investment whose value is derived from the performance of other investments or from the movement of interest rates, exchange rates or market indices. As long as their use is consistent with a fund's investment objectives, the fund may use derivatives to limit or hedge potential gains or losses caused by changes in exchange rates, share prices or interest rates. The funds may also use derivatives for non-hedging purposes, such as reducing transaction costs, increasing liquidity, gaining exposure to financial markets or increasing speed and flexibility in making portfolio changes. If a fund uses derivatives, securities regulations requires that the fund hold enough assets or cash to cover its commitments in the derivatives. This limits the amount of losses that could result from the use of derivatives.

There are many different types of derivatives. They usually take the form of a contract to buy or sell a specific commodity, currency or security or market index. The most common types of derivatives are:

Futures or forward contract. These types of contract are agreements made today to buy or sell a particular currency, security or market index on a specific day in the future at a specified price.

Option contract. This type of contract gives the buyer the right, but not the obligation, to buy or sell certain securities within a certain time period at a specified price.

Swap agreement. This type of agreement is a negotiated contract between parties agreeing to exchange payments based on returns of different investments. The most common type is an interest rate swap. Under an interest rate swap, Party A agrees to pay Party B a fixed amount based on a pre-set interest rate. In return, Party B agrees to pay Party A floating amount based on a reference rate such as bankers acceptances or the London Inter-Bank Offered Rate.

Any use of derivatives has risks. Some of these risks are set forth below.

(a) The hedging strategy may not be effective in preventing losses. The hedging strategy may also reduce the opportunity for gains due to the cost of the hedge and the nature of the derivative.

(b) There is no guarantee a market for the derivative contract will exist when a fund wants to buy or sell.

(c) There is no guarantee that the fund will be able to find an acceptable counterparty willing to enter into a derivative contract.

(d) The counterparty to the derivative contract may not be able to meet its obligations.

(e) A large percentage of the assets of a fund may be placed on deposit with one or more counterparties which would expose the fund to the credit risk of those counterparties.

(f) Securities exchanges may set daily trading limits or halt trading which would prevent a fund from being able to sell a particular derivative contract.

(g) The price of a derivative may not accurately reflect the value of the underlying asset.

Emerging market investments risk

In emerging market countries, securities markets may be smaller than in more developed countries, making it more difficult to sell securities in order to take profits or avoid losses. Companies in these markets may have limited product lines, markets or resources, making it difficult to measure the value of the company.

Political instability and possible corruption, as well as lower standards of regulation for business practices, increase the possibility of fraud and other legal problems. The value of investments in these countries may rise and fall substantially.

Equity investment risk

Equities such as common shares give the holder part ownership in a company. The value of an equity security changes with the fortunes of the company that issued it. General market conditions and the health of the economy as a whole can also affect equity prices. Equity related securities that provide indirect exposure to the equity securities of an issuer, such as convertible debentures, can also be affected by equity risk.

Dividends on common shares are not fixed but are declared at the discretion of an issuer's board of directors. There is no guarantee that the issuers of the common shares in which a fund invests will declare dividends in the future or that if declared they will remain at current levels or increase over time.

ETF risk

Investing in an exchange traded fund (ETF) exposes a fund to all of the risks of that ETF's investments and subjects it to a pro rata portion of the ETF's fees and expenses. As a result, the cost of investing in securities of an ETF may exceed the costs of investing directly in its underlying investments. Securities of ETFs trade on an exchange at a market price, which may vary from the ETF's NAV. A fund may purchase ETFs at prices that exceed the NAV of their underlying investments and may sell ETF investments at prices below such NAV. Because the market price of securities of an ETF depends on the demand in the market for them, the market price of an ETF may be more volatile than the value of the underlying portfolio of securities that the ETF may be designed to track, and the fund may not be able to liquidate ETF holdings at the time and price desired, which may impact fund performance.

Exchange risk

In the event that a stock exchange on which the ETF Securities are traded closes early or unexpectedly on any day that it is normally open for trading, unitholders will be unable to purchase or sell ETF Securities on the stock exchange until it reopens and there is a possibility that, at the same time and for the same reason, the exchange and redemption of units may be suspended until the stock exchange reopens.

Fineness and quality risk - KILO

KILO's physical bullion custodian does not inspect the fineness or quality of the gold bullion that is delivered to it. There is no assurance as to the fineness or quality of the gold bullion delivered to the fund.

Floating rate note risk

Floating rate notes generally are subject to legal or contractual restrictions on resale. The liquidity of floating rate notes, including the volume and frequency of secondary market trading in such loans, varies significantly over time and among individual floating rate notes. During periods of infrequent trading, valuing a floating rate note can be more difficult, and buying and selling a floating rate note at an acceptable price can be more difficult and delayed. Difficulty in selling a floating rate note can result in a loss. A decline in the credit quality of a floating rate may reflect a decline in the financial condition of the issuer of the note. Credit ratings assigned by rating agencies are based on a number of factors and may not reflect the issuer's current financial condition or the volatility or liquidity of the floating rate note. In the event of bankruptcy of the issuer of the floating rate note, the funds investing in such notes could experience delays or limitations with respect to its ability to realize the benefits of any collateral securing the note. In order to enforce their rights in the event of a default, bankruptcy or similar situation, such funds may be required to retain legal or similar counsel, which may increase operating expenses and adversely affect net asset values. In addition, floating rate notes generally can be prepaid before maturity. If this happens, the floating rate note can offer less income and/or potential for capital gains.

Fluctuations in NAV and NAV per unit risk

The NAV per unit will vary according to, among other things, the value of the securities (or gold bullion in the case of KILO) held by a fund. Purpose and the funds have no control over the factors that affect the value of the securities or assets held by the funds, including factors that affect the equity, bond or gold bullion markets (as applicable) generally such as general economic and political conditions, fluctuations in interest rates and factors unique to each constituent security.

Foreign investment risk

Some of the funds invest in (or underlying funds invest in) securities issued by companies in, or governments of, countries other than Canada. Investing in foreign securities can be beneficial in expanding your investment opportunities and portfolio diversification, but there are risks associated with foreign investments, including the risks set forth below.

(a) Companies outside of Canada may be subject to different regulations, standards, reporting practices and disclosure requirements than those that apply in Canada.

(b) The legal systems of some foreign countries may not adequately protect investor rights.

(c) Political, social or economic instability may affect the value of foreign securities.

(d) Foreign governments may make significant changes to tax policies which could affect the value of foreign securities.

(e) Foreign governments may impose currency exchange controls that prevent a fund from taking money out of the country.

The foreign investment risk associated with securities in developing countries may be higher than the foreign investment risk associated with securities in developed countries as many developing countries tend to be less stable politically, socially and economically, may be more subject to corruption and may have less market liquidity and lower standards of business practices and regulation.

Futures contract liquidity risk

Futures contracts may not be liquid and their trading frequently involves high transaction costs. U.S. futures exchanges have regulations that limit the magnitude of fluctuations that may occur in futures contract prices during a single trading day. These limits are generally referred to as “daily price fluctuation limits” and the maximum or minimum price on a contract on any given day as a result of these limits is referred to as a “limit price”. Once the limit price is reached on a contract, no trades may be made at a price that is greater or less than the limit price, as the case may be. The imposition of limit prices or trading suspensions may force the sale of a contract at a disadvantageous price or time or preclude trading in the contract altogether. This could adversely affect the NAV per unit of a fund, as well as the fund’s ability to meet subscription, exchange and redemption requests.

Futures contract margin risk

A fund may invest in commodity futures contracts. Futures prices generally are extremely volatile. Because of the low margin deposits normally required in futures trading, an extremely high degree of leverage is common in a futures trading account. As a result, a relatively small price movement in a futures contract may result in substantial losses. Similar to other leveraged investments, any purchase or sale of a futures contract may result in losses in excess of the amount invested.

There is a risk that the assets of a fund deposited as margin with a futures commission merchant may, in the event of the bankruptcy of the futures commission merchant, be used to satisfy the claims of creditors of the futures commission merchant, other than the fund, including other clients of the futures commission merchant. Under the terms of investor protection legislation in Canada, client assets held by an insolvent futures commission merchant may be divided up, on a pro rata basis, among its clients.

Global geo-political event risk - KILO

The possibility of large-scale distress sales of gold in times of crisis may have a short-term negative impact on the price of gold and may adversely affect an investment in the units of KILO.

High yield securities risk

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

Income trust risk

Income trusts generally hold debt and/or equity securities of an underlying active business or are entitled to receive a royalty on revenues generated by such business. Funds that invest in income trusts such as oil, gas and other commodity-based royalty trusts, real estate investment trusts and pipeline and power trusts will have varying degrees of risk depending on its sector and the underlying asset or business. Returns on income trusts are neither fixed nor guaranteed. Typically, trust securities are more volatile than bonds (corporate and government) and preferred securities. Many of the income trusts that a fund invests in are governed by laws of a province of Canada or of a state of the U.S. which limit the liability of unitholders of the income trust from a particular date. A fund may, however, also invest in income trusts in Canada, the U.S. and other countries that are not governed by similar laws. There is a risk that unitholders of an income trust, including a fund, could be held liable for any claims against the income trust that are not governed by these laws. Income trusts generally try to minimize this risk by including provisions in their agreements that their obligations won't be personally binding on unitholders, including a fund. However, the income trust may still have exposure to other legal liabilities.

Inflation risk

It is possible that the value of fixed income securities and/or currencies in which a fund invests could depreciate overtime as the level of inflation rises in the country of origin. The effects of inflation could have an adverse effect on the value of a fund's assets and, in turn, the net asset value of the fund.

Interest rate risk

The value of a fund that holds fixed-income securities (or debt) will rise and fall as interest rates change. When interest rates fall, the value of an existing fixed-income security will rise. When interest rates rise, the value of an existing fixed-income security will fall. The value of fixed-income securities that pay a variable (or "floating") rate of interest is generally less sensitive to interest rate changes.

Lack of arbitrage transactions - KILO

If the processes of creation and redemption of units of KILO encounters any unanticipated difficulties, potential market participants, such as broker-dealers and their customers, who would otherwise be willing to purchase or redeem units of KILO to take advantage of any arbitrage opportunity arising from discrepancies between the price of the units of the fund and the price of the underlying gold may not take the risk that, as a result of those difficulties, they may not be able to realize the profit they expect. If this is the case, the liquidity of the units of KILO may decline and the price of the fund may fluctuate independently of the price of gold and may fall or otherwise diverge from their net asset value.

Leverage Risk – Alternative Funds Only

When an Alternative Fund makes investments in derivatives, borrows cash for investment purposes, or uses physical short sales on equities or other portfolio assets, leverage may be introduced into the Alternative Fund. Leverage occurs when a fund's notional exposure to underlying assets is greater than the amount invested. It is an investment technique that magnifies gains and losses. Consequently, any adverse change in the value or level of the underlying asset, rate or index may amplify losses compared to those that would have been incurred if the underlying asset had been directly held by the fund and may result in losses greater than the amount invested in the derivative itself. Leverage may increase volatility, may impair a fund's liquidity and may cause a fund to liquidate positions at unfavorable times.

Liquidity risk

A liquid asset trades on an organized market, such as a stock exchange, which provides price quotations for the asset. The use of an organized market means that it should be possible to convert the asset to cash at, or close to, the quoted price or the price used to calculate a fund's net asset value.

An asset is considered illiquid if it is more difficult to convert it to a liquid investment such as cash. A company's securities may be illiquid if the company is not well known, there are few outstanding shares of that company, there are few potential buyers or the shares of that company cannot be resold because of a promise or agreement.

Also, in highly volatile markets, securities, especially debt securities, that were considered liquid may suddenly and unexpectedly become illiquid.

If a fund is unable to dispose of some or all of the securities or assets held by it, the fund may experience a delay in the receipt of the proceeds of disposition until such time as it is able to dispose of such securities or may be able to do so only at prices which may not reflect the true value of such investments. Likewise, if certain securities or assets are particularly illiquid, the manager may be unable to acquire the number of securities or assets it would like to at a price acceptable to the manager on a timely basis.

The value of a fund's investments in illiquid securities or assets may rise and fall substantially because a fund may not be able to sell the securities or assets for the value that we use in calculating the net asset value of the fund. There are restrictions on the amount of illiquid securities a fund may hold.

Loss of bullion risk - KILO

There is a risk that part or all of KILO's gold bullion could be lost, damaged or stolen, notwithstanding the handling of deliveries of gold bullion by, and storage of gold bullion in, the vaults of the custodian. Also, access to the fund's gold bullion could be restricted by natural events or human actions. Any of these events may adversely affect the assets of the fund and, consequently, an investment in the units of the fund.

Market risk

The value of equity securities will change based on specific company developments and stock market conditions. Market value also varies with changes in the general economic and financial conditions in countries where investments are made.

Maturity risk

Certain funds will invest in fixed income securities of varying maturities. Generally, the longer a fixed income security's maturity, the greater the risk. Conversely, the shorter a fixed income security's maturity, the lower the risk.

Multi-class risk

The funds may offer more than one class of units. Each class of a fund has its own fees and expenses which the fund tracks separately. If a fund cannot pay the expenses of one class using that classes' proportionate share of the assets of the fund, the fund will have to pay those expenses out of the other classes' proportionate share of the assets, which would lower the investment return of those other classes. This is because a fund as a whole is legally responsible for the financial obligations of all of its classes.

Options risk

A fund may invest in options. An option is a contract between two parties for the purchase and sale of a financial instrument for a specified price at any time during the option period. Unlike a futures contract, an option grants a right (not an obligation) to buy or sell a financial instrument. An option on a futures contract gives the purchaser the right, in exchange for a premium, to assume a position in a future contract at a specified exercise price during the term of the option. The seller of an uncovered call option assumes the risk of a theoretically unlimited increase in the market price of the underlying security above the exercise price of the option. The securities necessary to satisfy the exercise of the call option may be unavailable for purchase except at much higher prices. Purchasing securities to satisfy the exercise of the call option can itself cause the price of the securities to rise further, sometimes by a significant amount, thereby exacerbating the loss. The buyer of a call option assumes the risk of losing its entire premium invested in the call option. The seller (writer) of a put option that is covered (e.g., the writer has a short position in the underlying security) assumes the risk of an increase in the market price of the underlying security above the sales price (in establishing the short position) of the underlying security plus the premium received and gives up the opportunity for gain on the underlying security below the exercise price of the option. The seller of an uncovered put option assumes the risk of a decline in the market price of the underlying security below the exercise price of the option. The buyer of a put option assumes the risk of losing his entire premium invested in the put option. Any investment in an option by a fund will be in compliance with NI 81-102.

Performance fee risk – Alternative Funds and StoneCastle Global Tactical Asset Allocation Fund

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

Precious metals risk - KILO

KILO may be subject to a number of risks specific to precious metals, such as: (i) changes in industrial, government and consumer demand, including industrial and jewelry demand and the degree to which governments, corporate and financial institutions and consumers hold precious metals, such as physical gold, as a safe haven asset, which may be affected by the structure of and confidence in the global monetary system or a rapid change in the value of other assets; (ii) disruptions in the supply chain, from mining to storage to smelting or refining; (iii) adjustments to inventories; (iv) variations in production costs, including storage, labour and energy costs; (v) costs associated with regulatory compliance, including environmental regulations; (vi) interest rates and borrowing and lending rates relating to precious metals; (vii) currency exchange rates, including the relative strength of, and confidence in, exchange rates relating to currencies in which precious metals prices are quoted; and (viii) levels of economic growth and inflation . These factors interrelate in complex ways, and the effect of one factor on the fund and the value of its units may increase or reduce the effect of another factor.

Rebalancing and adjustment risk – ETF Securities

Adjustments to baskets of securities held by such funds may be made to reflect adjustments to investment strategies or other reasons. Such adjustments may depend on the ability of Purpose and the designated broker to perform their respective obligations under the applicable designated broker agreement. If the designated broker fails to perform, a fund may be required to sell or purchase, as the case may be, constituent securities of the baskets of securities in the market. If this happens, such fund would incur additional transaction costs.

Regulatory risk

Regulatory risk is the potential revenue impact on a company due to laws, regulation and policies of regulatory agencies. Governmental or regulatory permits and approvals may be required to proceed with planned projects. Any delay or failure in achieving the required permits or approvals would reduce the company's growth prospects and, in turn, the value of a fund that invests in such companies.

Reliance on the manager and sub-advisor risk

Holders of units will be dependent on the ability of the manager and, as applicable, the sub-advisor of a fund, to effectively manage the funds in a manner consistent with the investment objectives, investment strategies and investment restrictions of the funds. There is no certainty that the individuals who are principally responsible for providing administration and portfolio management services to the funds will continue to be employed by the manager or a sub-advisor, as the case may be.

Risk of loss

An investment in a fund is not guaranteed by any entity. Unlike bank accounts or guaranteed investment certificates, an investment in the funds is not covered by the Canada Deposit Insurance Corporation or any other government deposit insurer.

Risks relating to investments in gold bullion - KILO

Direct purchases of physical gold bullion by KILO may generate higher transaction and custody costs than other types of investments, which may affect the performance of KILO.

Sales of gold by the official sector - KILO

Substantial sales of gold by the official sector could adversely affect an investment in units of KILO. The official sector consists of central banks, other governmental agencies and multi-lateral institutions that buy, sell and hold gold as part of their reserve assets. The official sector holds a significant amount of gold, some of which is static, meaning that it is not available in the open market. In the event that future economic, political or social conditions or pressures require the official sector to liquidate their gold assets all at once or in an uncoordinated manner, the demand for gold may not be sufficient to accommodate the sudden increase in the supply of gold to the market. Consequently, the price of gold may decline, which may adversely affect an investment in KILO.

Sector risk

A relatively high concentration of assets in a single or small number of issuers may reduce the diversification and liquidity of a mutual fund and increase its volatility. As a result of reduced liquidity, the mutual fund's ability to satisfy redemption requests may be reduced. It may also result in a concentration in specialized industries or market sectors. Investment in such a mutual fund involves greater risk and volatility than investing in a mutual fund that has a broadly based investment portfolio since the performance of one particular industry or market could significantly and adversely affect the overall performance of the entire mutual fund.

Securities lending and repurchase and reverse repurchase transaction risk

Certain funds may enter into securities lending arrangements and repurchase and reverse repurchase transactions in accordance with NI 81-102 in order to generate additional income to enhance the NAV of the fund. In a securities lending transaction, the fund lends its securities to a borrower in exchange for a fee and the other party to the transaction delivers collateral to the fund in order to secure the transaction. A repurchase agreement takes place when the fund sells a security at one price and agrees to buy it back later from the same party at a higher price. A reverse repurchase agreement is the opposite of a repurchase agreement and occurs when the fund buys a security at one price and agrees to sell it back to the same party at a higher price. The other party to a securities lending transaction, repurchase agreement or reverse repurchase agreement delivers collateral to the fund in order to secure the transaction.

