

PURPOSE MUTUAL FUNDS

AMENDMENT NO. 1 dated May 27, 2022 to the simplified prospectus dated March 22, 2022 (the “**Prospectus**”) of:

| | |
|--|---|
| Black Diamond Impact Core Equity Fund | Class A units Class F units Class I units |
|--|---|

This amendment to the Prospectus of Black Diamond Impact Core Equity Fund (the “**Fund**”) provides certain additional information relating to the Fund, and the Prospectus, as amended, should be read subject to this information. All capitalized terms not defined herein have the respective meanings set out in the Prospectus.

REASON FOR AMENDMENT

Purpose Investments Inc. (“**Purpose**”), the manager of the Fund, is amending the Prospectus in order to qualify for distribution ETF units of the Fund.

AMENDMENTS TO THE PROSPECTUS

The following technical amendments are made to the Prospectus to reflect this change:

1. The front cover of the Prospectus is amended by adding “ETF Units” to the list of units offered by the Fund.
2. The disclosure under the risk factor “*Absence of an active market for the ETF Units*” on page 7 is deleted in its entirety and replaced with the following:

“Although the ETF Units of Purpose Cash Management Portfolio or a New Fund may, subject to meeting the applicable Exchange’s original listing requirements, be listed on an Exchange, there can be no assurance that an active public market for the ETF Units for such funds will develop or be sustained. There is no assurance that an Exchange will approve the applicable listing application.

In the case of ETF Units of Black Diamond Impact Core Equity Fund, listing is subject to meeting the TSX’s original listing requirements. There is no assurance that the TSX will approve the listing application for ETF Units of Black Diamond Impact Core Equity Fund.”

3. The first paragraph the heading “Issuance of ETF Units” on page 25 is deleted in its entirety and replaced with the following:

“The TSX has conditionally approved the listing of ETF Units of Purpose Cash Management Portfolio and Black Diamond Impact Core Equity Fund. Listing is subject to: (i) Purpose Cash Management Portfolio fulfilling all of the requirements of the TSX on or before March 3, 2023; and (ii) Black Diamond Impact Core Equity Fund fulfilling all of the requirements of the TSX on or before May 26, 2023. Subject to meeting the TSX’s original listing requirements in respect of the ETF Units of such funds, and a receipt being issued for the final prospectus of such funds by the securities regulatory authorities, ETF Units of those funds will be listed on the TSX and

offered on a continuous basis, and an investor will be able to buy or sell ETF Units of those funds on the TSX through registered brokers and dealers in the province or territory where the investor resides.”

4. The “Fund details” table of Black Diamond Impact Core Equity Fund on page 80 is deleted in its entirety and replaced with the following:

| | | |
|---|---|---|
| Fund Type | global equity fund | |
| Date Started | Class A units – March 22, 2022 | |
| | Class F units – March 22, 2022 | |
| | Class I units – March 22, 2022 | |
| | ETF units – May 27, 2022 | |
| Type of Securities | Class A units, Class F units, Class I units and ETF Units | |
| Management Fee | Class | Management Fee |
| | Class A units | 1.95% ⁽¹⁾⁽²⁾ |
| | Class F units | 0.95% ⁽¹⁾⁽²⁾ |
| | Class I units | Holders of Class I units pay a negotiated management fee directly to Purpose of up to 1.95% per annum ⁽¹⁾⁽²⁾ |
| | ETF units | 0.95% ⁽¹⁾⁽²⁾ |
| Registered Plan/TFSA 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.
5. The following risk factors are added to the list of risks applicable to the fund starting on page 83: absence of an active market for the ETF Units, rebalancing and adjustment risk and trading price of ETF Units.
6. The wording under the heading “Distribution Policy” on page 85, is deleted in its entirety and replaced with the following:

“With respect to mutual fund units, the fund expects to make distributions monthly. Distributions on mutual fund units are reinvested in additional mutual fund units of the same series of the fund unless you tell your dealer to inform us that you want them in cash. Distributions of any excess income and capital gains are determined annually in December. If the aggregate amount of the monthly distributions made to a series in a year exceeds the portion of the net income and net capital gains allocated to that series, the excess will constitute a return of capital. Distributions are not guaranteed and may change from time to time at our discretion. Distributions are not guaranteed and may change from time to time at our discretion.