Securities lending, repurchase and reverse repurchase transactions comes with certain risks. If the other party to the transaction cannot complete the transaction, the fund may be exposed to the risk of loss should the other party default on its obligation to return the borrowed securities and the collateral be insufficient to reconstitute the portfolio of loaned securities. To minimize this risk, the other party must provide collateral that is worth at least 102% of the value of the fund's securities and of the type permitted by NI 81-102. The value of the collateral is monitored daily and adjusted appropriately by the securities lending agent of the fund.

If the fund enters into securities lending transactions or repurchase transactions may not commit more than 50% of their NAV to securities lending or repurchase transactions at any time and such transactions may be ended at any time.

For more information about how the funds engage in these transactions, see "Information Applicable to One or More Funds – Investment strategies – How the funds engage in securities lending" on page 94.

Senior loan risk

There is less readily available, reliable information about most senior loans than is the case for many other types of securities. An economic downturn generally leads to a higher non-payment rate, and a senior loan may lose significant value before a default occurs. Moreover, any specific collateral used to secure a senior loan may decline in value or become illiquid, which would adversely affect the senior loan's value.

Furthermore, increases in interest rates may result in greater volatility of senior loans and average duration may fluctuate with fluctuations in interest rates. No active trading market may exist for certain senior loans, which may impair the ability of a fund to realize full value in the event of the need to sell a senior loan and which may make it difficult to value senior loans. Although senior loans generally are secured by specific collateral, there can be no assurance that liquidation of such collateral would satisfy the borrower's obligation in the event of non-payment of scheduled interest or principal or that such collateral could be readily liquidated. To the extent that a senior loan is collateralized by stock in the borrower or its subsidiaries, such stock may lose all of its value in the event of the bankruptcy of the borrower. Uncollateralized senior loans involve a greater risk of loss. Senior loans are usually rated below investment grade.

Portfolio transactions in senior loan, may take up to two or three weeks to settle, and in some cases much longer. Unlike the securities markets, there is no central clearinghouse for loan trades, and the loan market has not established enforceable settlement standards or remedies for failure to settle.

Short selling risk

The funds may engage in a limited amount of short selling. A "short sale" is where a fund borrows securities from a lender, which are then sold in the open market (or "sold short"). At a later date, the same number of securities are repurchased by the fund and returned to the lender. In the interim, the proceeds from the first sale are deposited with the lender and the fund pays interest to the lender. If the value of the securities declines between the time that the fund borrows securities and the time it repurchases and returns the securities, the fund makes a profit for the difference (less any interest the fund is required to pay to the lender). Short selling involves certain risks. There is no assurance that securities will decline in value during the period of the short sale sufficient to offset the interest paid by the fund and make a profit for the fund, and securities sold short may instead appreciate in value. The fund may also experience difficulties repurchasing and returning the borrowed securities if a liquid market for the securities does not exist. The lender from whom the fund has borrowed securities may go bankrupt and the fund may lose the collateral it has deposited with the lender. Each fund that engages in short selling will adhere to controls and limits that are intended to offset these risks by short selling only those securities of larger issuers for which a liquid market is expected to be maintained and by limiting the amount of exposure for short sales. The funds will also deposit collateral only with lenders that meet certain criteria for creditworthiness and only up to certain limits.

Stock market risk

A mutual fund that invests in equity investments (like stocks or shares) or derivatives based on equities will be affected by conditions affecting the stock markets on which those equities are traded and by general economic conditions.

A stock's value is also affected by the outlook for the company, specific company developments, market activity and by the broader economic picture, both at home and abroad. When the economy is expanding, the outlook for many companies may also be good and the value of their stocks may rise. Conversely, when the economy is not expanding, the outlook for many companies may not be good and the value of their stocks may drop.

Substantial securityholder risk

The purchase or redemption of securities by a substantial securityholder can adversely affect the performance of a mutual fund. The purchase or redemption of a substantial number of securities of a fund may require a portfolio manager to change the composition of the fund's portfolio significantly or may force a portfolio manager to buy or sell investments at unfavourable prices, each of which can negatively affect a fund's return.

Tax risk

There can be no assurance that the tax laws applicable to the funds under the Tax Act or under foreign tax regimes, or the administration thereof, will not be changed in a manner which could adversely affect the funds or securityholders.

If a fund does not or ceases to qualify as a "mutual fund trust" under the Tax Act, the income tax considerations described under the heading "Income Tax Considerations for Investors" would be materially and adversely different in certain respects.

The Tax Act contains tax loss restriction rules that apply to trusts such as the funds. These loss restriction rules generally apply at any time when any person, together with other persons with whom that person is affiliated within the meaning of the Tax Act, or any group of persons acting in concert, acquires units of a fund having a fair market value that is greater than 50% of the fair market value of all the units of the fund. If such circumstances occur, the fund will have a deemed taxation year end and any undistributed income and realized capital gains (net of any applicable losses) would be expected to be made payable to all unitholders of the fund as a distribution on their units (or tax thereon paid by the fund in respect of such year). Accordingly, in such event, distributions on the units in the form of units (which will be automatically consolidated) and/or cash may be declared and paid to unitholders. In addition, accrued capital losses and certain other realized losses of the fund would be unavailable for use by the fund in future years. Given the manner in which units are distributed, there will be or may have been circumstances in which it will not be possible to control or identify whether a fund has become subject to the loss restriction event rules. As a result, there can be no assurance that a fund has not or will not in the future be subject to the loss restriction event rules and no assurance as to when and to whom any such distributions will be made, or that a fund will not be required to pay tax on such undistributed income and taxable capital gains. Relief from the application of the loss restriction event rules may be available to a trust that qualified as a "mutual fund trust" for the purposes of the Tax Act and meets certain asset diversification requirements.

Certain tax rules apply to direct and indirect investments by Canadian residents in non-resident trusts (the "NRT Rules"). It is not expected that the NRT Rules will be applied in respect of investments, if any, made by the funds in non-resident funds that are trusts; however no assurances can be given in this regard.

Based on a recent amendment to the Tax Act, a fund is prohibited from claiming a deduction in computing its income for amounts of income that are allocated to redeeming unitholders and is limited in its ability to claim a deduction in computing its income for amounts of capital gains that are allocated to redeeming unitholders. As a result of these amendments, the taxable component of distributions to non-redeeming unitholders in a fund may increase.

A fund that has ETF Securities, may be subject to rules in the Tax Act, (the "SIFT Rules") which apply to trusts (defined as "SIFT trusts"), the securities of which are listed or traded on a stock exchange or other public market and that hold one or more "non-portfolio properties" (as defined in the Tax Act). A SIFT trust is effectively taxed on income and capital gains in respect of such non-portfolio properties at tax rates comparable to the rates that apply to income earned and distributed by Canadian public corporations. Distributions of such income received by unitholders of SIFT trusts are treated as eligible dividends from a taxable Canadian corporation. Each fund with ETF Securities is subject to investment restrictions intended to ensure that it will not be a SIFT trust.

In circumstances where a fund realizes net gains upon settlement of currency hedging contracts in a taxation year which are unsheltered by any loss carryforwards from prior taxation years, the fund will distribute net income and net realized gains through a payment of reinvested distributions. The amount of such income or taxable portion of such capital gains thus distributed by the fund will be included in the income of its unitholders and subject to tax despite the absence of any cash distribution from the fund to fund the resulting tax liability of the unitholders

In determining its income for tax purposes, KILO will treat gains (or losses) as a result of any disposition of gold bullion as capital gains (or capital losses) or, depending on the circumstances, include the full amount in (or deduct the full amount from) income. The CRA has expressed the opinion that gains (or losses) of mutual fund trusts resulting from transactions in commodities should generally be treated for tax purposes as ordinary income rather than as capital gains, although the treatment in each particular case remains a question of fact to be determined having regard to all the circumstances.

If any transactions of a fund, including currency forward agreements, are reported on capital account but subsequently determined to be on income account, the net income of the fund for tax purposes and the taxable component of distributions to unitholders could increase. Any such redetermination by the CRA may result in the fund being liable for taxes, including unremitted withholding taxes on prior distributions made to unitholders who were not resident in Canada for purposes of the Tax Act at the time of the distribution. Such potential liability may reduce the NAV of the units, NAV per unit and/or the trading prices of the units.

Trading price of ETF Securities risk

ETF Securities may trade in the market at a premium or discount to their NAV per unit. There can be no assurance that the ETF Securities will trade at prices that reflect their NAV per unit. The trading price of the ETF Securities will fluctuate in accordance with changes in the fund's net asset value, as well as market supply and demand on the Designated Exchange on which the ETF Securities of the fund may be traded from time to time. However, given that generally only a prescribed number of ETF Securities are issued to designated brokers and dealers, and that holders of a prescribed number of ETF Securities (or an integral multiple thereof) may redeem such ETF Securities at their NAV per unit, Purpose believes that large discounts or premiums to the net asset value of the ETF Securities should not be sustained.

Underlying fund risk

A fund may pursue its investment objectives indirectly by investing in securities of other funds, including ETFs and, if permitted under NI 81-102, in order to gain access to the strategies pursued by those underlying funds. The risks of investing in such underlying funds include the risks associated with the securities in which an underlying fund invests, along with the other risks of an underlying fund. Accordingly, a fund takes on the risk of an underlying fund and its respective securities in proportion to its investment in the underlying fund. There can be no assurance that any use of such multi-layered fund of fund structures will result in any gains for a fund. If an underlying fund that is not traded on an exchange suspends redemptions, a fund will be unable to value part of its portfolio and may be unable to redeem units. In addition, the portfolio manager could allocate a fund's assets in a manner that results in that fund underperforming its peers.

Uninsured loss risk - KILO

KILO does not insure its gold bullion. Gold bullion owned by KILO is stored in the vaults of the Royal Canadian Mint once it is delivered to the Royal Canadian Mint. Royal Canadian Mint maintains insurance as Royal Canadian Mint deems appropriate against all risks of physical loss or damage except the risk of war, nuclear incident, terrorism events or government confiscation. The fund is not a direct beneficiary of any such insurance maintained by Royal Canadian Mint and does not have the ability to dictate the existence, nature or amount of coverage. There can be no assurance that such insurance is sufficient to cover any losses that may be suffered by Royal Canadian Mint or KILO.

Volatile Market Risk

The market prices of investments held by a fund will go up or down. Such market prices, and how rapidly those prices change, will be impacted by general economic and market conditions. Investment markets can be volatile and prices of investments can change substantially due to a number of factors, including, but not limited to: interest rates; changing supply and demand relationships; trade, fiscal, monetary and exchange control programs; governmental policies; as well as national and international political and economic events. In addition, unexpected and unpredictable events such as war and occupation, a widespread health crisis or global pandemic, terrorism and related geopolitical risks, may lead to increased short-term market volatility and may have adverse long-term effects on world economies and markets generally.

For example, the spread of coronavirus disease (COVID-19) internationally has caused a disruption in normal commercial activities, a slowdown in the global economy and has caused volatility in global financial markets. The impact of coronavirus disease (which may continue to last for an extended period), as well as other epidemics and pandemics that may arise in the future, could negatively affect the worldwide economy, as well as the economies of individual countries, individual companies and the market in general in significant and unforeseen ways. Emerging market countries, with less established medical and health care facilities, may be particularly impacted.

The impact of coronavirus disease, as well as other unexpected disruptive events, may cause market volatility and could have effects that cannot necessarily be foreseen at the present time. These events could also adversely affect a fund's performance, the performance of the securities in which a fund invests and may lead to losses on your investment in a fund.

Withdrawal from participation of broker-dealers

In the event that one or more broker-dealers that have substantial interests in units of a fund withdraw from participation, the liquidity of the units of the fund will likely decrease which could adversely affect the market price of the units and result in unitholders incurring a loss on their investment.

INVESTMENT RESTRICTIONS

Restrictions under Applicable Securities Legislation

The fundamental investment objectives of each of the funds are set out in this simplified prospectus. In accordance with applicable securities legislation, any change in the fundamental investment objective of a fund requires the approval of a majority of the votes cast at a meeting of investors called for that purpose. The manager may change a fund's investment strategies from time to time at its discretion.

The funds are also subject to certain standard investment restrictions and practices contained in securities legislation, including NI 81-102. This legislation is designed in part to ensure that the investments of the funds are diversified and relatively liquid and to ensure the proper administration of the funds. Each of the funds adheres to these standard investment restrictions and practices.

Tax status

Units are qualified investments under the Tax Act for trusts governed by Registered Plans. Holders, annuitants and subscribers, as applicable, of RRSPs, RRIFs, TFSAs, RESPs and RDSPs should consult with their tax advisors regarding whether the Units (as defined below) would be a "prohibited investment" (within the meaning of the Tax Act) for such accounts or plans in their particular circumstances.

DESCRIPTION OF SECURITIES OFFERED BY THE FUNDS

General

The funds are permitted to issue an unlimited number of securities. Each fund is divided into multiple classes of units and each class of units is divided into units of participation of equal value. See the front cover of this document for the classes of securities offered by each fund.

Mutual fund units purchased in Canadian dollars are Canadian dollar denominated and mutual fund units purchased in U.S. dollars are U.S. dollar denominated. As described herein, certain ETF Securities are available for purchase under separate, U.S. dollar denominated, ticker symbols.

Securities of MLD Core Fund and PK Core Fund are distributed by Cannacord as the principal distributor of such funds.

Class A Securities

Class A Securities are available to all investors through authorized dealers.

If a fund offers both Class A units and Class A non-currency hedged units and the fund invests in securities that are denominated in a currency other than Canadian dollars, then where possible (i) all foreign currency exposure of the fund's portfolio attributable to its Class A units will be hedged back to the Canadian dollar and (ii) none of the foreign currency exposure of the fund's portfolio attributable to its Class A non-currency hedged units will be hedged back to the Canadian dollar.

Class A Securities purchased in Canadian dollars are Canadian dollar denominated and Class A Securities purchased in U.S. dollars are U.S. dollar denominated.

Class F Securities

Class F Securities are available to investors who have fee based accounts with their dealer. The manager has designed the Class F Securities to offer investors an alternative means of paying their dealer for investment advice and other services. Instead of paying sales charges, investors buying Class F Securities pay fees to their dealer for investment advice and other services. The manager does not pay any commissions to dealers or the principal distributor in respect of the Class F Securities which allows the manager to charge a lower management fee.

If a fund offers both Class F units and Class F non-currency hedged units and the fund invests in securities that are denominated in a currency other than Canadian dollars, then where possible (i) all foreign currency exposure of the fund's portfolio attributable to its Class F units will be hedged back to the Canadian dollar and (ii) none of the foreign currency exposure of the fund's portfolio attributable to its Class F non-currency hedged units will be hedged back to the Canadian dollar.

Class F Securities purchased in Canadian dollars are Canadian dollar denominated and Class F Securities purchased in U.S. dollars are U.S. dollar denominated. Class F units of MLD Core Fund are not available for purchase in U.S. dollars.

If a securityholder ceases to be eligible to hold Class F Securities, the manager may switch a securityholder's Class F Securities into Class A Securities of the fund (if Class A Securities are offered by such fund) after providing the securityholder with 5 days' notice, unless the securityholder notifies the manager during the notice period and the manager agrees that such securityholder is once again eligible to hold Class F Securities. Unitholders may be charged a sales commission in connection with the switch by their dealer.

Class I Securities

Class I Securities are available to institutional investors or to other investors on a case-by-case basis, in the manager's discretion. The manager does not pay any commissions to dealers in respect of Class I Securities. If a securityholder ceases to be eligible to hold Class I Securities, the manager may switch a securityholder's Class I Securities into such other classes of units as may be agreed to by the manager after the manager provides the securityholder with 5 days' notice, unless the securityholder notifies the manager during the notice period and the manager agrees that the securityholder is once again eligible to hold Class I Securities. Unitholders may be charged a sales commission in connection with the switch by their dealer.

If a fund offers both Class I units and Class I non-currency hedged units and the fund invests in securities that are denominated in a currency other than Canadian dollars, then where possible (i) all foreign currency exposure of the fund's portfolio attributable to its Class I units will be hedged back to the Canadian dollar and (ii) none of the foreign currency exposure of the fund's portfolio attributable to its Class I non-currency hedged units will be hedged back to the Canadian dollar.

Class TA3 Securities

Class TA3 Securities are available to all investors and are generally designed for investors seeking regular monthly cash flows. The targeted distribution rate for Class TA3 Securities is three percent per annum.

Targeted monthly distributions for Class TA3 Securities will generally consist of net income and/or a return of capital.

You should not confuse the target distribution rate with a fund's rate of return or yield. Distributions paid to the holders of Class TA3 Securities can either be reinvested in additional Class TA3 Securities or paid in cash except for distributions paid in connection with Class TA3 Securities that are held in a Registered Plan, other than a TFSA, which must be reinvested in Class TA3 Securities.

Distributions paid in connection with Class TA3 Securities that are held in a TFSA can either be reinvested in additional Class TA3 Securities or paid in cash. Investors who are eligible to receive Class TA3 Securities distributions in cash may opt to receive part of their distributions in cash with the remainder reinvested in additional Class TA3 Securities.

Class TF3 Securities

Class TF3 Securities are available to investors who have fee based accounts with their financial advisor or dealer. The manager has designed the Class TF3 Securities to offer investors an alternative means of paying their dealer for investment advice and other services. Instead of paying sales charges, investors buying Class TF3 Securities pay fees to their financial advisor or broker for investment advice and other services. The manager does not pay any commissions to a dealer in respect of the Class TF3 Securities which allows the manager to charge a lower management fee.

If a unitholder ceases to be eligible to hold Class TF3 Securities, the manager may switch a unitholder's Class TF3 Securities into Class TA3 Securities of the same fund (if Class TA3 Securities are offered by such fund) after providing the unitholder with 5 days' notice, unless the unitholder notifies the manager during the notice period and the manager agrees that such unitholder is once again eligible to hold Class TF3 Securities. Unitholders may be charged a sales commission in connection with the switch by their dealer.

Class TF3 Securities are generally designed for investors seeking regular monthly cash flows. The targeted distribution rate for Class TF3 Securities is three percent per annum. Targeted monthly distributions for Class TF3 Securities will generally consist of net income and/or a return of capital.

You should not confuse the target distribution rate with a fund's rate of return or yield. Distributions paid to the holders of Class TF3 Securities can either be reinvested in additional Class TF3 Securities or paid in cash except for distributions paid in connection with Class TF3 Securities that are held in a Registered Plan, other than a TFSA, which must be reinvested in Class TF3 Securities.

Distributions paid in connection with Class TF3 Securities that are held in a TFSA can either be reinvested in additional Class TF3 Securities or paid in cash. Investors who are eligible to receive Class TF3 Securities distributions in cash may opt to receive part of their distributions in cash with the remainder reinvested in additional Class TF3 Securities.

ETF Securities

ETF Securities are listed on a Designated Exchange, and are available to all investors. Where a fund invests in securities that are denominated in a currency other than Canadian dollars, where possible, (i) all foreign currency exposure of the fund's portfolio attributable to its ETF units will be hedged back to the Canadian dollar and (ii) none of the foreign currency exposure of the fund's portfolio attributable to its ETF non-currency hedged USD units and ETF non-currency hedged CAD units will be hedged back to the Canadian dollar.

You may purchase the following ETF Securities under separate, U.S. dollar denominated, ticker symbols on the Designated Exchange:

- ETF non-currency hedged USD units of Purpose Global Flexible Credit Fund; and
- U.S. dollar denominated ETF non-currency hedged units of KILO.

All Units

Although money you pay to purchase units is tracked on a class by class basis in a fund's administrative records, the assets of all classes of a fund are combined into a single pool to create one portfolio for investment purposes.

Units of a fund represent your ownership in a fund. You receive distributions of a fund's net income and net capital gains attributable to your units based on their relative net asset value per unit. Upon the wind-up or termination of a fund, securityholders of the fund will be entitled to participate pro rata in a fund's net assets allocated to the applicable units.

Units of the funds are non-voting, other than as required by law, including NI 81-102. If you hold units in a fund, you will be entitled to vote at the securityholder meetings of the fund as a whole as well as any securityholder meetings for the particular class of units that you own. Units are issued as fully paid and non-assessable and are redeemable at their net asset value per unit next determined after the receipt of a redemption order. Other than as described herein, there are no pre-emptive or conversion rights attached to the units. The funds may issue an unlimited number of units. Each unit, regardless of its class, will entitle the holder to one vote with respect to a particular issue. The funds may issue fractional units, which shall entitle the holder to similar proportionate participation in the funds but will not entitle the holder to receive notice of, or vote at, meetings of securityholders of the funds.

No unitholder owns any asset of a fund. Unitholders have only those rights mentioned herein and in the Declaration of Trust.

Units of the funds have the following attributes:

(a) the units have no voting rights except as described herein;

(b) the units are redeemable at the option of the holder and mutual fund units are redeemable at their net asset value per unit next determined after the receipt of a redemption order;

(c) the units have distribution rights;

(d) upon the termination of a fund, the assets of the fund will be distributed and all securityholders in the fund will share in the value of the fund;

(e) there are no pre-emptive rights;

(f) the units of a fund cannot be transferred except in limited circumstances;

(g) the units may be sub-divided or consolidated by the trustee without notice to unitholders;

(h) there is no liability for further calls or assessments; and

(i) a fractional unit of a fund, if issued, carries the rights and privileges, and is subject to the restrictions and conditions applicable to whole units in the proportion which it bears to one unit, except that a fractional unit does not entitle its holder to a vote.

Modification of terms

The rights attached to units may only be modified, amended or varied in accordance with the terms of the Declaration of Trust and applicable law.

Meetings of Unitholders

The funds do not hold regular meetings, however securityholders of a fund will be entitled to vote to approve all matters that require securityholder approval pursuant to NI 81-102. As at the date of this document these matters include:

- a change in the manager of a fund, unless the new manager is an affiliate of the manager;
- any change in the fundamental investment objective of a fund;
- any decrease in the frequency of calculating the net asset value of a fund;
- unless the fund's IRC (as defined below) has approved, and all conditions of applicable securities legislation have been adhered to, a fund undertakes a reorganization with, or transfers its assets to, another issuer, if: (i) the fund ceases to continue after the reorganization or transfer of assets; and (ii) the transaction results in the securityholders of the fund becoming securityholders in the other issuer;
- a fund undertakes a reorganization with, or acquires assets from, another issuer, if: (i) the fund continues after the reorganization or acquisition of assets; (ii) the transaction results in the securityholders of the other issuer becoming securityholders in the fund; and (iii) the transaction would be a material change to the fund;
- if a fee or expense to be charged to the funds or to securityholders, in connection with holding units of the funds, is introduced and could result in an increase in charges to the funds or to securityholders or if the basis for calculating a fee or expense charged to a fund, or to securityholders in connection with holding units of a fund, is changed and could result in an increase in charges to the fund or to securityholders unless, in either case, (i) the fund is at arm's length to the person or company charging the fee or expense to the fund, and (ii) the securityholders

are sent a written notice at least 60 days before the effective date of the change that is to be made that could result in charges to the fund;

- if a fund restructures into a non-redeemable investment fund or an issuer that is not an investment fund;
- any change in trustee of a fund, unless the new trustee is an affiliate of the current trustee;
- any material change to the terms of a fund's Declaration of Trust; and
- any other matter which requires the approval of securityholders pursuant to the agreements between the funds and the manager or applicable laws.

The approval of the securityholders of the funds is not required for a change of auditors, but securityholders will receive notice 60 days in advance of a proposed change of auditors. Unitholders will receive notice 60 days in advance of any proposed fund mergers which do not require securityholder approval.

Being "no-load" units, the type and level of expenses payable by Class F Securities and Class I Securities may change. In such event, although security approval will not be obtained for such changes, as a securityholder in such units, you will receive notice 60 days in advance of the effective date of any increase in fees or other expense or introduction of a new fee or expense.

In certain circumstances, your approval may not be required under securities legislation to effect a merger of the funds. Where the IRC is permitted under securities legislation to approve a merger of the funds in place of securityholders, you will receive at least 60 days written notice at least 60 days before the effective date of any such merger. The IRC may also approve any change of the auditors of the funds. Investor approval will not be obtained in these circumstances, but you will be sent a written notice.

In addition to the matters specified by NI 81-102, the Declaration of Trust provides that the following matters in respect of Purpose Global Flexible Credit Fund may only be undertaken with the approval of the holders (the "**Specified Unitholders**") of its ETF units and ETF non-currency hedged USD units (together, the "**Specified Units**"), by an extraordinary resolution of the Specified Unitholders of the fund (a separate class vote is also required if one class of Specified Unitholders would be affected differently than another class of Specified Unitholders of the fund):

(a) any change in the investment objectives or investment restrictions of the fund, unless such changes are necessary to ensure compliance with applicable laws, regulations or other requirements imposed by applicable regulatory authorities from time to time;

(b) any change of the manager except where the new manager is an affiliate of the manager;

(c) any increase in the management fee charged in respect of the Specified Units;

(d) any amendment, modification or variation in the provisions or rights attaching to the Specified Units;

(e) any change in the frequency of calculating the net asset value per unit of the Specified Units to less often than daily;

(f) any merger, arrangement or similar transaction or the sale of all or substantially all of the assets of the fund other than in the ordinary course;

(g) any liquidation, dissolution or termination of the fund except if it is determined by the manager, in its sole discretion, to be in the best interest of the Specified Unitholders or otherwise in accordance with the terms of the Declaration of Trust;

(h) the issuance of additional Specified Units, other than for net proceeds equal to or greater than 100% of the most recently calculated net asset value per unit calculated immediately prior to the pricing of such issuance or by way or unit distributions; and

(i) any amendment to the above provisions except as permitted by the Declaration of Trust.

Subject to the above, the Declaration of Trust may be amended by the manager and the trustee with the consent of the Specified Unitholders given by ordinary resolution. Notwithstanding the foregoing, any amendment to the Declaration of Trust which would have the effect of reducing the interest in the funds of the Specified Unitholders shall require the consent of all Specified Unitholders.

Notwithstanding the foregoing, the manager or trustee is entitled to amend the Declaration of Trust without the consent of, or notice to, the Specified Unitholders, to:

(a) remove any conflicts or other inconsistencies which may exist between any terms of the Declaration of Trust and any provisions of any law, regulation or requirements of any governmental authority applicable to or affecting the fund;

(b) make any change or correction in the Declaration of Trust which is of a typographical nature or is required to cure or correct any ambiguity or defective or inconsistent provision, clerical omission, mistake or manifest error contained therein;

(c) bring the Declaration of Trust into conformity with applicable laws, rules and policies of Canadian securities regulators or with current practice within the securities or investment fund industries, provided such amendments do not in the opinion of the manager adversely affect the pecuniary value of the interest of the Specified Unitholders or restrict any protection for the trustee or the manager or increase their respective responsibilities;

(d) maintain the status of each fund as a "mutual fund trust" for the purposes of the Tax Act or to respond to amendments to the Tax Act or to the interpretation or administration thereof; or

(e) provide added protection or benefit to Specified Unitholders.

Any amendments made by the manager and the trustee without the consent of the Specified Unitholders must be disclosed in the next regularly scheduled report to Specified Unitholders.

A fund may, without unitholders' approval, enter into a merger or other similar transaction that has the effect of combining the fund or its assets (a "**Permitted Merger**") with any other investment fund or funds managed by Purpose or an affiliate of Purpose that have investment objectives that are substantially similar to those of the fund, subject to:

(a) approval of the merger by the IRC;

(b) compliance with certain merger pre-approval conditions set out in section 5.6 of NI 81-102; and

(c) written notice to unitholders at least 60 days before the effective date of the merger.

In connection with a Permitted Merger, the merging funds will be valued at their respective net asset values for the purpose of such transaction.

NAME, FORMATION AND HISTORY OF THE FUNDS

General

The funds are trusts existing under the laws of Ontario pursuant to the Declaration of Trust. The date of formation of each fund is set out below. The authorized capital of each fund includes one or more classes of mutual fund units and one or more classes of exchange traded fund units. An unlimited number of mutual fund units and exchange traded fund units are authorized for issuance.

Pursuant to the Declaration of Trust, Purpose is the trustee and manager of each fund. Purpose also acts as the manager of other mutual funds offered by way of other simplified prospectuses.

Units of MLD Core Fund and PK Core Fund are distributed by Canaccord Genuity Corp. as the principal distributor of MLD Core Fund and PK Core Fund and are available to investors who have accounts with the principal distributor under a fee-based agreement. These investors pay the principal distributor a fee directly for investment advice or other services. References to a “dealer” herein therefore refer to: (i) the registered dealer (including, in respect of MLD Core Fund and PK Core Fund, the principal distributor) and representative who advises a purchaser on investments; and (ii) in respect of the ETF Securities, a registered dealer (that may or may not be a designated broker), that has entered into a dealer agreement with Purpose, pursuant to which the dealer may subscribe for ETF Securities of a fund.

On December 8, 2016, LOGiQ Asset Management Inc. (then called Aston Hill Asset Management Inc.), as part of Aston Hill Financial Inc. (“**Aston Hill**”) and together with Front Street Capital 2004 (“**Front Street**”) and Tuscarora Capital Inc. (“**TCI**”), an entity under common control with Front Street, completed a transaction whereby Aston Hill acquired all of the equity interests in Front Street and TCI. On December 15, 2017, the manager of Purpose Global Flexible Credit Fund changed from LOGiQ Asset Management Inc. to Redwood Asset Management Inc. On March 31, 2018, Redwood Asset Management Inc. amalgamated with Purpose (its parent company).

The head office and principal place of business of the funds and the manager is located at:

130 Adelaide Street West, Suite 3100
P.O. Box 109
Toronto, Ontario
M5H 3P5

History of the Funds

The table below summarizes the date of formation for the funds and the major changes, if applicable, that have been undertaken by each fund in the past ten years:

Fund Name	Date of Formation	Description of Change	Effective Date of Change
Purpose Global Flexible Credit Fund	June 17, 2011 (the fund was a closed-end fund prior to August 7, 2018)	• Completed an initial public offering of securities as a non-redeemable investment fund	June 17, 2011
		• Merged with Connor, Clark & Lunn Real Return Income Fund	January 8, 2013
		• Changed the trustee from RBC Investor Services Trust to LOGiQ Asset Management Inc.	July 18, 2017
		• Merged with Voya High Income Floating Rate Fund	July 21, 2017
		• Changed the name of the fund from Voya Floating Rate Senior Loan Fund to Redwood Floating Rate Income Fund • Changed the investment objectives principally by expanding the focus of investments from senior, secured floating rate corporate loans and other senior debt obligations of non-investment grade North American borrowers to floating rate debt securities, short-term debt securities, high yield debt securities and asset-backed and mortgage-backed securities. • Replaced the investment restrictions with those imposed by NI 81-102, except to the extent the fund may rely on any exemptions therefrom. • Changed the trustee and manager from LOGiQ Asset Management Inc. to Redwood Asset Management Inc.	December 15, 2017
		• Changed the investment sub-advisor from Voya Investment Management Co. LLC to Neuberger Berman Investment Advisers LLC	April 13, 2018
		• Merged with Redwood Floating Rate Bond Fund	May 4, 2018
		• Changed the name of the fund from Redwood Floating Rate Income Fund to Purpose Floating Rate Income Fund • Changed the status of the fund from a non-redeemable investment fund to a mutual fund, effective August 7, 2018	June 14, 2018
		• Changed the investment objectives in order to maximise total return from current income and long-term capital appreciation. • Changed the name of the fund from Purpose Floating Rate Income Fund to Purpose Global Flexible Credit Fund	December 10, 2021

MLD Core Fund	June 15, 2018	• None	N/A
PK Core Fund	September 26, 2018	• None	N/A
Purpose Gold Bullion Fund	October 15, 2018	• None	N/A
Purpose Healthcare Innovation Yield Fund	October 4, 2021	• Changed the name of the fund from Purpose Biotech ETF to Purpose Healthcare Innovation Yield ETF • TSX Ticker symbol changed from “PBIO” to “HEAL”	October 29, 2021
		• Changed the name of the fund from Purpose Healthcare Innovation Yield ETF to Purpose Healthcare Innovation Yield Fund	October 14, 2022
StoneCastle Global Tactical Asset Allocation Fund	October 4, 2021	• Changed the investment objectives in order to seek to generate long-term capital growth in all market conditions with less volatility than, and low correlation to, equity markets.	October 29, 2021
Black Diamond Global Equity Fund	September 29, 2020	• The fund qualified for distribution ETF Securities.	March 10, 2021
		• Appointed Black Diamond Asset Management Inc. as sub-advisor of the fund.	April 15, 2021
		• Risk rating changed from “low-to-medium” to “medium”.	February 18, 2022
Black Diamond Distressed Opportunities Fund	September 29, 2020	• Qualified for distribution ETF units.	March 10, 2021
		• Appointed Black Diamond Asset Management Inc. as sub-advisor of the fund.	April 15, 2021

Black Diamond Global Enhanced Income Fund	September 29, 2020	• Appointed Black Diamond Asset Management Inc. as sub-advisor of the fund.	April 15, 2021

INVESTMENT RISK CLASSIFICATION METHODOLOGY

We assign an investment risk rating to each fund to provide you with further information to help you determine whether the fund is appropriate for you. Each fund is assigned an investment risk rating in one of the following categories: low, low to medium, medium, medium to high or high risk.

We determine the risk rating for each fund in accordance with NI 81-102. The investment risk level of a fund is required to be determined in accordance with a standardized risk classification methodology that is based on the historical volatility of the fund as measured by the 10-year standard deviation of the returns of the fund. Just as historical performance may not be indicative of future returns, a fund's historical volatility may not be indicative of its future volatility. You should be aware that other types of risk, both measurable and non-measurable, also exist.

Standard deviation is a statistical measure used to estimate the dispersion of a set of data around the average value of the data. In the context of investment returns, it measures the amount of variability of returns that has historically occurred relative to the average return. The higher the standard deviation, the greater the variability of returns it has experienced in the past.

A fund's risk rating is determined by calculating its standard deviation for the most recent 10 years using monthly returns and assuming the reinvestment of all income and capital gains distributions in additional units of the fund. For those funds that do not have at least 10 years of performance history or that have changed their fundamental investment objectives within the last 10 years, we use as a proxy a reference index that reasonably approximates or, for a newly established fund, that is reasonably expected to approximate, the standard deviation of the fund (or in certain cases a highly similar mutual fund managed by us) for the remainder of the 10 year period before the fund was created or changed its fundamental investment objectives and as set out below:

Fund	Reference Index	Description of Reference Index
Purpose Global Flexible Credit Fund	Bloomberg US Corporate High Yield Index	Measures the USD-denominated, high yield, fixed-rate corporate bond market. The reference index was previously the S&P/LSTA U.S. Leveraged Loan 100 Index and was changed on December 17, 2021. The reference index change is consistent with the unitholder approved change in objective and strategy and how the fund is managed. The fund was historically managed as a floating rate focused fund but now invests in a broader array of fixed income asset classes using a relative value framework while allowing for a longer duration than

		beforehand. Such changes also warranted the change in reference index.
MLD Core Fund	25.0% of the S&P/TSX 60 Total Return Index, 30.0% of the MSCI ACWI Total Return Index (CAD), 5.0 of the Russell 2000 Index, 19% of the FTSE TMX Canada Universe Bond Index, and 21% of the Bloomberg Barclays Global Aggregate Bond Index (CAD)	The S&P/TSX 60 Total Return Index is designed to represent leading companies in leading industries. Its 60 stocks make it ideal for coverage of companies with large market capitalizations and a cost-efficient way to achieve Canadian equity exposure. The MSCI ACWI Total Return Index (CAD) captures large and mid-cap representation across 23 developed markets and 24 emerging markets countries. The Russell 2000 Index is a stock market index comprised of 2,000 small-capitalization companies. The FTSE TMX Canada Universe Bond Index is a market capitalization-weighted index designed to be a broad measure of the Canadian investment-grade, fixed income market, including Government of Canada, provincial and corporate bonds with maturities of more than one year and a credit rating of BBB or higher. The Bloomberg Barclays Global Aggregate Bond Index (CAD) is a flagship measure of global investment grade debt from twenty-four local currency markets. This multi-currency benchmark includes treasury, government-related, corporate and securitized fixed-rate bonds from both developed and emerging markets issuers.
PK Core Fund	30% of the S&P/TSX 60 Total Return Index, 30% of the MSCI ACWI Total Return Index (CAD), 20% of the FTSE TMX Canada Universe Bond Index, and 20% of the Bloomberg Barclays Global Aggregate Bond Index (CAD)	The S&P/TSX 60 Total Return Index is designed to represent leading companies in leading industries. Its 60 stocks make it ideal for coverage of companies with large market capitalizations and a cost-efficient way to achieve Canadian equity exposure. The MSCI ACWI Total Return Index (CAD) captures large and mid-cap representation across 23 developed markets and 24 emerging markets countries. The FTSE TMX Canada Universe Bond Index is a market capitalization-weighted index designed to be a broad measure of the Canadian investment grade, fixed income market, including Government of