With respect to ETF units, the fund expects to pay distributions monthly, if any. Distributions are reinvested in additional ETF 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.

For more information see “Distribution policy” on page 50 of the simplified prospectus.”

Purchasers' Statutory Rights

Mutual fund units

Securities legislation in some provinces gives you the right to withdraw from an agreement to buy mutual funds within two business days of receiving the Simplified Prospectus or Fund Facts, or to cancel your purchase within 48 hours of receiving confirmation of your order.

Securities legislation in some provinces and territories also allows you to cancel an agreement to buy mutual fund units and get your money back, or to make a claim for damages if the Simplified Prospectus, Annual Information Form, Fund Facts or financial statements misrepresent any facts about the fund. These rights must usually be exercised within certain time limits. For more information, refer to the securities legislation of your province or territory or consult your lawyer.

ETF units

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase ETF Units 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 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.

The purchaser 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.

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. The funds and the securities of the funds offered under this Simplified Prospectus are not registered with the United States Securities and Exchange Commission and they are sold in such jurisdiction only in reliance upon exemptions from registration.

SIMPLIFIED PROSPECTUS

| | |
|---|---|
| PURPOSE MONEY MARKET FUND | Class A units Class F units |
| PURPOSE CASH MANAGEMENT PORTFOLIO | Class A units Class F units ETF units |
| FOUNDATION WEALTH EQUITY POOL | Class F units Class I units Class E units |
| FOUNDATION WEALTH INCOME POOL | Class F units Class I units Class E units |
| FOUNDATION WEALTH DIVERSIFIER POOL | Class F units Class I units Class E units |
| PURPOSE CREDIT YIELD PLUS FUND , an alternative mutual fund | Class A units Class F units ETF units |
| PURPOSE MONTHLY YIELD PLUS FUND , an alternative mutual fund | Class A units Class F units ETF units |
| BLACK DIAMOND IMPACT CORE EQUITY FUND | Class A units Class F units Class I units |

March 22, 2022

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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 ETF Units (as defined herein) and one or more classes of mutual fund units (as defined herein). An unlimited number of ETF Units and mutual fund units are authorized for issuance.

Purpose Credit Yield Plus Fund and Purpose Monthly Yield Plus 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 listed on the front cover 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 45 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 46 to 84 contain specific information about the funds described in this document.

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

- (a) the fund’s annual information form;
- (b) the fund’s most recently filed fund facts;
- (c) the fund’s most recently filed annual financial statements;
- (d) any interim financial statements filed after those annual financial statements;
- (e) the fund’s most recently filed annual management report of fund performance;
- (f) any interim management report of fund performance filed after that annual management report of fund performance; and
- (g) the fund’s most recently filed ETF Facts (as applicable).

These documents are incorporated by reference into this document, which means that they legally form part of this simplified prospectus just as if they were printed as part of this document. You can get a copy 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.

You can also get copies of this simplified prospectus, the fund facts, the ETF Facts (as applicable), the annual information form, the management reports of fund performance and the financial statements from Purpose’s website at www.purposeinvest.com.

These documents and other information about each fund 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 units of a class of the 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.

“**Alternative Funds**” means, together, Purpose Credit Yield Plus Fund and Purpose Monthly Yield Plus Fund and “**Alternative Fund**” means either one of them;

“**annual information form**” means a document filed by the funds with Canadian securities regulators which provides supplementary information about the funds.

“**basket of securities**” means a group of securities or assets determined by Purpose from time to time representing the constituent securities of a 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 mutual fund units only, any day on which the TSX is open for trading; (ii) for a fund that offers both mutual fund units and ETF Units, any day on which the TSX, NEO or such other designated exchange on which the ETF Units of the fund may be listed from time to time, is open for trading.

“**CDS**” means CDS Clearing and Depository Services Inc.

“**CDS Participant**” means a participant in CDS that holds ETF Units of a fund on behalf of beneficial owners of ETF Units.

“**Class A Units**” means the Class A mutual fund units of a fund, as applicable.

“**Class E Units**” means the Class E mutual fund units of a fund, as applicable.

“**Class F Units**” means the Class F mutual fund units of a fund, as applicable.

“**Class I Units**” means the Class I mutual fund units of a fund, as applicable.

“**constituent issuers**” means, for a fund, those issuers whose securities are included in the portfolio of the fund from time to time.