		Canada, provincial and corporate bonds with maturities of more than one year and a credit rating of BBB or higher. The Bloomberg Barclays Global Aggregate Bond Index (CAD) is a flagship measure of global investment grade debt from twenty-four local currency markets. This multi-currency benchmark includes treasury, government-related, corporate and securitized fixed-rate bonds from both developed and emerging markets issuers.
Purpose Gold Bullion Fund	LBMA Gold Price	The LBMA Gold Price is determined by an auction process conducted by the ICE Benchmark Administration and published by the London Bullion Market Association.
Purpose Healthcare Innovation Yield Fund	Health Care Select Sector Total Return Index	Is intended to track the movements of companies that are components of the S&P 500 and are involved in health care services. The Health Care Select Sector Total Return Index serves as the benchmark for The Health Care Services Select Sector SPDR Fund (XLV). The Health Care Select Sector Total Return Index is calculated under a modified capitalization-weighted methodology.
StoneCastle Global Tactical Asset Allocation Fund	25% of the Dow Jones US Total Stock Market Index, 25% of the MSCI World (ex-USA) Index, 35% of the Bloomberg Barclays US Aggregate Bond Total Return Index, and 15% of the S&P GSCI Commodity Total Return Index	The Dow Jones US Total Stock Market Index a member of the Dow Jones Total Stock Market Indices family, is designed to measure all U.S. equity issues with readily available prices. The MSCI World (ex-USA) Index captures large and mid cap representation across 22 of 23 Developed Markets (DM) countries, excluding the United States. With 934 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country. The Bloomberg Barclays US Aggregate Bond Total Return Index is a broad-based benchmark that measures the investment grade, U.S. dollar-denominated, fixed-rate taxable bond market. This includes Treasuries, government-related and corporate securities, mortgage backed securities, asset-backed securities and collateralised mortgage-backed securities. The S&P GSCI Commodity Total Return Index is the first major investable commodity index. It is one of the most

		widely recognized benchmarks that is broad-based and production weighted to represent the global commodity market beta. The index is designed to be investable by including the most liquid commodity futures, and provides diversification with low correlations to other asset classes.
Black Diamond Global Equity Fund	MSCI World Index (CAD)	The MSCI World Index (CAD) tracks the performance of large-cap and mid-cap stocks across 23 developed markets.
Black Diamond Distressed Opportunities Fund	90% of the ICE BofA US Distressed High Yield Index and 10% of the North American small cap index	ICE BofA US Distressed High Yield Index tracks the performance of US dollar denominated below investment grade rated corporate debt publicly issued in the US domestic market. North American small cap index tracks the performance of small cap segment of the US and Canadian markets.
Black Diamond Global Enhanced Income Fund	20% of the ICE BofA US Cash Pay High Yield Index, 20% of the S&P/TSX North American Preferred Stock Index, 10% of the S&P/TSX Capped REIT Index, 20% of the S&P/TSX Dividend Index, and 30% of the FTSE TMX Canada Universe Bond Index.	ICE BofA US Cash Pay High Yield Index tracks the performance of US dollar denominated below investment grade corporate debt, currently in a coupon paying period and that is publicly issued in the US domestic market. S&P/TSX North American Preferred Stock Index tracks the performance of all preferred shares trading in major exchanges in US and Canadian Markets. The S&P/TSX Capped REIT Index is a modified-market cap weighted index and represents a subset of the broad-based composite Index, in this case the Real Estate Income Trusts of the Financials GICS sector of the REIT marketplace. S&P/TSX Dividend Index tracks all stocks in the S&P/TSX Composite with positive annual dividend yields as of the latest rebalancing of the S&P/TSX Composite. FTSE TMX Canada Universe Bond Index tracks the performance of marketable government and corporate bonds outstanding in the Canadian market.

There may be times when we believe this methodology produces a result that does not reflect a fund's risk based on other qualitative factors. As a result, we may place the fund in a higher risk rating category, as appropriate. We review the risk rating for each fund on an annual basis or if there has been a material change to a fund's investment objectives or investment strategies

Using this methodology, each fund is assigned an investment risk rating in one of the following categories:

- **Low** – for funds with a level of risk that is typically associated with investments in money market funds and Canadian fixed income funds;

- **Low to Medium** – for funds with a level of risk that is typically associated with investments in balanced funds and global and/or corporate fixed income funds;

- **Medium** – for funds with a level of risk that is typically associated with investments in equity portfolios that are diversified among a number of large-capitalization Canadian and/or international equity securities;

- **Medium to High** – for funds with a level of risk that is typically associated with investments in equity funds that may concentrate their investments in specific sectors of the economy; and

- **High** – for funds with a level of risk that is typically associated with investment in equity portfolios that may concentrate their investments in specific regions or in specific sectors of the economy where there is substantial risk of loss (e.g. emerging markets, precious metals).

A copy of the methodology we use to identify the investment risk levels of the funds is available on request, at no cost, by calling 1-877-789-1517, by emailing us at info@purposeinvest.com or by writing to us at the address on the back cover of this simplified prospectus.

INFORMATION APPLICABLE TO ONE OR MORE FUNDS

In this part of the simplified prospectus we have set out fund-specific information to assist you in reviewing the funds and evaluating which fund is appropriate for your investment needs. The specific information for each fund is divided into the following sections.

Fund details

Each fund is a mutual fund established as a trust under the laws of the Province of Ontario. The authorized capital of each fund includes one or more classes of exchange-traded units and one or more classes of mutual fund units. An unlimited number of ETF Securities and mutual fund units of the funds are authorized for issuance. Expenses of each class are tracked separately and a separate NAV is calculated for each class. More details can be found under "Fees and Expenses" beginning on page 38.

This table gives you a brief summary of each fund. It describes what type of mutual fund it is and also highlights that units of the fund are a qualified investment for Registered Plans and TFSAs. The table also tells you the management fee for each class of units of the fund.

What does the fund invest in?

Investment objectives

This section outlines the investment objectives of each fund and the type of securities in which the fund may invest to achieve those investment objectives. A fund's investment objectives may include capital preservation, generating income, capital growth or a combination of the three. Some funds focus on diversification across asset classes, while others take a focused investment theme, investing in a particular country or sector as their objective.

Investment strategies

This section describes the principal investment strategies that the investment advisor uses to achieve the fund's investment objectives. It gives you a better understanding of how your money is being managed. The format also allows you to compare more easily how different mutual funds are managed.

<u>How the funds engage in securities lending</u>

A fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions.

A "securities lending transaction" is where a fund lends portfolio securities that it owns to a third party borrower. The borrower promises to return to the fund at a later date an equal number of the same securities and to pay a fee to the fund for borrowing the securities. While the securities are borrowed, the borrower provides the fund with collateral consisting of a combination of cash and securities. In this way, the fund retains exposure to changes in the value of the borrowed securities while earning additional fees.

A "repurchase transaction" is where a fund sells portfolio securities that it owns to a third party for cash and simultaneously agrees to buy back the securities at a later date at a specified price using the cash received by the fund from the third party. While the fund retains its exposure to changes in the value of the portfolio securities, it also earns fees for participating in the repurchase transaction.

A "reverse repurchase transaction" is where a fund purchases certain types of debt securities from a third party and simultaneously agrees to sell the securities back to the third party at a later date at a specified price. The difference between the fund's purchase price for the debt instruments and the resale price provides the fund with additional income.

As indicated above, securities lending, repurchase and reverse repurchase transactions enable the funds to earn additional income and thereby enhance their performance.

A fund will not enter into a securities lending transaction or a repurchase transaction if, immediately thereafter, the aggregate market value of all securities loaned by the fund and not yet returned to it or sold by the fund in repurchase transactions and not yet repurchased would exceed 50% of the total assets of the fund (exclusive of collateral held by the fund for securities lending transactions and cash held by the fund for repurchase transactions).

<u>How the funds use derivatives</u>

A derivative is an investment that derives its value from another investment, the underlying investment. This could be a stock, bond, currency or market index. Derivatives usually take the form of a contract with another party to buy or sell an asset at a later time. Some examples of derivatives are options, futures and forward contracts.

Each fund may use derivatives as permitted by securities regulations. They may use them to:

(a) hedge their investments against losses from factors like currency fluctuations, stock market risks and interest rate changes; and

(b) invest indirectly in securities or financial markets, provided the investment is consistent with the fund's investment objective.

Where a fund invests in securities that are denominated in a currency other than Canadian dollars, where possible, (i) all foreign currency exposure of the fund's portfolio attributable to its ETF units, Class A units, Class F units and Class I units, will be hedged back to the Canadian dollar and (ii) none of the foreign currency exposure of the fund's portfolio attributable to its ETF non-currency hedged USD units, ETF non-currency hedged CAD units, Class A non-currency hedged units, Class F non-currency hedged units and Class I non-currency hedged units will be hedged back to the Canadian dollar.

When a fund uses derivatives for purposes other than hedging, it holds enough cash or money market instruments to fully cover its position in the derivative, as required by securities regulations.

<u>How the funds engage in short selling</u>

Each fund may engage in short selling, which involves borrowing securities from a lender, which are then sold in the open market (or "sold short"). At a later date, the same number of securities are repurchased by the fund and returned to the lender. In the interim, the proceeds from the first sale are deposited with the lender and the fund pays interest to the lender. If the value of the securities declines between the time that the fund borrows the securities and the time it repurchases and returns the securities, the fund makes a profit for the difference (less any interest the fund is required to pay to the lender). In this way, the fund has more opportunities for gains when markets are generally volatile or declining.

The fund may engage in short selling should securities be identified that are trading at a significant premium to their intrinsic value and are anticipated to decline in value. The fund may also engage in short selling as a means of implementing a "hedge" in an attempt to lessen fund volatility in declining markets. In this instance, the fund would sell short securities representing a market index or sub index. The fund may also sell short a security as a means of capturing a pricing disparity between itself and a related security, which would be purchased or held "long". This process of capturing price differences between related securities is referred to as arbitrage. Examples of such an action would include companies involved in merger or acquisition activity or other corporate action.

Investing in underlying funds

Funds may invest in underlying funds, either directly or by gaining exposure to an underlying fund through a derivative.

In selecting underlying funds, we assess a variety of criteria, including:

(a) management style;

(b) investment performance and consistency;

(c) risk tolerance levels;

(d) calibre of reporting procedures; and

(e) quality of the manager and/or investment advisor.

We review and monitor the performance of the underlying funds in which we invest. The review process consists of an assessment of the underlying funds. Factors such as adherence to stated investment mandate, returns, risk adjusted return measures, assets, investment management process, style, consistency and continued portfolio fit may be considered. This process may result in suggested revisions to weightings of the underlying funds, the inclusion of new underlying funds or the removal of one or more underlying funds.

Investing in ETFs

An index participation unit under applicable Canadian mutual fund rules is a security traded on a stock exchange in Canada or the U.S. that is issued by an issuer the only purpose of which is to: hold the securities that are included in a specified widely quoted market index in substantially the same proportion as those securities are reflected in that index, or invest in a manner that causes the issuer to replicate the performance of that index.

Under applicable securities legislation, a mutual fund is permitted to invest in an ETF whose securities qualify as index participation units if:

- the investment objective of the ETF is consistent with the mutual fund's investment objective;

- no management fees or portfolio management fees are payable by the mutual fund that would duplicate a fee payable by the ETF;

- no sales charges or deferred sales charges are payable by the mutual fund in relation to its purchases or redemptions of the securities of the ETF, except for trading costs; and

- no sales fees or redemption fees, other than brokerage fees, are payable by the mutual fund in relation to its purchases or redemptions of the securities of the ETF that, to a reasonable person, would duplicate a fee payable by an investor in the ETF.

Subject to certain conditions, the funds may also rely on exemptive relief in order to invest in ETFs managed by an affiliate of Purpose and whose securities do not qualify as IPUs and which permit the fund s to:

- purchase a security of an ETFs or enter into a specified derivatives transaction with respect to an ETF even though, immediately after the transaction, more than 10% of the net asset value of the fund would be invested, directly or indirectly, in the securities of the ETF;
- purchase securities of an ETF such that, after the purchase, the fund would hold securities representing more than 10% of: (i) the votes attaching to the outstanding voting securities of the ETF; or (ii) the outstanding equity securities of the ETF; and
- invest in ETFs that are not subject to NI 81-101.

Action on portfolio adjustment

Whenever the portfolio of a fund allocable to the ETF Securities is rebalanced or adjusted by adding securities to or subtracting securities from that portfolio, the applicable fund will generally acquire and/or dispose of the appropriate number of securities. On a rebalancing: (a) ETF Securities may be issued, or cash may be paid, in consideration for constituent securities to be acquired by the fund as determined by Purpose or the investment advisor; and (b) ETF Securities may be exchanged in consideration for those securities that Purpose or the investment advisor determines should be sold by the fund, or cash may be paid, as determined by Purpose or the investment advisor. Generally, such transactions may be implemented by a transfer of constituent securities to the fund that Purpose or the investment advisor determines should be acquired by the fund or a transfer of those securities that Purpose or the investment advisor determines should be sold by the fund.

Use of Leverage - Alternative Funds

As each Alternative Fund is an "alternative mutual fund", the Alternative Funds are not subject to certain investment restrictions set out in NI 81-102 that restrict the ability of conventional mutual funds (other than alternative mutual funds) to leverage their assets through borrowing, short sales and/or derivatives. Investment decisions may be made for the assets of the Alternative Fund that exceed the net asset value of the Alternative Fund. As a result, if these investment decisions are incorrect, the resulting losses will be more than if investments were made solely in an unleveraged long portfolio as is the case in most conventional equity mutual funds. In addition, leveraged investment strategies can also be expected to increase an Alternative Fund's turnover, transaction and market impact costs, interest and other costs and expenses.

An Alternative Fund may create leverage through the use of derivatives, short sales and/or borrowing. Under the investment restrictions applicable to alternative mutual funds in NI 81-102, the Alternative Fund's aggregate gross exposure, calculated as the sum of the following, must not exceed 300% of the Alternative Fund's NAV: (i) the aggregate value of outstanding indebtedness under any borrowing agreements; (ii) the aggregate market value of all securities sold short; and (iii) the aggregate notional value of the Alternative Fund's specified derivatives positions excluding any specified derivatives used for hedging purposes. If the Alternative Fund's aggregate gross exposure exceeds 300% of the Alternative Fund's NAV, the Alternative Fund must, as quickly as is commercially reasonable, take all necessary steps to reduce the aggregate gross exposure to 300% of the Alternative Fund's NAV or less.

Description of Securities

This section tells you the specific class of units offered by a fund. Also see "Description of Securities Offered by the Funds" on page 79 of this simplified prospectus for more information.

Distribution policy

This section tells you how often the fund pays out distributions of income and capital gains or a return of capital and how they are paid. Distributions on mutual fund units are reinvested in additional mutual fund units of the same class of the fund unless you tell your dealer to inform us that you want them in cash. Distributions are not guaranteed and may change from time to time at our discretion. See "Income Tax Considerations for Investors" on page 45 for more information.

What are the Risks of Investing in this Fund?

This section sets out the risks of investing in each fund. You will find details about what each risk means under "What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund?" beginning on page 60.

Additional information

Past performance and financial highlights

You can find more information, including past performance and financial highlights, in the annual and interim management reports of fund performance for each fund, when available. For a copy of these documents, at no cost, call us at 1-877-789-1517, visit our website at www.purposeinvest.com, send an email to us at info@purposeinvest.com or ask your dealer.

PURPOSE GLOBAL FLEXIBLE CREDIT FUND

Fund Type	Global fixed income	
Management Fee	**Class**	**Management Fee**
	ETF units	0.85%[1]
	ETF non-currency hedged USD units	0.85%[1]
	ETF non-currency hedged CAD units	0.85%[1]
	Class A units	1.35%[1]
	Class A non-currency hedged units	1.35%[1]
	Class F units	0.85%[1]
	Class F non-currency hedged units	0.85%[1]
	Class I units	Holders of Class I units pay a negotiated management fee directly to Purpose of up to 0.85% per annum[1] [2]
	Class I non-currency hedged units	Holders of Class I units pay a negotiated management fee directly to Purpose of up to 0.85% per annum[1] [2]
Registered Plan Eligibility	Eligible	

<u>Note:</u>
(1) Plus applicable HST.

What does the fund invest in?

Investment Objectives

The fund's investment objectives are to maximise total return from current income and long-term capital appreciation by investing in a diversified mix of global fixed rate and floating rate debt securities, including high income securities.

The fund will not change its fundamental investment objectives unless the consent of a majority of the fund's securityholders has been obtained.

Investment Strategies

The fund seeks to achieve its investment objective primarily by investing in debt securities and money market instruments, including through the use of derivatives, issued by governments and their agencies and corporations worldwide including within emerging markets. Securities will typically be dealt or traded on recognised markets globally without any particular focus on any one industrial sector. Securities may be rated investment grade or below by a recognised rating agency.

The strategy implements a disciplined investment process that is consistently applied across all fixed income sectors with an ongoing focus on identifying the most attractive investment opportunities in the fixed income market, building a well-diversified portfolio whilst minimising single credit issuer risk.

In seeking to identify the most attractive fixed income sectors, the sub-advisor seeks to evaluate research and sector valuations undertaken by its speciality investment teams. The speciality teams formulate an investment view and project expected returns for the relevant sectors, based upon internal analysis, taking into consideration the impact of the team's macroeconomic outlook. The macroeconomic outlook is formulated by taking into account the expectations of interest rates, inflation expectations, market sentiment and geo-political issues amongst others.

The sub-advisor will take a disciplined multi-sector investment approach by attempting to maintain a portfolio that is typically diversified across issuer type (corporate or sovereign), industry sectors, countries and maturities.

Under normal market conditions, the sub-advisor anticipates that the portfolio's average interest rate duration will be positive (i.e. greater than 0) at all times. The portfolio is actively managed.

The fund may invest in:

- Corporate and sovereign securities and, without limitation across the capital structure, senior secured debt, senior unsecured debt, subordinated debt, convertible debt and equities, company-specific and market-linked derivatives, as well as other investment products as the sub-advisor sees fit in order to adapt to changes in market conditions and to seek to achieve the fund 's investment objective.
- High Yield Debt
- Fixed and Floating Rate Securities
- Emerging Market Bonds
- Collateralized loan obligation (CLO) debt and equity tranches.
- First-lien bank loan interests issued by U.S. and foreign corporations (borrowers) that are rated below investment-grade and denominated in U.S. dollars, as well as second-lien and unsecured bank loan interests and high yield fixed income securities. Some of the second-lien securities may be private placements.
- Corporate Hybrid securities, Preferred Instruments, Contingent Convertibles and other
- Hybrid Securities.
- Private Debt capital including first lien, second lien, mezzanine and unitranche deals.
- ETFs and UCITs funds (where permitted in accordance with applicable law or exemptive relief)
- Other fixed income securities.

The fund's portfolio will include investment grade as well as below investment grade securities issued by companies, governments and special-purpose vehicles located in developed and emerging markets. "Below investment grade" refers to securities that are rated below Baa3/BBB- by Moody's or Standard & Poor's (or the substantial equivalent thereof). Overall, investments may be contractually performing or non-performing and may include, without limitation, public and 144A /Regulation S debt securities, bridge loans, mezzanine securities, syndicated bank loans, convertible bonds, vendor financing and trade claims, as well as common and preferred equities. In addition, various equity, fixed income and currency derivatives, including but not limited to warrants, options, swaps, swaptions and forward contracts on various financial instruments and currencies may be used for hedging purposes, and as independent investment opportunities.

The fund will maintain long and short positions and, at times, may be long and short different securities of the same issuer. Portfolio returns may be generated by a combination of interest income and capital gains on securities. The fund may, among other strategies, pursue capital structure arbitrage, relative value and other opportunistic situations, as well as take outright long and short positions.

The fund's strategy may seek to identify opportunities where it believes CLO debt and/or equity tranches are mispriced relative to the risk associated with those tranches. The fund will primarily invest in non-investment grade rated CLO debt and it will have the ability to invest in CLO equity. The fund may attempt to partially mitigate its downside risk by investing in CLO tranches backed by what the sub-advisor believes to be high quality loan portfolios and managed by what it believes to be high quality manager platforms.

Issuers of bank loan interests in which the fund may invest include U.S. and foreign corporations. The credit ratings of permissible bank loan interests include the following: BBB, BB, B, CCC, CC, C, D, SD, or NR. With respect to bank loan interests, the sub-advisor intends to cause the fund to invest primarily in first-lien bank loan interests. The fund may also invest in second-lien (both public and private) and unsecured bank loan interests and high yield fixed income securities.

The fund also may enter into total return swaps on various loan indices, effectively buying exposure to an index of loans. The fund's assets may also be invested in short-term, high quality money market securities either directly by the sub-advisor or through a short-term collective fund managed by a third party. The fund may also invest in investment-grade securities, as well as U.S. Treasury bills, notes and bonds. The fund may also invest in illiquid securities.

The following derivatives may be used in accordance with securities laws to provide exposure to any or all of the asset classes listed above:

- Swaps may include currency swaps, interest rate swaps, fixed income swaps, credit default swaps, swaps on UCITS eligible indices and total return swaps and may be used to achieve a profit as well as to hedge existing long positions; foreign exchange swaps may be used to hedge existing long currency exposures.

- Future contracts may be used to hedge or to gain exposure to an increase in the value of securities of currencies, interest rates, fixed income securities and UCITS eligible bond indices;

- Options on fixed income securities, futures, interest rates, UCITS eligible indices (including UCITS eligible bond indices) and equities may be used to achieve a profit as well as to hedge existing long positions;

- Swaptions on fixed income securities (including convertible bonds and convertible preferred stock), credit default swaps, interest rates and UCITS eligible indices, may be used to achieve a profit as well as to hedge existing long positions;

- Forwards on fixed income securities may be used to achieve a profit, through gaining exposure to an increase in the value of such securities as well as to hedge existing long currency exposures; and

- Forward currency contracts may be used to hedge existing long positions and exposures.

When appropriate, the fund may use derivatives for both hedging and non-hedging purposes, including but not limited to options, futures contracts, forward contracts, swaptions and swaps, to hedge market exposure to protect capital, to hedge against interest rate risk and foreign currency exposure, hedge against losses from changes in the prices of the fund's investments and/or as a substitute for direct investment. The fund may hold cash to protect capital. The fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions to generate additional income.

Up to 100% of the fund's assets may be invested in non-Canadian securities.

The portfolio is invested in assets denominated in foreign currencies. To the extent possible (i) all foreign currency exposure of the fund's portfolio attributable to its Class A units, Class F units, Class I units and ETF units will be hedged back to the Canadian dollar and (ii) none of the foreign currency exposure of the fund's portfolio attributable to its Class A non-currency hedged units, Class F non-currency hedged units, Class I non-currency hedged units, ETF non-currency hedged USD units and ETF non-currency hedged CAD units will be hedged back to the Canadian dollar.

The fund will use specified derivatives in a manner which is consistent with its investment objectives and as permitted by applicable securities legislation. The fund also may engage in securities lending and short selling, and may invest in underlying funds and ETFs.

The manager may change the fund's investment strategies at its discretion without notice to or approval of unitholders. However, the manager will seek the prior approval of unitholders of a class before the currency hedging strategies in respect of that class are materially changed.

Description of securities offered by the fund

The fund offers ETF units, ETF non-currency hedged USD units, ETF non-currency hedged CAD units, Class A units, Class A non-currency hedged units, Class F units, Class F non-currency hedged units, Class I units and Class I non-currency hedged units. These securities are units of a mutual fund trust.

Please see "Description of Securities Offered by the Funds" for more information and for a full discussion of the securityholder rights which apply to the fund beginning on page 79.

Distribution Policy

The fund expects to make a distribution monthly, if any. In addition, distributions of any excess income are determined and made annually and distributions of any excess capital gains are made annually in December. See "Income Tax Considerations for Investors" on page 45 for more information.

What are the risks of investing in the fund?

See "What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund" on page 60 for a full discussion of the risks associated with investing in mutual funds generally and the following risks which apply to this fund in particular.

The direct and indirect risks of investing in the fund include:

(a) fluctuations in NAV and NAV per unit risk;

(b) risk of loss;

(c) capital depreciation risk;

(d) counterparty risk;

(e) cybersecurity risk;

(f) debt securities risk;

(g) exchange risk;

(h) interest rate risk;

(i) equity investment risk;

(j) market risk;

(k) asset class risk;

(l) currency risk;

(m) derivative risk;

(n) reliance on the manager and sub-advisor risk;

(o) regulatory risk;

(p) liquidity risk;

(q) tax risk;

(r) changes in legislation risk;

(s) cease trading of constituent securities;

(t) senior loan risk;

(u) CLO risk;

(v) floating rate note risk;

(w) collateral risk;

(x) securities lending and repurchase and reverse repurchase transaction risk;

(y) short selling risk;

(z) stock market risk;

(aa) multi-class risk; and

(bb) volatile market risk.

Additional risks associated with an investment in the ETF Securities include:

(a) absence of an active market for the ETF Securities risk;

(b) rebalancing and adjustment risk; and

(c) trading price of ETF Securities risk.

Please see “Investment Risk Classification Methodology” on page 89 for a description of how we determined the classification of this fund’s risk level.

Additional Information

The fund was originally was launched as a TSX-listed closed-end fund on June 17, 2011. On November 3, 2017, the fund’s unitholders approved changing the fund from a closed-end fund to a mutual fund. Such change was completed on August 7, 2018.

MLD CORE FUND

<table>
<tr><td>Fund Type</td><td colspan="2">Global balanced fund</td></tr>
<tr><td rowspan="2">Management Fee</td><td>Class</td><td>Management Fee</td></tr>
<tr><td>Class F units</td><td>0.30%[1]</td></tr>
<tr><td>Registered Plan Eligibility</td><td colspan="2">Eligible</td></tr>
</table>

Note:

(1) Plus applicable HST.

What does the fund invest in?

Investment Objectives

The fund's investment objectives are to provide unitholders with an attractive level of income and long-term capital growth by investing tactically across a broad range of asset classes including domestic and foreign equities, fixed income, inflation-sensitive securities, preferred shares, alternative investments and cash with the goal of achieving a positive total return in diverse market environments while reducing portfolio risk.

The fund will not change its fundamental investment objectives unless the consent of a majority of the fund's unitholders has been obtained.

Investment Strategies

The fund uses tactical asset allocation with the intention of generating income and growth while minimizing losses by increasing allocation to asset classes that are expected to outperform and reducing allocation to assets that are expected to underperform. In doing so, the fund may invest in ETFs and other underlying funds with either passive or active mandates. The portfolio holdings may be reconstituted on a daily basis in the manager's discretion.

The fund will be exposed to securities traded in foreign currencies and may, in the manager's discretion, enter into currency hedging transactions (including currency forward contracts) to reduce the effects of changes in the value of foreign currencies relative to the value of the Canadian dollar. Up to 100% of the fund's assets may be invested in non-Canadian securities. The fund may also invest in illiquid securities in compliance with NI 81-102.

The fund may hold cash or fixed income securities for strategic reasons. The fund may use specified derivatives in a manner which is consistent with its investment objectives and as permitted by applicable securities legislation. The fund also may engage in securities lending and short selling, and may invest in underlying funds and ETFs. Short selling may be used for hedging purposes only. For a more detailed description of how a fund may engage in each of these types of transactions, please refer to "Independent Review Committee and Fund Governance - Policies and Practices" beginning on page 14 of this document.

<u>Derivatives</u>

A derivative is an investment that derives its value from another investment, the underlying investment. This could be a stock, bond, currency or market index. Derivatives usually take the form of a contract with another party to buy or sell an asset at a later time. Some examples of derivatives are options, futures and forward contracts.

The fund may use derivatives as permitted by securities regulations. It may use them to:

- hedge its investments against losses from factors like currency fluctuations, stock market risks and interest rate changes; and

- invest indirectly in securities or financial markets, provided the investment is consistent with the fund's investment objective.

When the fund uses derivatives for purposes other than hedging, it holds enough cash or money market instruments to fully cover its position in the derivative, as required by securities regulations.

When appropriate, the fund may use derivatives for both hedging and non-hedging purposes in compliance with NI 81-102, including but not limited to options, futures contracts, forward contracts and swaps as permitted by Canadian securities laws, to hedge market exposure to protect capital, to hedge against interest rate risk and foreign currency exposure, hedge against losses from changes in the prices of the fund's investments and/or as a substitute for direct investment. The fund may hold cash to protect capital.

<u>Securities lending</u>

The fund may enter into securities lending transactions. A securities lending transaction is where the fund lends portfolio securities that it owns to a third party borrower. The borrower promises to return to the fund at a later date an equal number of the same securities and to pay a fee to the fund for borrowing the securities. While the securities are borrowed, the borrower provides the fund with collateral consisting of a combination of cash and securities. In this way, the fund retains exposure to changes in the value of the borrowed securities while earning additional fees.

The fund may enter into securities lending transactions to earn additional income and thereby enhance performance.

<u>Investing in underlying funds</u>

The fund may invest in underlying funds, either directly or by gaining exposure to an underlying fund through a derivative, as permitted by Canadian securities laws, to achieve its investment objectives. In selecting underlying funds, we assess a variety of criteria, including:

- management style;
- investment performance and consistency;
- risk tolerance levels;
- calibre of reporting procedures; and
- quality of the manager and/or investment advisor.

We review and monitor the performance of the underlying funds in which the fund invests. The review process consists of an assessment of the underlying funds. Factors such as adherence to stated investment mandate, returns, risk adjusted return measures, assets, investment management process, style, consistency and continued portfolio fit may be considered. This process may result in suggested revisions to weightings of the underlying funds, the inclusion of new underlying funds or the removal of one or more underlying funds.

When the fund is invested in underlying funds, Purpose, as manager of the fund, will either not vote the securities of the underlying funds if the underlying funds are managed by Purpose or an affiliate or will pass the voting rights directly to unitholders of the fund. Purpose may, in some circumstances, choose not to pass the vote to unitholders because of the complexity and costs associated with doing so.

Subject to certain conditions, the fund may rely on exemptive relief in order to invest in ETFs managed by Purpose and whose securities do not qualify as IPUs and which permit the fund to:

- purchase a security of an ETF or enter into a specified derivatives transaction with respect to an ETF even though, immediately after the transaction, more than 10% of the NAV of the fund would be invested, directly or indirectly, in the securities of the ETF;

- purchase securities of an ETF such that, after the purchase, the fund would hold securities representing more than 10% of: (i) the votes attaching to the outstanding voting securities of the ETF; or (ii) the outstanding equity securities of the ETF; and

- invest in ETFs that are not subject to NI 81-101.

<u>Changes to investment strategies</u>

The manager may change the fund's investment strategies at its discretion without notice to or approval of securityholders.

Description of securities offered by the fund

The fund offers Class F units which are units of a mutual fund trust.

Please see "Description of Securities Offered by the Funds" for more information and for a full discussion of the securityholder rights which apply to the fund beginning on page 79.

Distribution Policy

The fund expects to pay distributions monthly. Distributions are reinvested in additional Units unless you tell your financial advisor to inform us that you want them in cash. Distributions are not guaranteed and may change from time to time at our discretion. Distributions of any excess income are determined and made annually and distributions of any excess capital gains are made annually in December. See "Income Tax Considerations for Investors" on page 45 for more information.

What are the risks of investing in the fund?

See "What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund" on page 60 for a full discussion of the risks associated with investing in mutual funds generally and the following risks which apply to this fund in particular.

The direct and indirect risks of investing in the fund include:

(a) capital depreciation risk;

(b) changes in legislation risk;

(c) commodity risk;

(d) counterparty risk;

(e) credit risk;

(f) currency risk;

(g) cybersecurity risk;

(h) derivative risk;

(i) equity investment risk;

(j) market risk;

(k) fluctuations in NAV and NAV per unit risk;

(l) foreign investment risk;

(m) futures contract liquidity risk;

(n) futures contract margin risk;

(o) interest rate risk;

(p) liquidity risk;

(q) reliance on the manager and sub-advisor risk;

(r) regulatory risk;

(s) risk of loss;

(t) short selling risk;

(u) securities lending and repurchase and reverse repurchase transaction risk;

(v) stock market risk;

(w) tax risk;

(x) underlying fund risk; and

(y) volatile market risk.

Please see “Investment Risk Classification Methodology” on page 89 for a description of how we determined the classification of this fund’s risk level.

PK CORE FUND

Fund Type	Global Balanced Fund	
Management Fee	**Class**	**Management Fee**
	Class A units	1.40%(1)
	Class F units	0.65%(1) (2)
Registered Plan Eligibility	Eligible	

Note:

(1) Plus applicable HST.

(2) The manager may from time to time, in its own discretion, waive a portion of the management fee resulting in a reduction of the management fee charged for the Class F units. To the extent a portion of the management fee is waived, the manager reserves the right to stop such waiver at any time and without notice to, or the consent of, unitholders.

What does the fund invest in?

Investment Objectives

The fund's investment objectives are to provide unitholders with an attractive level of long-term capital growth by dynamically investing in a broad range of asset classes and geographies which may include equity, fixed income, inflation-sensitive securities, alternative investments and cash with the goal of achieving a positive total return in diverse market environments while reducing portfolio risk.

The fund will not change its fundamental investment objectives unless the consent of a majority of the fund's unitholders has been obtained.

Investment Strategies

The fund primarily employs a dynamic rules-based asset allocation strategy to gain exposure to multiple asset classes and geographies with the goal of achieving a positive total return in diverse market environments while minimizing portfolio risk. The fund is not limited to how much it invests in each asset class or geographical region. The fund's sub-advisor tactically allocates assets based on market conditions.

The fund may invest in ETFs and other underlying funds with either passive or active mandates. The fund may also invest in individual securities. The portfolio holdings may be reconstituted on a daily basis in the sub-advisor's discretion.

The fund will be exposed to securities traded in foreign currencies and may, in the sub-advisor's discretion, enter into currency hedging transactions (including currency forward contracts) to reduce the effects of changes in the value of foreign currencies relative to the value of the Canadian dollar. Up to 100% of the fund's assets may be invested in non-Canadian securities.

The fund may hold cash or fixed income securities for strategic reasons.

<u>Derivatives</u>

A derivative is an investment that derives its value from another investment, the underlying investment. This could be a stock, bond, currency or market index. Derivatives usually take the form of a contract with another party to buy or sell an asset at a later time. Some examples of derivatives are options, futures and forward contracts.

The fund may use derivatives as permitted by securities regulations. It may use them to:

- hedge its investments against losses from factors like currency fluctuations, stock market risks and interest rate changes; and

- invest indirectly in securities or financial markets, provided the investment is consistent with the fund's investment objective.

When the fund uses derivatives for purposes other than hedging, it holds enough cash or money market instruments to fully cover its position in the derivative, as required by securities regulations.

When appropriate, the fund may use derivatives for both hedging and non-hedging purposes in compliance with NI 81-102, including but not limited to options, futures contracts, forward contracts and swaps as permitted by Canadian securities laws, to hedge market exposure to protect capital, to hedge against interest rate risk and foreign currency exposure, hedge against losses from changes in the prices of the fund's investments and/or as a substitute for direct investment. The fund may hold cash to protect capital.

<u>Securities lending</u>

The fund may enter into securities lending transactions. A securities lending transaction is where the fund lends portfolio securities that it owns to a third party borrower. The borrower promises to return to the fund at a later date an equal number of the same securities and to pay a fee to the fund for borrowing the securities. While the securities are borrowed, the borrower provides the fund with collateral consisting of a combination of cash and securities. In this way, the fund retains exposure to changes in the value of the borrowed securities while earning additional fees.

The fund may enter into securities lending transactions to earn additional income and thereby enhance performance.

<u>Short selling</u>

The fund may engage in short selling, which involves borrowing securities from a lender, which are then sold in the open market (or "sold short"). At a later date, the same number of securities are repurchased by the fund and returned to the lender. In the interim, the proceeds from the first sale are deposited with the lender and the fund pays interest to the lender. If the value of the securities declines between the time that the fund borrows the securities and the time it repurchases and returns the securities, the fund makes a profit for the difference (less any interest the fund is required to pay to the lender). In this way, the fund has more opportunities for gains when markets are generally volatile or declining.

The fund may engage in short selling should securities be identified that are trading at a significant premium to their intrinsic value and are anticipated to decline in value. The fund may also engage in short selling as a means of implementing a "hedge" in an attempt to lessen fund volatility in declining markets. In this instance, the fund would sell short securities representing a market index or sub index. The fund may also sell short a security as a means of capturing a pricing disparity between itself and a related security, which would be purchased or held "long". This process of capturing price differences between related securities is referred to as arbitrage. Examples of such an action would include companies involved in merger or acquisition activity or other corporate action.

Investing in underlying funds

The fund may invest up to 100% of its assets in underlying funds, either directly or by gaining exposure to an underlying fund through a derivative, as permitted by Canadian securities laws, to achieve its investment objectives. In selecting underlying funds, we assess a variety of criteria, including:

- management style;
- investment performance and consistency;
- risk tolerance levels;
- calibre of reporting procedures; and
- quality of the manager and/or investment advisor.

We review and monitor the performance of the underlying funds in which the fund invests. The review process consists of an assessment of the underlying funds. Factors such as adherence to stated investment mandate, returns, risk adjusted return measures, assets, investment management process, style, consistency and continued portfolio fit may be considered. This process may result in suggested revisions to weightings of the underlying funds, the inclusion of new underlying funds or the removal of one or more underlying funds.

When the fund is invested in underlying funds, Purpose, as manager of the fund, will either not vote the securities of the underlying funds if the underlying funds are managed by Purpose or an affiliate or will pass the voting rights directly to unitholders of the fund. Purpose may, in some circumstances, choose not to pass the vote to unitholders because of the complexity and costs associated with doing so.

Subject to certain conditions, the fund may rely on exemptive relief in order to invest in ETFs managed by Purpose and whose securities do not qualify as IPUs and which permit the fund to:

- purchase a security of an ETF or enter into a specified derivatives transaction with respect to an ETF even though, immediately after the transaction, more than 10% of the NAV of the fund would be invested, directly or indirectly, in the securities of the ETF;

- purchase securities of an ETF such that, after the purchase, the fund would hold securities representing more than 10% of: (i) the votes attaching to the outstanding voting securities of the ETF; or (ii) the outstanding equity securities of the ETF; and

- invest in ETFs that are not subject to NI 81-101.