“**constituent securities**” means, for a fund, a security of a constituent issuer or, where applicable, derivatives such as options, futures, forward contracts and swaps.

“**CRA**” means the Canada Revenue Agency.

“**dealer**” means 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 Units of a fund.

“debt securities” means obligations to repay borrowed money within a certain time, with or without interest (including, but not limited to, bonds, debentures, commercial paper, asset-backed commercial paper, notes and treasury bills (*T-bills*)).

“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 Units of the fund.

“DPSP” means a deferred profit sharing plan as defined in the Tax Act.

“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 Unit” means an ETF unit of a fund, as applicable.

“Exchange” means the TSX, NEO or such other designated exchange on which the ETF Units of a fund may be listed from time to time, as applicable.

“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.

“Foundation Wealth” means Foundation Wealth Partners LP.

“Foundation Wealth Funds” means Foundation Wealth Equity Pool, Foundation Wealth Income Pool and Foundation Wealth Diversifier Pool.

“funds” means Purpose Money Market Fund, Purpose Cash Management Portfolio, Foundation Wealth Equity Pool, Foundation Wealth Income Pool, Foundation Wealth Diversifier Pool, Purpose Credit Yield Plus Fund, Purpose Monthly Yield Plus Fund and Black Diamond Impact Core Equity 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.

“**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.

“**management expense ratio**” 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 the Purpose, from time to time, payable to certain unitholders of the funds who have signed an agreement with Purpose. Management fee rebates are reinvested in units unless otherwise requested.

“**mutual fund units**” means the Class A Units, Class F Units, Class I Units and Class E Units of a fund, as applicable.

“**NAV of the class**” and “**NAV per unit**” means, in relation to a fund, the net asset value of the fund attributable to the class of units, and the net asset value per unit of that class, calculated by the valuation agent.

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

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

“**NEO**” means NEO Exchange;

“**New Funds**” means, collectively, Purpose Credit Yield Plus Fund, Purpose Monthly Yield Plus Fund and Black Diamond Impact Core Equity Fund and “**New Fund**” means any of them;

“**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.

“**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.

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

“**RDSP**” means a registered disability savings plan as defined in the Tax Act.

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

“**RESP**” means a registered education savings plan as defined in the Tax Act.

“**return of capital**” means the return of capital which occurs when a fund pays an amount to its unitholders that is part of the capital of the fund rather than being a dividend or 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, dividends, and, in part, a return of share 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 dividends.

“**RRIF**” means a registered retirement income fund as defined in the Tax Act.

“**RRSP**” means a registered retirement savings plan as defined in the Tax Act.

“**securities**” means investments or financial instruments such as shares and debt securities.

“**sub-advisors**” means Foundation Wealth and Black Diamond Asset Management Inc., in their capacity as sub-advisor of the Foundation Wealth Funds and Black Diamond Impact Core Equity Fund, as applicable, and “**sub-advisor**” means either one of them.

“**Tax Act**” means the *Income Tax Act* (Canada), as may be amended from time to time.

“**TFSA**” means a tax-free savings account as defined in the Tax Act.

“**trading day**” means, in respect of a fund, a day on which: (i) a regular session of the TSX, NEO or such other designated exchange on which the ETF Units of the fund, as applicable, may be listed from time to time, is open for trading; and (ii) the primary market or exchange for the majority of the securities held by the fund is open for trading.

“**treasury bills (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.

“**unit**” means an ETF Unit or mutual fund unit of a fund, as applicable.

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

“**valuation agent**” means the company appointed from time to time by Purpose to calculate the NAV and NAV per unit, initially, CIBC Mellon Global Securities Services Company.

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

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 trust, you are buying a portion of that 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 or series. A multi-class structure recognizes that different investors may seek the same investment objective, yet require different investment advice and/or service. Each class or series represents an investment in the same investment portfolio of each fund. However, each class or series 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 or series on a daily basis. See "Purchases, Switches and Redemptions,— How the securities of the funds are valued" 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 unitholder 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 is a Mutual Fund and What are the Risks of Investing in a Mutual Fund?" on page 7, 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 if the fund is right for you.

The general risks with investing in a mutual fund include:

Price Fluctuation

The price of a mutual fund security will generally vary with the value of the securities it holds. Changes in interest rates, economic and stock market conditions or new company information, for example, may influence the value of securities held by a mutual fund. When you redeem mutual fund securities, their value may be less than your original investment. Changes in rates and market conditions may also cause the value of securities of the mutual fund to change from day to day.

No guarantees

Your investment in a fund is not guaranteed. Unlike bank accounts or guaranteed investment certificates (GICs), mutual fund securities 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 – When you may not be allowed to redeem your units” on page 30.

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 46, sets out the specific risks that apply to that fund. Set forth below, in alphabetical order, is a description of each of those risks.

Absence of an active market for the ETF Units

Although the ETF Units of Purpose Cash Management Portfolio or an Alternative Fund may, subject to meeting the applicable Exchange’s original listing requirements, be listed on an Exchange, there can be no

assurance that an active public market for the ETF Units for such funds will develop or be sustained. There is no assurance that an Exchange will approve the applicable listing application.

In the case of ETF Units of the Alternative Funds, listing is subject to meeting the NEO's original listing requirements. There is no assurance that the NEO will approve the listing application for ETF Units of the Alternative Funds.

Asset-backed and mortgage-backed securities risk

A fund may invest in asset-backed and mortgage-backed securities. Asset-backed securities are debt obligations that are backed by pools of consumer or business loans. Mortgage-backed securities are debt obligations backed by pools of mortgages on commercial or residential real estate. If there are changes in the market's perception of the issuers of these types of securities, or in the creditworthiness of the parties involved, then the value of the securities may be affected. In the use of mortgage-backed securities, there is also a risk that there may be a drop in the interest rates charged on mortgages, a mortgagor may default in its obligations under a mortgage or there may be a drop in the value of the property secured by the mortgage.

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.

Attacks on the Bitcoin Network risk

The Bitcoin Network is periodically subject to distributed denial of service attacks to clog the list of transactions being tabulated by miners, which can slow the confirmation of authentic transactions. Another avenue of attack would be if a large number of miners were taken offline then it could take some time before the difficulty of the mining process algorithmically adjusts, which would stall block creation time and therefore transaction confirmation time. In the past these scenarios have not caused significant delays or resulted any significant systemic issues.

Attacks on the Ethereum Network risk

The Ethereum Network is periodically subject to distributed denial of service attacks to clog the list of transactions being tabulated by miners, which can slow the confirmation of authentic transactions. Another avenue of attack would be if a large number of miners were taken offline then it could take some time before the difficulty of the mining process algorithmically adjusts, which would stall block creation time and therefore transaction confirmation time. In the past these scenarios have not caused significant delays or resulted in any significant systemic issues.

Capital depreciation Risk

The securities of certain funds aim to make regular cash distributions. Such regular distributions may include returns of capital. Also, distributions of cash will reduce the NAV of a fund which may reduce the fund's ability to generate future income. Regular monthly distributions may consist, in whole or in part, of a return of capital based on the net asset value of the fund 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.

Cease trading of constituent securities risk

If constituent securities are cease-traded at any time by a securities regulatory authority or other relevant regulator or stock exchange, Purpose may suspend the exchange or redemption of securities 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 distributions received by a fund or by unitholders.

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

The value of commodity-linked derivative instruments may be affected by changes in interest rates or events that affect a particular industry, such as changes in supply and demand relationships (whether actual, perceived or anticipated), drought, floods, weather and other natural disasters, livestock disease, technological developments, as well as embargoes, tariffs and other domestic and international political and economic developments. The current or “spot” prices of an underlying physical commodity may affect, in a volatile and inconsistent manner, the prices of futures contracts in respect of that commodity. The return on a commodities investment is derived from fluctuations in commodities prices in addition to the shape of the commodity futures curve over time. Assuming spot prices and the shape of the curve remain constant, rolling futures will yield a positive return if prices are lower in the distant delivery months than in the nearest delivery months (i.e., the curve is in “backwardation”) and a negative return if prices are higher in the distant delivery months than in the nearest delivery months (i.e., the curve is in “contango”).

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. This may increase the liquidity risk of the 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 funds and may make the volatility of net asset value of the funds relatively greater.