Changes to investment strategies

The manager may change the fund's investment strategies at its discretion without notice to or approval of securityholders.

Description of securities offered by the fund

The fund offers Class A units and Class F units. These securities are units of a mutual fund trust.

Please see "Description of Securities Offered by the Funds" for more information and for a full discussion of the securityholder rights which apply to the fund beginning on page 79.

Distribution Policy

The fund expects to pay distributions annually. Specifically, distributions of any excess income are determined and made annually and distributions of any excess capital gains are made annually in December. **Distributions are reinvested in additional Units unless you tell your financial advisor to inform us that you want them in cash**. Distributions are not guaranteed and may change from time to time at our discretion. See "Income Tax Considerations for Investors" on page 45 for more information.

What are the risks of investing in the fund?

Set out below are some of the more specific investment risks associated with investing in the fund. Some of the risks arise due to investments made directly by the fund. Other risks arise from investments made by underlying funds in which the fund invests some of its asset. See "What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund" on page 60 for a full discussion of the risks associated with investing in mutual funds generally and the following risks which apply to this fund in particular.

(a) changes in legislation risk;

(a) commodity risk;

(b) counterparty risk;

(c) credit risk;

(d) currency risk;

(e) cybersecurity risk;

(f) derivative risk;

(g) equity investment risk;

(h) market risk;

(i) fluctuations in NAV and NAV per unit risk;

(j) foreign investment risk;

(k) futures contract liquidity risk;

(l) futures contract margin risk;

(m) interest rate risk;

(n) liquidity risk;

(o) multi-class risk

(p) reliance on the manager and sub-advisor risk;

(q) regulatory risk;

(r) risk of loss;

(s) securities lending and repurchase and reverse repurchase transaction risk;

(t) short selling risk;

(u) stock market risk;

(v) tax risk; and

(w) underlying fund risk.

Please see “Investment Risk Classification Methodology” on page 89 for a description of how we determined the classification of this fund’s risk level.

PURPOSE GOLD BULLION FUND

Fund Type	gold bullion fund	
Management Fee	**Class**	**Management Fee**
	ETF units	0.20%(1)
	ETF non-currency hedged units	0.20%(1)
	U.S. dollar denominated ETF non-currency hedged units	0.20%(1)
	Class A currency hedged units	0.70%(1)
	Class A non-currency hedged units	0.70%(1)
	Class F currency hedged units	0.20%(1)
	Class F non-currency hedged units	0.20%(1)
Registered Plan Eligibility	Eligible	

Note:
(1) Plus applicable HST.

What does the fund invest in?

Investment Objectives

The fund has been created to buy and hold substantially all of its assets in gold bullion and, incidental thereto, minor amounts of gold certificates, if any.

The fund will not change its fundamental investment objectives unless the consent of a majority of the fund's unitholders has been obtained.

Investment Strategies

To achieve its investment objective, the fund invests in and holds substantially all of its assets in long-term holdings of gold bullion in order to provide investors with a secure, convenient, low-cost alternative for investors interested in holding an investment in gold bullion.

The fund invests in and holds primarily pure, refined and unencumbered gold bullion on a long-term basis in 1,000 grams London Good Delivery Bars. The fund can also hold 100 or 400 troy ounce international bar sizes. The fund does not speculate with regard to short-term changes in gold prices in order to provide investors with the ability to effectively invest in unencumbered gold bullion in a convenient and secure manner, without the associated inconvenience and relatively high transaction, handling, storage, insurance and other costs typical of a direct gold bullion investment. See "Additional Information – Exemptions and approvals" for information on certain relief obtained by the fund.

The price of gold is volatile and its fluctuations are expected to have an impact on the price of the units. Movements in the price of gold in the past, and any past or present trends, are not a reliable indicator of future movements.

Currency Hedging

The fund will, in respect of the ETF units, Class A currency hedged units, and Class F currency hedged units, hedge substantially all of its U.S. dollar currency exposure in respect of such units back to the

Canadian dollar by using derivatives including currency forward contracts. Other than the foregoing, the fund does not use derivatives.

Description of securities offered by the fund

The fund offers ETF units, ETF non-currency hedged units, U.S. dollar denominated ETF non-currency hedged units, Class A currency hedged units, Class A non-currency hedged units, Class F currency hedged units and Class F non-currency hedged units. These securities are units of a mutual fund trust.

Please see "Description of Securities Offered by the Funds" for more information and for a full discussion of the securityholder rights which apply to the fund beginning on page 79.

Distribution Policy

The fund expects to make distributions annually, if any. **Distributions on mutual fund units are reinvested in additional mutual fund units of the same class of the fund unless you tell your dealer to inform us that you want them in cash.** Distributions are not guaranteed and may change from time to time at our discretion. Distributions of any excess income are determined and made annually and distributions of any excess capital gains are made annually in December. See "Income Tax Considerations for Investors" on page 45 for more information.

What are the risks of investing in the fund?

See "What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund" on page 60 for a full discussion of the risks associated with investing in mutual funds generally and the following risks which apply to this fund in particular.

The direct and indirect risks of investing in the fund include:

(a) fluctuations in NAV and NAV per unit;

(b) commodity risk;

(c) risks relating to investments in gold bullion;

(d) changes in legislation risk;

(e) concentration risk;

(f) currency hedging risk (Class A currency hedged units, Class F currency hedged units and ETF units only);

(g) currency risk;

(h) depletion of amount of bullion represented by each unit;

(i) exchange risk;

(j) fineness and quality risk;

(k) cyber security risk;

(l) global geo-political event risk;

(m) lack of arbitrage transactions;

(n) liquidity risk;

(o) loss of bullion risk;

(p) precious metals risk;

(q) regulatory risk;

(r) reliance on the manager risk;

(s) risk of volatile markets and market disruption risk;

(t) sales of gold by the official sector;

(u) tax risk;

(v) uninsured loss risk; and

(w) withdrawal from participating of broker-dealers.

Additional risks associated with an investment in the ETF Securities include:

(a) absence of an active market for the ETF Securities;

(b) rebalancing and adjustment risk; and

(c) trading price of ETF Securities.

PURPOSE HEALTHCARE INNOVATION YIELD FUND

Fund Type	Biotechnology Fund	
Management Fee	**Class**	**Management Fee**
	ETF units	0.85%[1]
	Class A units	1.85%[1]
	Class F units	0.85%[1] [2]
	Class I units	Holders of Class I units pay a negotiated management fee directly to Purpose of up to 0.85% per annum[1] [2]
Registered Plan Eligibility	Eligible	

Note:

(1) Plus applicable HST.

(2) The manager may from time to time, in its own discretion, waive a portion of the management fee resulting in a reduction of the management fee charged for the Class F units. To the extent a portion of the management fee is waived, the manager reserves the right to stop such waiver at any time and without notice to, or the consent of, unitholders.

Investment Objectives

The fund's investment objective is to provide unitholders with exposure to biotechnology and healthcare companies with: (i) the opportunity for capital appreciation; (ii) monthly cash distributions; and (iii) lower volatility of investment portfolio returns when compared to owning the underlying securities of the fund directly. Investments by the fund may be made globally.

The fund will not change the investment objective of the fund without the approval of a majority of unitholders.

Investment Strategies

The fund's sub-advisor uses the following investment strategies to achieve the fund's investment objective:

- Holdings will be comprised of a mix of biotechnology and healthcare companies.
- Sector exposure will include: companies involved in the development of BioPharmaceuticals and disease modifying therapeutics; breakthrough 21st century medical technologies such as gene editing and mRNa; digital healthcare providing essential medical services in the midst of a pandemic; medical device innovators, instruments and tools; enabling services such as Clinical Research Organizations (CROs), Testing and Dental; facilitating services such as Health Maintenance Organizations (HMOs), hospitals and drug stores/pharmacies and animal healthcare.
- Derivatives may be used for hedging purposes, to generate income and return enhancement.

Investment decisions are made by:

- Both the investment selection process and the option-writing/yield-enhancement management are quantitative and process driven. The proceeds of the dividends and net option premiums are anticipated to be distributed monthly. The fund's investment portfolio will be rebalanced as and when the sub-advisor deems necessary, but at a minimum on a quarterly basis.

- The fund is managed to seek to attempt to reduce overall portfolio volatility by: further reducing the risk associated with investments in a particular sector by placing option hedges on biotechnology indices; and exiting or hedging a particular position, should the applicable issuer be faced with event risks owing to expected upcoming factors/data/information.

- Collectively hedging to reduce the volatility of a traditionally volatile sector and to generate income and provide return enhancement.

In order to seek to enhance returns with lower overall portfolio volatility, in accordance with applicable securities legislation, the fund's sub-advisor will write call options and/or cash covered put options each month on up to 100% of the portfolio securities. The level of option writing may vary based on market volatility and other factors.

The fund may invest in or use derivatives for hedging and non-hedging purposes in a manner consistent with the investment objective of the fund and as permitted by applicable securities legislation. Derivatives to be used by the fund may include, but are not limited to, non-exchange traded options, forward contracts, futures contracts and swaps.

The fund may enter into securities lending, repurchase and reverse repurchase transactions to earn additional returns, subject, in each case, to limits at least as stringent as those required by Canadian securities regulatory authorities.

The fund may depart temporarily from its fundamental investment objectives and will likely invest in cash or cash equivalents in the event of adverse market, economic, political or other considerations.

Changes to investment strategies

The manager may change the fund's investment strategies at its discretion without notice to or approval of securityholders.

Description of securities offered by the fund

The fund offers ETF units, Class A units, Class F units and Class I units. These securities are units of a mutual fund trust.

Please see "Description of Securities Offered by the Funds" for more information and for a full discussion of the securityholder rights which apply to the fund beginning on page 79.

Distribution Policy

The fund expects to pay distributions monthly. Specifically, distributions of any excess income are determined and made monthly and distributions of any excess capital gains are made annually in December. **Distributions are reinvested in additional Units unless you tell your financial advisor to inform us that you want them in cash**.

Distributions are not guaranteed and may change from time to time at our discretion. See "Income Tax Considerations for Investors" on page 45 for more information.

What are the risks of investing in the fund?

Set out below are some of the more specific investment risks associated with investing in the fund. Some of the risks arise due to investments made directly by the fund. Other risks arise from investments made by underlying funds in which the fund invests some of its asset. See "What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund" on page 60 for a full discussion of the risks associated with investing in mutual funds generally and the following risks which apply to this fund in particular.

(a) biotechnology industry risk;

(b) changes in legislation risk;

(c) counterparty risk;

(d) credit risk;

(e) currency risk;

(f) cybersecurity risk;

(g) derivative risk;

(h) equity investment risk;

(i) market risk;

(j) foreign investment risk;

(k) interest rate risk;

(l) liquidity risk;

(m) multi-class risk;

(n) options risk;

(o) regulatory risk;

(p) volatile market risk;

(q) securities lending and repurchase and reverse repurchase transaction risk;

(r) sector risk;

(s) stock market risk;

(t) substantial securityholder risk; and

(u) tax risk.

Additional risks associated with an investment in the ETF Securities include:

(a) absence of an active market for the ETF Securities;

(b) rebalancing and adjustment risk; and

(c) trading price of ETF Securities.

Please see “Investment Risk Classification Methodology” on page 89 for a description of how we determined the classification of this fund’s risk level.

STONECASTLE GLOBAL TACTICAL ASSET ALLOCATION FUND

<table>
<tr><td>Fund Type</td><td colspan="2">Global asset allocation fund</td></tr>
<tr><td rowspan="4">Management Fee</td><td>Class</td><td>Management Fee</td></tr>
<tr><td>Class A units</td><td>1.75%[(1)]</td></tr>
<tr><td>Class F units</td><td>0.75%[(1) (2)]</td></tr>
<tr><td>Class I units</td><td>Holders of Class I units pay a negotiated management fee directly to Purpose of up to 1.75% per annum[(1) (2)]</td></tr>
<tr><td>Registered Plan Eligibility</td><td colspan="2">Eligible</td></tr>
</table>

Note:

(1) Plus applicable HST.

(2) The manager may from time to time, in its own discretion, waive a portion of the management fee resulting in a reduction of the management fee charged for the Class F units. To the extent a portion of the management fee is waived, the manager reserves the right to stop such waiver at any time and without notice to, or the consent of, unitholders.

Investment Objectives

The fund's investment objective is to generate long-term capital growth in all market conditions with less volatility than, and low correlation to, equity markets. The fund attempts to mitigate risk and limit drawdowns during periods of market stress without forfeiting the opportunity to generate strong returns in rising markets. The fund will attempt to build a globally diversified portfolio by tactically investing in exchange traded funds that represent global equities, fixed income, commodities, alternative investments (including, but not limited to, inverse, Cryptocurrency and Inflation Expectation ETFs), and cash & cash equivalents.

The fund will not change the investment objective of the fund without the approval of a majority of unitholders.

Investment Strategies

This portfolio sub-advisor uses a proprietary relative strength and quantitative approach to achieve the fund's investment objective. The portfolio sub-advisor will dynamically adjust the fund's asset class exposure to prevailing market conditions.

Under such approach, the fund is managed using a strict, systematic approach to determine its asset allocation which is based on the sub-advisor's proprietary top-down relative strength technical ranking system – Asset Leadership Model (ALM). The ALM ranks five asset classes and seven sub-asset classes:

1. Domestic Equities (U.S.) a. U.S. Large-cap b. U.S. Mid-cap c. U.S. Small-cap

2. Foreign Equities (ex-North America) a. Developed Markets b. Emerging Markets

3. Fixed Income a. Government Debt b. Corporate Debt

4. Commodities

5. Cash & Cash Equivalents

The governing process is based on the technical strength of each asset class and sub-asset class as well as the positioning of each asset class and sub-asset class relative to one another. This multi-factor process determines the fund's asset allocation and is adjusted as market conditions change. The investment process is designed to invest in the strongest asset classes and adjust the fund's exposure to overweight the strongest asset classes to limit drawdowns during volatile markets while still participating in periods of up trending markets.

To help mitigate portfolio risk, the sub-advisor uses a multi-factor sell discipline to assist in exiting portfolio positions.

The fund invests in individual exchange traded funds (ETFs)to represent the aforementioned asset classes and sub-asset classes. The holdings may oscillate between 100% equity and 100% fixed income/commodities/cash. The portfolio sub-advisor may choose to deviate from its investment objective by temporarily investing most or all its assets in cash or fixed income securities during periods of market downturn or as a result of other adverse market, economic, political or other conditions.

The investment strategies may result in the fund's portfolio weighting being substantially different from its benchmark. The fund is benchmarked against a balanced index composed as further described below.

The fund may also enter into repurchase agreements, reverse repurchase agreements, and/or securities lending transactions to generate additional income.

Changes to investment strategies

The manager may change the fund's investment strategies at its discretion without notice to or approval of securityholders.

Description of securities offered by the fund

The fund offers Class A units, Class F units and Class I units. These securities are units of a mutual fund trust.

Please see "Description of Securities Offered by the Funds" for more information and for a full discussion of the securityholder rights which apply to the fund beginning on page 79.

Distribution Policy

The fund expects to pay distributions annually. Specifically, distributions of any excess income are determined and made annually and distributions of any excess capital gains are made annually in December. **Distributions are reinvested in additional Units unless you tell your financial advisor to inform us that you want them in cash**.

Distributions are not guaranteed and may change from time to time at our discretion. See "Income Tax Considerations for Investors" on page 45 for more information.

What are the risks of investing in the fund?

Set out below are some of the more specific investment risks associated with investing in the fund. Some of the risks arise due to investments made directly by the fund. Other risks arise from investments made by underlying funds in which the fund invests some of its asset. See "What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund" on page 60 for a full discussion of the risks associated with investing in mutual funds generally and the following risks which apply to this fund in particular.

(a) capital depreciation risk;

(b) cease trading of constituent securities risk;

(c) commodity risk;

(d) concentration risk;

(e) credit risk;

(f) currency risk;

(g) cyber security risk;

(h) depository securities and receipts risk;

(i) derivative risk;

(j) emerging market investments;

(k) ETF risk;

(l) foreign investment risk;

(m) high yield security risk;

(n) income trust risk;

(o) inflation risk;

(p) interest rate risk;

(q) liquidity risk;

(r) market risk;

(s) maturity risk;

(t) multi-class/series risk;

(u) reliance on the manager and investment advisor risk;

(v) regulatory risk;

(w) sector risk;

(x) securities lending and repurchase and reverse repurchase transaction risk;

(y) tax risk; and

(z) underlying fund risk.

Please see “Investment Risk Classification Methodology” on page 89 for a description of how we determined the classification of this fund’s risk level.

BLACK DIAMOND GLOBAL EQUITY FUND

Fund Type	Global Equity Fund - Alternative Fund	
Management Fee	**Class**	**Management Fee**
	Class A units	1.65%[1][2]
	Class F units	0.65%[1][2]
	Class I units	Holders of Class I units pay a negotiated management fee directly to Purpose of up to 0.65% per annum[1][2]
	Class TA3 units	1.65%[1][2]
	Class TF3 units	0.65%[1][2]
	ETF units	0.65%[1][2]
Registered Plan Eligibility	Eligible	

<u>Note:</u>

(1) Plus applicable HST.

(2) The manager may from time to time, in its own discretion, waive a portion of the management fee resulting in a reduction of the management fee charged. To the extent a portion of the management fee is waived, the manager reserves the right to stop such waiver at any time and without notice to, or the consent of, unitholders.

What does the fund invest in?

Investment Objectives

The fund's investment objectives are to provide unitholders with: (i) long-term capital growth, and (ii) current income. The fund will achieve its investment objectives by primarily investing in equity securities of companies anywhere in the world. The fund may also invest in other types of asset classes and securities that distribute, or may be expected to distribute, income.

The fund will use leverage. The leverage may be created through the use of cash borrowings, short sales or derivative contracts. The fund's leverage shall not exceed the limits on the use of leverage described in the "Investment Strategies" section in this simplified prospectus or as otherwise permitted under applicable securities legislation.

The fund will not change its fundamental investment objectives unless the consent of a majority of the fund's unitholders has been obtained.

Investment Strategies

The portfolio advisor employs a disciplined investment process to construct a portfolio of attractively valued companies that combines the potential for growth and income generating ability from dividends and derivatives instruments associated with the underlying securities. Stock selection is the primary contributor to value added, with attention paid to both upside potential and downside risk. Sector allocation and the use of derivatives in accordance with NI 81-102 are employed to manage overall portfolio risk.

In addition to equity securities (including common shares and preferred shares), the fund may invest in fixed-income securities, trust securities and other securities, including convertible bonds and warrants.

The portfolio advisor expects the fund's exposure to emerging markets will not comprise more than 25% of the fund's assets.