Conflicts of interest risk

The services to be provided or caused to be provided by the manager and a sub-advisor, if applicable, are not exclusive to the funds. Neither the manager, nor a sub-advisor is prevented from offering their services

to other funds, some of which may invest primarily in the same securities as a fund from time to time invests and which may be considered competitors of such fund. In addition, the directors and officers of the manager and a subadvisor or their respective affiliates may be directors, officers, shareholders or unitholders of one or more issuers in which a fund may acquire securities or of corporations which act as the manager of other funds that invest primarily in the same securities as a fund from time to time invests and which may be considered competitors of such fund. The manager or its affiliates may be managers or portfolio managers of one or more issuers in which a fund may acquire securities.

Counterparty risk

Due to the nature of some of the investments that the funds may undertake, the funds rely on the ability of the counterparty to the transaction to perform its obligations. In the event that a counterparty fails to complete its obligations, the funds bear the risk of loss of the amount expected to be received under options, forward contracts or securities lending agreements or other transactions in the event of the default or bankruptcy of a counterparty.

Credit ratings risk

Ratings by nationally recognized ratings agencies generally represent the agencies' opinion of the credit quality of an issuer and may prove to be inaccurate.

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. Funds that invest 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.

Cryptocurrency risk

Cryptocurrency, including Bitcoin and Ether, often referred to as "virtual currency" or "digital currency", operates as a decentralized, peer-to-peer financial exchange and value storage that is used like money. Cryptocurrency operates without the oversight of a central authority or the banks and is not backed by any government. Even indirectly, cryptocurrencies may experience high volatility and related investment vehicles may be affected by such volatility. Funds holding cryptocurrency may also trade at a significant premium to net asset value. Cryptocurrency is not legal tender. Federal, state, provincial, territorial or foreign governments may restrict the use and exchange of cryptocurrency, and regulation in North America is still developing. Cryptocurrency exchanges may stop operating or permanently shut down due to fraud, technical glitches, hackers or malware which could have an adverse impact on the net asset value of the units.

Currency risk

The assets and liabilities of each fund are valued in Canadian dollars. If a fund buys a security denominated in a foreign currency, during the time that the fund owns that security, for the purposes of calculating the NAV of that fund, we or the investment advisor will convert, on a daily basis, the value of the security into Canadian dollars. Fluctuations in the value of the Canadian dollar relative to the foreign currency will impact the NAV of the fund. If the value of the Canadian dollar has increased relative to the foreign currency, the return on the foreign security may be reduced, eliminated or made negative. The opposite can also occur and if it does occur, a fund holding a security denominated in a foreign currency may benefit from an increase in the value of the foreign currency relative to the Canadian dollar. The underlying funds in which some of the funds may invest may not hedge their foreign currency exposure and, therefore, these funds may be exposed to fluctuations in these currencies. Generally, a substantial portion of the foreign currency exposure within a fund's portfolio will be hedged back to the Canadian dollar by using derivatives including currency forward contracts in the manager's discretion.

Cyber security risk

Cyber security 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 ("Cyber Security Incidents") can result from deliberate attacks or unintentional events and may arise from external or internal sources. Deliberate cyber-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 cyber-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 Cyber Security 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. Cyber Security Incidents of a 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 Cyber Security Incidents.

The manager has established risk management systems designed to reduce the risks associated with cyber security. However, there is no guarantee that such efforts will succeed. Furthermore, the funds 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 funds or their unitholders. The funds and their 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.

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 the individual fund's investment objectives, the funds 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 require that the fund hold enough assets or cash to cover its commitments in the derivative contracts. 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:

- (a) **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;
- (b) **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; and
- (c) **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 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.

Distributions in specie

A portion of each fund's portfolio may be invested in illiquid securities and instruments. There can be no assurance that all of a fund's investments will be liquidated prior to the termination of the fund and that only cash will be distributed to its securityholders. The securities and instruments that securityholders may receive on termination may not be readily marketable and may have to be held for an indefinite period of time.

ESG Investment Risk

The ESG investment strategy of a fund may limit the investment opportunities available such fund and, as a result, the fund may underperform other funds that do not have an ESG focus.

Investors may differ in their views on what constitutes positive or negative ESG characteristics. As a result, the companies in which the fund invests, directly or indirectly, may not reflect the beliefs and values of any particular investor.

ETF risk

Certain funds may invest in ETFs. Investing in an 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.