The fund may hold cash and/or short-term debt securities in anticipation of, or in response to, unfavourable market conditions; and/or for liquidity purposes.

The fund may hold a portion of its net assets in securities of other investment funds, including ETFs and other alternative mutual funds, in accordance with its investment objectives. Depending on market conditions, the portfolio advisor's investment style may result in a higher portfolio turnover rate than less actively managed funds. Generally, the higher the fund's portfolio turnover rate, the higher its trading expenses, and the higher the probability that you will receive a distribution of capital gains from the fund, which may be taxable if you hold the fund in a non-registered account. There is no proven relationship between a high turnover rate and the performance of a mutual fund.

The fund will, from time to time employ various investment strategies (described below), including the use of derivative instruments to generate income, reduce portfolio volatility and protect capital. These strategies are designed to generate income and provide protection from market declines.

The fund may (a) write cash-covered put options in respect of individual securities that the fund is permitted to hold and in respect of market indices, in order to receive premium income, reduce overall portfolio volatility and reduce the net cost of acquiring the securities subject to put options, (b) write covered call options on individual securities to seek to receive premium income, reduce overall portfolio volatility and enhance the portfolio's total return, (c) invest in or use warrants, ETFs and derivatives including but not limited to options, forward contracts, futures contracts and swaps for both hedging and non-hedging purposes to generate income, hedge against losses from changes in the prices of the fund's investments and market declines and from exposure to foreign currencies and/or gain exposure to individual securities and markets instead of buying the securities directly, to hedge against interest rate exposure, and/or (d) hold cash or fixed income securities for strategic reasons or to provide cover for the writing of cash covered put options in respect of securities in which the fund is permitted to invest. Options may be either exchange traded or over-the-counter options. The fund may enter into securities lending transactions to generate additional income in accordance with NI 81-102. The fund may invest in gold and silver, and other instruments (such as derivatives and ETFs) that provide exposure to these metals.

The fund may also enter into repurchase agreements, reverse repurchase agreements and/or securities lending transactions to generate additional income. The fund also may engage in short selling as permitted by securities regulations. In determining whether securities of a particular issuer should be sold short, the portfolio advisor uses the same analysis that is described above for deciding whether to purchase the securities. The fund will engage in short selling as a complement to the fund's current primary discipline of buying securities with the expectation that they will appreciate in market value.

The fund will be exposed to securities traded in foreign currencies and may, in the manager's discretion, enter into currency hedging transactions (including currency forward contracts) to reduce the effects of changes in the value of foreign currencies relative to the value of the Canadian dollar

Use of Leverage

As an "alternative mutual fund", the fund is not subject to certain investment restrictions set out in NI 81-102 that restrict the ability of conventional mutual funds (other than alternative mutual funds) to leverage their assets through borrowing, short sales and/or derivatives. Investment decisions may be made for the assets of the fund that exceed the net asset value of the fund. As a result, if these investment decisions are incorrect, the resulting losses will be more than if investments were made solely in an unleveraged long portfolio as is the case in most conventional equity mutual funds. In addition, leveraged investment strategies can also be expected to increase a fund's turnover, transaction and market impact costs, interest and other costs and expenses.

The fund may create leverage through the use of derivatives, short sales and/or borrowing. Under the investment restrictions applicable to alternative mutual funds in NI 81-102, the fund's aggregate gross exposure, calculated as the sum of the following, must not exceed 300% of the fund's NAV: (i) the aggregate value of outstanding indebtedness under any borrowing agreements; (ii) the aggregate market value of all securities sold short; and (iii) the aggregate notional value of the fund's specified derivatives positions excluding any specified derivatives used for hedging purposes. If the fund's aggregate gross exposure exceeds 300% of the fund's NAV, the fund must, as quickly as is commercially reasonable, take all necessary steps to reduce the aggregate gross exposure to 300% of the fund's NAV or less.

Derivatives

A derivative is an investment that derives its value from another investment, the underlying investment. This could be a stock, bond, currency or market index. Derivatives usually take the form of a contract with another party to buy or sell an asset at a later time. Some examples of derivatives are options, futures and forward contracts.

As noted, the fund may use derivatives as permitted by securities regulations. It may use them to:

- hedge its investments against losses from factors like currency fluctuations, stock market risks and interest rate changes; and

- invest indirectly in securities or financial markets, provided the investment is consistent with the fund's investment objective.

When the fund uses derivatives for purposes other than hedging, it holds enough cash or money market instruments to fully cover its position in the derivative, as required by securities regulations.

When appropriate, the fund may use derivatives for both hedging and non-hedging purposes in compliance with NI 81-102, including but not limited to options, futures contracts, forward contracts and swaps as permitted by Canadian securities laws, to hedge market exposure to protect capital, to hedge against interest rate risk and foreign currency exposure, hedge against losses from changes in the prices of the fund's investments and/or as a substitute for direct investment. The fund may hold cash to protect capital.

Securities lending

The fund may enter into securities lending transactions. A securities lending transaction is where the fund lends portfolio securities that it owns to a third party borrower. The borrower promises to return to the fund at a later date an equal number of the same securities and to pay a fee to the fund for borrowing the securities. While the securities are borrowed, the borrower provides the fund with collateral consisting of a combination of cash and securities. In this way, the fund retains exposure to changes in the value of the borrowed securities while earning additional fees.

The fund may enter into securities lending transactions to earn additional income and thereby enhance performance.

Short selling

The fund may engage in short selling, which involves borrowing securities from a lender, which are then sold in the open market (or "sold short"). At a later date, the same number of securities are repurchased by the fund and returned to the lender. In the interim, the proceeds from the first sale are deposited with the lender and the fund pays interest to the lender. If the value of the securities declines between the time that the fund borrows the securities and the time it repurchases and returns the securities, the fund makes a profit for the difference (less any interest the fund is required to pay to the lender). In this way, the fund has more opportunities for gains when markets are generally volatile or declining.

The fund may engage in short selling should securities be identified that are trading at a significant premium to their intrinsic value and are anticipated to decline in value. The fund may also engage in short selling as a means of implementing a "hedge" in an attempt to lessen fund volatility in declining markets. In this instance, the fund would sell short securities representing a market index or sub index. The fund may also sell short a security as a means of capturing a pricing disparity between itself and a related security, which would be purchased or held "long". This process of capturing price differences between related securities is referred to as arbitrage. Examples of such an action would include companies involved in merger or acquisition activity or other corporate action.

<u>Investing in underlying funds</u>

The fund may invest up to 100% of its assets in underlying funds, either directly or by gaining exposure to an underlying fund through a derivative, as permitted by Canadian securities laws, to achieve its investment objectives. In selecting underlying funds, we assess a variety of criteria, including:

- management style;
- investment performance and consistency;
- risk tolerance levels;
- calibre of reporting procedures; and
- quality of the manager and/or investment advisor.

We review and monitor the performance of the underlying funds in which the fund invests. The review process consists of an assessment of the underlying funds. Factors such as adherence to stated investment mandate, returns, risk adjusted return measures, assets, investment management process, style, consistency and continued portfolio fit may be considered. This process may result in suggested revisions to weightings of the underlying funds, the inclusion of new underlying funds or the removal of one or more underlying funds.

When the fund is invested in underlying funds, Purpose, as manager of the fund, will either not vote the securities of the underlying funds if the underlying funds are managed by Purpose or an affiliate or will pass the voting rights directly to unitholders of the fund. Purpose may, in some circumstances, choose not to pass the vote to unitholders because of the complexity and costs associated with doing so.

Subject to certain conditions, the fund may rely on exemptive relief in order to invest in ETFs managed by Purpose and whose securities do not qualify as IPUs and which permit the fund to:

- purchase a security of an ETF or enter into a specified derivatives transaction with respect to an ETF even though, immediately after the transaction, more than 10% of the NAV of the fund would be invested, directly or indirectly, in the securities of the ETF;

- purchase securities of an ETF such that, after the purchase, the fund would hold securities representing more than 10% of: (i) the votes attaching to the outstanding voting securities of the ETF; or (ii) the outstanding equity securities of the ETF; and

- invest in ETFs that are not subject to NI 81-101.

Changes to investment strategies

The manager may change the fund's investment strategies at its discretion without notice to or approval of securityholders.

Difference from Conventional Mutual Funds

The specific strategies that differentiate this fund from conventional mutual funds include: increased use of derivatives for hedging and non-hedging purposes, increased ability to sell securities short, and the ability to borrow cash to use for investment purposes. While these strategies will or may be used in accordance with the fund's investment objective and strategies, during certain market conditions they may accelerate the pace at which your investment decreases in value.

Description of securities offered by the fund

The fund offers Class A units, Class F units, Class I units, Class TA3 units, Class TF3 units, ETF units. These securities are units of a mutual fund trust.

Please see "Description of Securities Offered by the Funds" for more information and for a full discussion of the securityholder rights which apply to the fund beginning on page 79.

Distribution Policy

For Class A Securities, Class F Securities and Class I Securities

The fund expects to pay distributions monthly, if any. **Distributions are reinvested in additional Units unless you tell your financial advisor to inform us that you want them in cash**. Distributions are not guaranteed and may change from time to time at our discretion. Distributions of any excess income are determined and made annually in December and distributions of any excess capital gains are made annually in December.

See "Income tax considerations for investors" on page 45 for more information.

For Class TA3 Securities and Class TF3 Securities

We distribute income and/or return of capital monthly and capital gains, if any, annually in December. We make monthly distributions based on a target distribution rate of 3% per annum of the net asset value per security of the fund determined as at December 31 of the prior year.

For investors who purchase Class TA3 Securities and Class TF3 Securities in a non-registered account, these distributions will be automatically paid in cash unless you tell us that you would prefer distributions to be reinvested in additional Class TA3 Securities or Class TF3 Securities, as applicable. If you hold your Class TA3 Securities or Class TF3 Securities in a Registered Plan, other than a TFSA, any distributions must be reinvested in additional Class TA3 Securities or Class TF3 Securities, as applicable. Distributions paid in connection with Class TA3 Securities or Class TF3 Securities that are held in a TFSA can either be reinvested in additional Class TA3 Securities or Class TF3 Securities, as applicable, or paid in cash. Investors who are eligible to receive Class TA3 Securities or Class TF3 Securities distributions in cash may opt to receive part of their distributions in cash with the remainder reinvested in additional Class TA3 Securities or Class TF3 Securities, as applicable.

Cash payments may be subject to a minimum threshold which may be determined by us and changed without notice to you.

In December of each year, we will pay or make payable to securityholders sufficient net income and net realized capital gains so that the fund will not be liable for income tax. If the targeted monthly amount paid to holders of Class TA3 Securities and Class TF3 Securities in December is less than the amount that is required to be paid or made payable to holders of those securities to eliminate the fund's liability for income tax, the distribution in December on Class TA3 Securities and Class TF3 Securities will be increased (and the effective distribution rate for the year will exceed 3%). If the targeted monthly amount paid to holders of Class TA3 Securities and Class TF3 Securities in December is greater than the amount that is required to be paid or made payable to holders of those securities to eliminate the fund's liability for income tax, the difference will be a return of capital. If you have elected to receive your monthly distribution in cash and not reinvest the distributions, it is expected that the value of your investment in the fund will decline more rapidly over time.

The character for Canadian tax purposes of monthly distributions made on Class TA3 Securities and Class TF3 Securities during the year will not be determined with certainty until after the end of the fund's taxation year.

The target distribution rate may be adjusted from time to time. If the target distribution rate is increased beyond 3% per annum, it may result in a larger amount being distributed as a return of capital. A return of capital distribution is not taxable but reduces the adjusted cost base of your securities. You should not confuse the target distribution rate with the fund's rate of return or yield. Returns of capital will result in a reduction of a securityholder's original investment and may result in the return to a securityholder of the entire amount of the securityholder's original investment. You should consult your tax advisor regarding the tax implications of receiving monthly income and/or return of capital with respect to Class TA3 Securities and Class TF3 Securities. See "Capital Depletion Risk" for more information about the risks associated with depletion of capital.

Distributions on Class TA3 Securities and Class TF3 Securities are not guaranteed to occur on a specific date and the fund is not responsible for any fees or charges incurred by you because the fund did not effect a distribution on a particular day. The fund may at its discretion change its distribution policy from time to time.

ETF Units

The fund expects to pay distributions monthly, if any. Distributions are reinvested in additional Units unless you tell your financial advisor to inform us that you want them in cash. Distributions are not guaranteed and may change from time to time at our discretion. Distributions of any excess income are determined and made annually in December and distributions of any excess capital gains are made annually in December.

What are the risks of investing in the fund?

Set out below are some of the more specific investment risks associated with investing in the fund. Some of the risks arise due to investments made directly by the fund. Other risks arise from investments made by underlying funds in which the fund invests some of its asset. For more information see "Specific information about each of the mutual funds described in this document – Distribution policy" on page 97 of the simplified prospectus.

(a) absence of an active market for the ETF Units;

(b) fluctuations in NAV and NAV per unit;

(c) credit risk;

(d) leverage risk;

(e) concentration risk;

(f) risk of loss;

(g) capital depreciation risk;

(h) equity investment risk;

(i) foreign investment risk;

(j) interest rate risk;

(k) currency risk;

(l) commodity risk;

(m) reliance on the manager and sub-advisor risk;

(n) derivative risk;

(o) futures contract liquidity risk;

(p) futures contract margin risk;

(q) tax risk;

(r) liquidity risk;

(s) cease trading of constituent securities risk;

(t) changes in legislation risk;

(u) multi-class risk;

(v) rebalancing and adjustment risk;

(w) short selling risk;

(x) securities lending and repurchase and reverse repurchase transaction risk;

(y) trading price of ETF Units;

(z) underlying fund risk; and

(aa) cyber security risk.

Please see “Investment Risk Classification Methodology” on page 89 for a description of how we determined the classification of this fund’s risk level.

BLACK DIAMOND DISTRESSED OPPORTUNITIES FUND

Fund Type	Distressed Opportunities Fund - Alternative Fund	
Management Fee	**Class**	**Management Fee**
	Class A units	2.00%[1][2]
	Class F units	1.00%[1][2]
	Class I units	Holders of Class I units pay a negotiated management fee directly to Purpose of up to 0.25% per annum[1][2]
	ETF units	1.00%[1][2]
Registered Plan Eligibility	Eligible	

Note:

(1) Plus applicable HST.

(2) The manager may from time to time, in its own discretion, waive a portion of the management fee resulting in a reduction of the management fee charged. To the extent a portion of the management fee is waived, the manager reserves the right to stop such waiver at any time and without notice to, or the consent of, unitholders.

What does the fund invest in?

Investment Objectives

The fund's investment objectives are to provide unitholders with long-term capital growth. The fund will focus on distressed investment opportunities and, specifically, securities which appear to be trading below their estimated intrinsic value. The fund will achieve its investment objectives by investing in a broad range of foreign equities, domestic equities and fixed income securities. The fund may also invest in other types of securities of fixed income securities, including convertible and high-yield bonds and government securities of emerging or other countries.

The fund will use leverage. The leverage may be created through the use of cash borrowings, short sales or derivative contracts. The fund's leverage shall not exceed the limits on the use of leverage described in the "Investment Strategies" section in this simplified prospectus or as otherwise permitted under applicable securities legislation.

The fund will not change its fundamental investment objectives unless the consent of a majority of the fund's unitholders has been obtained.

Investment Strategies

The portfolio advisor employs an investment approach which is based on a fundamental value philosophy: invest in securities which are trading below their estimated intrinsic value, determined by reviewing corporate balance sheets, earnings statements, dividend records, business prospects, management strengths and potential catalysts to realize securityholder value. Such opportunities may result from a variety of factors, including, but not limited to adverse events, consumer, credit and capital market conditions (including overly pessimistic market expectations and panic), that are overly reflected in price.

The fund may invest in corporate debt and sovereign fixed-income securities that are rated below investment grade ("BB" or lower) by S&P or an equivalent rating from another recognized credit rating organization, including debt of entities that are in bankruptcy.

The fund may invest the majority of its assets in the securities of companies in a single country or a single industry depending on prevailing market conditions.

The fund may hold cash and/or short-term debt securities in anticipation of, or in response to, unfavourable market conditions; and/or for liquidity purposes.

The fund may hold a portion of its net assets in securities of other investment funds, including ETFs and other alternative mutual funds, in accordance with its investment objectives. Depending on market conditions, the portfolio advisor's investment style may result in a higher portfolio turnover rate than less actively managed funds. Generally, the higher the fund's portfolio turnover rate, the higher its trading expenses, and the higher the probability that you will receive a distribution of capital gains from the fund, which may be taxable if you hold the fund in a non-registered account. There is no proven relationship between a high turnover rate and the performance of a mutual fund.

The fund will, from time to time employ various investment strategies (described below), including the use of derivative for income generation, downside protection and leverage. These strategies are designed to generate income and provide protection from market declines.

The fund may (a) write cash-covered put options in respect of individual securities that the fund is permitted to hold and in respect of market indices, in order to receive premium income, reduce overall portfolio volatility and reduce the net cost of acquiring the securities subject to put options, (b) write covered call options on individual securities to seek to receive premium income, reduce overall portfolio volatility and enhance the portfolio's total return, (c) invest in or use warrants, ETFs and derivatives including but not limited to options, forward contracts, futures contracts and swaps for both hedging and non-hedging purposes to generate income, hedge against losses from changes in the prices of the fund's investments and market declines and from exposure to foreign currencies and/or gain exposure to individual securities and markets instead of buying the securities directly, to hedge against interest rate exposure, and/or (d) hold cash or fixed income securities for strategic reasons or to provide cover for the writing of cash covered put options in respect of securities in which the fund is permitted to invest. Options may be either exchange traded or over-the-counter options. The fund may enter into securities lending transactions to generate additional income. The fund may invest in gold and silver, and other instruments (such as derivatives and ETFs) that provide exposure to these metals.

The fund may also enter into repurchase agreements, reverse repurchase agreements and/or securities lending transactions to generate additional income. The fund also may engage in short selling of debt and/or equity securities which the manager believes are overvalued based on its traditional fundamental research and analysis of such securities. These may include securities of issuers with deteriorating fundamentals and weak balance sheets.

The fund will be exposed to securities traded in foreign currencies and may, in the manager's discretion, enter into currency hedging transactions (including currency forward contracts) to reduce the effects of changes in the value of foreign currencies relative to the value of the Canadian dollar.

Use of Leverage

As an "alternative mutual fund", the fund is not subject to certain investment restrictions set out in NI 81-102 that restrict the ability of conventional mutual funds (other than alternative mutual funds) to leverage their assets through borrowing, short sales and/or derivatives. Investment decisions may be made for the assets of the fund that exceed the net asset value of the fund. As a result, if these investment decisions are incorrect, the resulting losses will be more than if investments were made solely in an unleveraged long portfolio as is the case in most conventional equity mutual funds. In addition, leveraged investment strategies can also be expected to increase a fund's turnover, transaction and market impact costs, interest and other costs and expenses.

The fund may create leverage through the use of derivatives, short sales and/or borrowing. Under the investment restrictions applicable to alternative mutual funds in NI 81-102, the fund's aggregate gross exposure, calculated as the sum of the following, must not exceed 300% of the fund's NAV: (i) the aggregate value of outstanding indebtedness under any borrowing agreements; (ii) the aggregate market value of all securities sold short; and (iii) the aggregate notional value of the fund's specified derivatives positions excluding any specified derivatives used for hedging purposes. If the fund's aggregate gross exposure exceeds 300% of the fund's NAV, the fund must, as quickly as is commercially reasonable, take all necessary steps to reduce the aggregate gross exposure to 300% of the fund's NAV or less.

Derivatives

A derivative is an investment that derives its value from another investment, the underlying investment. This could be a stock, bond, currency or market index. Derivatives usually take the form of a contract with another party to buy or sell an asset at a later time. Some examples of derivatives are options, futures and forward contracts.

The fund may use derivatives as permitted by securities regulations. It may use them to:

- hedge its investments against losses from factors like currency fluctuations, stock market risks and interest rate changes; and
- invest indirectly in securities or financial markets, provided the investment is consistent with the fund's investment objective.

When the fund uses derivatives for purposes other than hedging, it holds enough cash or money market instruments to fully cover its position in the derivative, as required by securities regulations.

When appropriate, the fund may use derivatives for both hedging and non-hedging purposes in compliance with NI 81-102, including but not limited to options, futures contracts, forward contracts and swaps as permitted by Canadian securities laws, to hedge market exposure to protect capital, to hedge against interest rate risk and foreign currency exposure, hedge against losses from changes in the prices of the fund's investments and/or as a substitute for direct investment. The fund may hold cash to protect capital.

Securities lending

The fund may enter into securities lending transactions. A securities lending transaction is where the fund lends portfolio securities that it owns to a third party borrower. The borrower promises to return to the fund at a later date an equal number of the same securities and to pay a fee to the fund for borrowing the securities. While the securities are borrowed, the borrower provides the fund with collateral consisting of a combination of cash and securities. In this way, the fund retains exposure to changes in the value of the borrowed securities while earning additional fees.

The fund may enter into securities lending transactions to earn additional income and thereby enhance performance.

Short selling

The fund may engage in short selling, which involves borrowing securities from a lender, which are then sold in the open market (or "sold short"). At a later date, the same number of securities are repurchased by the fund and returned to the lender. In the interim, the proceeds from the first sale are deposited with the lender and the fund pays interest to the lender. If the value of the securities declines between the time that the fund borrows the securities and the time it repurchases and returns the securities, the fund makes a profit for the difference (less any interest the fund is required to pay to the lender). In this way, the fund has more opportunities for gains when markets are generally volatile or declining.

The fund may engage in short selling should securities be identified that are trading at a significant premium to their intrinsic value and are anticipated to decline in value. The fund may also engage in short selling as a means of implementing a "hedge" in an attempt to lessen fund volatility in declining markets. In this instance, the fund would sell short securities representing a market index or sub index. The fund may also sell short a security as a means of capturing a pricing disparity between itself and a related security, which would be purchased or held "long". This process of capturing price differences between related securities is referred to as arbitrage. Examples of such an action would include companies involved in merger or acquisition activity or other corporate action.

<u>Investing in underlying funds</u>

The fund may invest up to 100% of its assets in underlying funds, either directly or by gaining exposure to an underlying fund through a derivative, as permitted by Canadian securities laws, to achieve its investment objectives. In selecting underlying funds, we assess a variety of criteria, including:

- management style;
- investment performance and consistency;
- risk tolerance levels;
- calibre of reporting procedures; and
- quality of the manager and/or investment advisor.

We review and monitor the performance of the underlying funds in which the fund invests. The review process consists of an assessment of the underlying funds. Factors such as adherence to stated investment mandate, returns, risk adjusted return measures, assets, investment management process, style, consistency and continued portfolio fit may be considered. This process may result in suggested revisions to weightings of the underlying funds, the inclusion of new underlying funds or the removal of one or more underlying funds.

When the fund is invested in underlying funds, Purpose, as manager of the fund, will either not vote the securities of the underlying funds if the underlying funds are managed by Purpose or an affiliate or will pass the voting rights directly to unitholders of the fund. Purpose may, in some circumstances, choose not to pass the vote to unitholders because of the complexity and costs associated with doing so.

Subject to certain conditions, the fund may rely on exemptive relief in order to invest in ETFs managed by Purpose and whose securities do not qualify as IPUs and which permit the fund to:

- purchase a security of an ETF or enter into a specified derivatives transaction with respect to an ETF even though, immediately after the transaction, more than 10% of the NAV of the fund would be invested, directly or indirectly, in the securities of the ETF;

- purchase securities of an ETF such that, after the purchase, the fund would hold securities representing more than 10% of: (i) the votes attaching to the outstanding voting securities of the ETF; or (ii) the outstanding equity securities of the ETF; and

- invest in ETFs that are not subject to NI 81-101.

Changes to investment strategies

The manager may change the fund's investment strategies at its discretion without notice to or approval of securityholders.

Difference from Conventional Mutual Funds

The specific strategies that differentiate this fund from conventional mutual funds include: increased use of derivatives for hedging and non-hedging purposes, increased ability to sell securities short, and the ability to borrow cash to use for investment purposes. While these strategies will or may be used in accordance with the fund's investment objective and strategies, during certain market conditions they may accelerate the pace at which your investment decreases in value.

Description of securities offered by the fund

The fund offers Class A units, Class F units, Class I units and ETF units. These securities are units of a mutual fund trust.

Please see "Description of Securities Offered by the Funds" for more information and for a full discussion of the securityholder rights which apply to the fund beginning on page 79.

Distribution Policy

The fund expects to pay distributions monthly, if any. **Distributions are reinvested in additional Units unless you tell your financial advisor to inform us that you want them in cash**. Distributions are not guaranteed and may change from time to time at our discretion. Distributions of any excess income are determined and made annually in December and distributions of any excess capital gains are made annually in December. See "Income Tax Considerations for Investors" on page 45 for more information.

What are the risks of investing in the fund?

See "What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund" on page 60 for a full discussion of the risks associated with investing in mutual funds generally and the following risks which apply to this fund in particular.

(a) absence of an active market for the ETF Units;

(b) fluctuations in NAV and NAV per unit;

(c) credit risk;

(d) leverage risk;

(e) concentration risk;

(f) risk of loss;

(g) capital depreciation risk;

(h) equity investment risk;

(i) convertible securities risk;

(j) high yield securities risk;

(k) foreign investment risk;

(l) interest rate risk;

(m) currency risk;

(n) commodity risk;

(o) reliance on the manager and sub-advisor risk;

(p) derivative risk;

(q) futures contract liquidity risk;

(r) futures contract margin risk;

(s) rebalancing and adjustment risk;

(t) tax risk;

(u) liquidity risk;

(v) cease trading of constituent securities risk;

(w) changes in legislation risk;

(x) multi-class risk;

(y) short selling risk;

(z) securities lending and repurchase and reverse repurchase transaction risk;

(aa) trading price of ETF Units;

(bb) underlying fund risk; and

(cc) cyber security risk.

Please see “Investment Risk Classification Methodology” on page 89 for a description of how we determined the classification of this fund’s risk level.

BLACK DIAMOND GLOBAL ENHANCED INCOME FUND

<table>
<tr><td>Fund Type</td><td colspan="2">Global Neutral Balanced Fund</td></tr>
<tr><td rowspan="4">Management Fee</td><td>Class</td><td>Management Fee</td></tr>
<tr><td>Class A units</td><td>1.95%(1)(2)</td></tr>
<tr><td>Class F units</td><td>0.95%(1)(2)</td></tr>
<tr><td>Class I units</td><td>Holders of Class I units pay a negotiated management fee directly to Purpose of up to 0.25% per annum(1)(2)</td></tr>
<tr><td>Registered Plan Eligibility</td><td colspan="2">Eligible</td></tr>
</table>

Note:

(1) Plus applicable HST.

(2) The manager may from time to time, in its own discretion, waive a portion of the management fee resulting in a reduction of the management fee charged. To the extent a portion of the management fee is waived, the manager reserves the right to stop such waiver at any time and without notice to, or the consent of, unitholders.

What does the fund invest in?

Investment Objectives

The fund's investment objectives are to provide unitholders with: (i) income, and (ii) the potential for long-term capital growth, by investing primarily in equity securities, derivative instruments, fixed-income and/or income-oriented securities anywhere in the world.

The fund will not change its fundamental investment objectives unless the consent of a majority of the fund's unitholders has been obtained.

Investment Strategies

The fund will generally invest 30% to 70% of its assets in any one asset class but may invest 0% to 100% of its assets in any one asset class. Allocations between asset classes are based on the portfolio advisor's view of global economic conditions and/or the portfolio advisor's assessment of relative valuations. When choosing securities for the fund, the portfolio advisor uses fundamental analysis to identify, select and monitor investments. The portfolio advisor performs industry analysis and specific company analysis, including a review of financial statements and other relevant factors. The fund will employ a flexible approach to meet its income objectives, allocating assets across credit quality, yields, structures, sectors, currencies and countries. The fund may invest up to 100% of its fixed-income exposure in any one sector, and can invest in all types of fixed-income securities from around the world, including but not limited to: high-yield corporate and government bonds. High-yield bonds have a credit rating below investment grade (rated "BB" or lower by S&P or an equivalent rating from another recognized credit rating organization) and are sometimes non-rated, investment grade corporate and government bonds, and floating-rate instruments.

Income-oriented equity securities in which the fund may invest may include, but are not limited to, dividend-paying equity securities, preferred shares and convertible preferred shares and trusts (including income trusts, business trusts, real estate investment trusts (REITs), royalty and resource trusts, utilities and infrastructure trusts). The fund may keep a cash balance of up to 30% to be used as cash cover for put option writing strategies to generate income. Depending on market conditions, the fund may also invest a portion of its assets in equity securities that are not income-oriented.

The fund may hold cash and/or short-term debt securities in anticipation of, or in response to, unfavourable market conditions and/or for liquidity purposes. The fund may hold a portion of its net assets in securities of other investment funds, including ETFs, in accordance with its investment objectives.

The fund will, from time to time employ various investment strategies (described below), including the use of derivative instruments to generate income, reduce portfolio volatility and protect capital. These strategies are designed to generate income and provide protection from market declines.

The fund may (a) write cash-covered put options in respect of individual securities that the fund is permitted to hold and in respect of market indices, in order to receive premium income, reduce overall portfolio volatility and reduce the net cost of acquiring the securities subject to put options, (b) write covered call options on individual securities to seek to receive premium income, reduce overall portfolio volatility and enhance the portfolio's total return, (c) invest in or use warrants, ETFs and derivatives including but not limited to options, forward contracts, futures contracts and swaps for both hedging and non-hedging purposes to generate income, hedge against losses from changes in the prices of the fund's investments and market declines and from exposure to foreign currencies and/or gain exposure to individual securities and markets instead of buying the securities directly, to hedge against interest rate exposure, and/or (d) hold cash or fixed income securities for strategic reasons or to provide cover for the writing of cash covered put options in respect of securities in which the fund is permitted to invest. Options may be either exchange traded or over-the-counter options. The fund may enter into securities lending transactions to generate additional income in accordance with NI 81-102. The fund may invest in gold and silver, and other instruments (such as derivatives and ETFs) that provide exposure to these metals.

The fund may also enter into repurchase agreements, reverse repurchase agreements and/or securities lending transactions to generate additional income. The fund also may engage in short selling as permitted by securities regulations. In determining whether securities of a particular issuer should be sold short, the portfolio advisor uses the same analysis that is described above for deciding whether to purchase the securities. The fund will engage in short selling as a complement to the fund's current primary discipline of buying securities with the expectation that they will appreciate in market value.

The fund will be exposed to securities traded in foreign currencies and may, in the manager's discretion, enter into currency hedging transactions (including currency forward contracts) to reduce the effects of changes in the value of foreign currencies relative to the value of the Canadian dollar.

<u>Derivatives</u>

A derivative is an investment that derives its value from another investment, the underlying investment. This could be a stock, bond, currency or market index. Derivatives usually take the form of a contract with another party to buy or sell an asset at a later time. Some examples of derivatives are options, futures and forward contracts.

The fund may use derivatives as permitted by securities regulations. It may use them to:

- hedge its investments against losses from factors like currency fluctuations, stock market risks and interest rate changes; and
- invest indirectly in securities or financial markets, provided the investment is consistent with the fund's investment objective.

When the fund uses derivatives for purposes other than hedging, it holds enough cash or money market instruments to fully cover its position in the derivative, as required by securities regulations.

When appropriate, the fund may use derivatives for both hedging and non-hedging purposes in compliance with NI 81-102, including but not limited to options, futures contracts, forward contracts and swaps as permitted by Canadian securities laws, to hedge market exposure to protect capital, to hedge against interest rate risk and foreign currency exposure, hedge against losses from changes in the prices of the fund's investments and/or as a substitute for direct investment. The fund may hold cash to protect capital.

Securities lending

The fund may enter into securities lending transactions. A securities lending transaction is where the fund lends portfolio securities that it owns to a third party borrower. The borrower promises to return to the fund at a later date an equal number of the same securities and to pay a fee to the fund for borrowing the securities. While the securities are borrowed, the borrower provides the fund with collateral consisting of a combination of cash and securities. In this way, the fund retains exposure to changes in the value of the borrowed securities while earning additional fees.

The fund may enter into securities lending transactions to earn additional income and thereby enhance performance.

Short selling

The fund may engage in short selling, which involves borrowing securities from a lender, which are then sold in the open market (or "sold short"). At a later date, the same number of securities are repurchased by the fund and returned to the lender. In the interim, the proceeds from the first sale are deposited with the lender and the fund pays interest to the lender. If the value of the securities declines between the time that the fund borrows the securities and the time it repurchases and returns the securities, the fund makes a profit for the difference (less any interest the fund is required to pay to the lender). In this way, the fund has more opportunities for gains when markets are generally volatile or declining.

The fund may engage in short selling should securities be identified that are trading at a significant premium to their intrinsic value and are anticipated to decline in value. The fund may also engage in short selling as a means of implementing a "hedge" in an attempt to lessen fund volatility in declining markets. In this instance, the fund would sell short securities representing a market index or sub index. The fund may also sell short a security as a means of capturing a pricing disparity between itself and a related security, which would be purchased or held "long". This process of capturing price differences between related securities is referred to as arbitrage. Examples of such an action would include companies involved in merger or acquisition activity or other corporate action.

Investing in underlying funds

The fund may invest up to 100% of its assets in underlying funds, either directly or by gaining exposure to an underlying fund through a derivative, as permitted by Canadian securities laws, to achieve its investment objectives. In selecting underlying funds, we assess a variety of criteria, including:

- management style;
- investment performance and consistency;
- risk tolerance levels;
- calibre of reporting procedures; and
- quality of the manager and/or investment advisor.

We review and monitor the performance of the underlying funds in which the fund invests. The review process consists of an assessment of the underlying funds. Factors such as adherence to stated investment mandate, returns, risk adjusted return measures, assets, investment management process, style, consistency and continued portfolio fit may be considered. This process may result in suggested revisions to weightings of the underlying funds, the inclusion of new underlying funds or the removal of one or more underlying funds.

When the fund is invested in underlying funds, Purpose, as manager of the fund, will either not vote the securities of the underlying funds if the underlying funds are managed by Purpose or an affiliate or will pass the voting rights directly to unitholders of the fund. Purpose may, in some circumstances, choose not to pass the vote to unitholders because of the complexity and costs associated with doing so.

Subject to certain conditions, the fund may rely on exemptive relief in order to invest in ETFs managed by Purpose and whose securities do not qualify as IPUs and which permit the fund to:

- purchase a security of an ETF or enter into a specified derivatives transaction with respect to an ETF even though, immediately after the transaction, more than 10% of the NAV of the fund would be invested, directly or indirectly, in the securities of the ETF;
- purchase securities of an ETF such that, after the purchase, the fund would hold securities representing more than 10% of: (i) the votes attaching to the outstanding voting securities of the ETF; or (ii) the outstanding equity securities of the ETF; and
- invest in ETFs that are not subject to NI 81-101.

Changes to investment strategies

The manager may change the fund's investment strategies at its discretion without notice to or approval of securityholders.

Description of securities offered by the fund

The fund offers Class A units, Class F units and Class I units. These securities are units of a mutual fund trust.

Please see "Description of Securities Offered by the Funds" for more information and for a full discussion of the securityholder rights which apply to the fund beginning on page 79.

Distribution Policy

The fund expects to pay distributions monthly, if any. Distributions are reinvested in additional Units unless you tell your financial advisor to inform us that you want them in cash. Distributions are not guaranteed and may change from time to time at our discretion. Distributions of any excess income are determined and made annually in December and distributions of any excess capital gains are made annually in December. See "Income Tax Considerations for Investors" on page 45 for more information.

What are the risks of investing in the fund?

Set out below are some of the more specific investment risks associated with investing in the fund. Some of the risks arise due to investments made directly by the fund. Other risks arise from investments made by underlying funds in which the fund invests some of its asset. See "What is a Mutual Fund and What are the

Risks of Investing in a Mutual Fund" on page 60 for a full discussion of the risks associated with investing in mutual funds generally and the following risks which apply to this fund in particular.

(a) fluctuations in NAV and NAV per Unit;

(b) concentration risk;

(c) credit risk;

(d) risk of loss;

(e) capital depreciation risk;

(f) equity investment risk;

(g) foreign investment risk;

(h) interest rate risk;

(i) currency risk;

(j) commodity risk;

(k) reliance on the manager and sub-advisor risk;

(l) derivative risk;

(m) futures contract liquidity risk;

(n) futures contract margin risk;

(o) tax risk;

(p) liquidity risk;

(q) cease trading of constituent securities risk;

(r) changes in legislation risk;

(s) multi-class risk;

(t) short selling risk;

(u) securities lending and repurchase and reverse repurchase transaction risk;

(v) underlying fund risk; and

(w) cyber security risk.

Please see "Investment Risk Classification Methodology" on page 89 for a description of how we determined the classification of this fund's risk level.

PURPOSE FUNDS

You will find more information about each fund in its Fund Facts, ETF Facts (as applicable), management reports of fund performance and financial statements. These documents are incorporated by reference into this simplified prospectus, which means they legally form part of this simplified prospectus just as if they were printed as part of this simplified prospectus.

You can get a copy of these documents, at your request, and at no cost, by calling toll-free at 1-877-789-1517, by emailing us at info@purposeinvest.com or by contacting your dealer.

You can also get copies of this simplified prospectus, the Fund Facts, ETF Facts, the management reports of fund performance and the financial statements from the Purpose website at www.purposeinvest.com.

These documents and other information about the funds, such as information circulars and material contracts, are also available at www.sedar.com.

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