In addition, index based ETFs are dependent upon the indices upon which they are based. If the computer or other facilities of the index providers or a stock exchange malfunction for any reason, calculation of the value of the indices and the determination by the manager of the prescribed number of units or securities and baskets of securities may be delayed and trading in securities of an ETF in a fund's portfolio may be suspended for a period of time. In the event that an index provider ceases to calculate the indices or the license agreement with the manager of an ETF is terminated, the manager of the ETF may terminate the relevant ETF, change the investment objective of the ETF or seek to replicate an alternative index (subject to investor approval in accordance with the ETF's constating documents), or make such other arrangements as the manager determines. Such occurrences may adversely impact a fund that invests in such an ETF.

Equity security 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 the fund invests will declare dividends in the future or that if declared they will remain at current levels or increase over time.

Fixed income security risk

A fund may invest in fixed income securities. Yields and principal values of debt securities (bonds) will fluctuate. Generally, values of debt securities change inversely with interest rates. As interest rates go up, the value of debt securities tends to go down. As a result, the value of a fund may go down. Furthermore, these fluctuations tend to increase as a fixed income security's time to maturity increases, so a longer-term fixed income security will decrease more for a given increase in interest rates than a shorter-term fixed income security. Fixed income securities may also be affected by changes in the credit rating or financial condition of their issuers.

Fluctuations in NAV and NAV per unit risk

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

The outbreak in December 2019 of the novel strain of coronavirus designated as COVID-19 has caused substantial economic volatility and declines in financial markets globally as well as general concern and uncertainty. The impact of COVID-19, as well as other unexpected disruptive events, may be short term or may last for an extended period of time and may have effects that cannot be foreseen at the present time. These events could also adversely affect a fund's performance and may lead to losses on your investment in a fund.

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. In addition, the commodity markets are subject to temporary distortions or other disruptions due to various factors, including a lack of liquidity in the markets, the participation of speculators and government regulation and intervention. Certain exchanges, or the U.S. CFTC, could suspend or terminate trading in a particular futures contract or contracts in order to address market emergencies. 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 of a fund as well as the fund’s ability to meet subscription, exchange and redemption requests.

Futures contract margin risk

The funds 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.

Illiquid securities risk

If a fund is unable to dispose of some or all of the securities held by it, that 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 are particularly illiquid, the manager may be unable to acquire the number of securities it would like to at a price acceptable to the manager on a timely basis.

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.

Large redemption/investors/transaction risk

Some funds may have particular investors who own a large proportion of the outstanding units of the mutual fund. For example, other institutions such as banks and insurance companies or other mutual fund companies may purchase units of the funds for their own mutual funds, segregated funds, structured notes or discretionary managed accounts. Retail investors may also own a significant amount of a fund.

If one of those investors redeems a large amount of their investment in a fund, the fund may have to sell its portfolio investments at unfavourable prices to meet the redemption request. This can result in significant price fluctuations to the net asset value of the mutual fund, and may potentially reduce the returns of the mutual fund.

Legal risk

Companies that provide products or services to consumers may face the financial risk from uncertainty in laws, regulations or legal actions.

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 the fund's NAV.

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 held by it, that 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 are particularly illiquid, the manager may be unable to acquire the number of securities it would like to at a price acceptable to the manager on a timely basis.

The value of a fund that holds illiquid securities may rise and fall substantially because the fund may not be able to sell the securities for the value that we use in calculating the NAV of the fund. There are restrictions on the amount of illiquid securities a fund may hold.

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

Each fund offers 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 class's 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 mutual fund as a whole is legally responsible for the financial obligations of all of its classes.

No ownership interest risk

An investment in securities of a fund does not constitute an investment in the securities comprising the fund's portfolio. Fund securityholders will not own the securities held by the fund.

Private company risk

There are risks associated with investing in private company securities. For example, there is typically less available information concerning private companies than for public companies. The valuation of private company securities is also more subjective and private company securities are very illiquid as there are no established markets for such securities. As a result, in order to sell this type of holding, a fund that holds securities of private companies may need to discount the securities from recent prices or dispose of the securities over a long period of time.

Rebalancing and adjustment risk

For funds that offer ETF Units, 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

Unitholders of a fund will be dependent on the ability of the manager and the sub-advisor, as applicable, to effectively manage a fund in a manner consistent with its investment objectives, investment strategies and investment restrictions. 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 the 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 a fund is not covered by the Canada Deposit Insurance Corporation or any other government deposit insurer.

Securities lending and repurchase and reverse repurchase transaction risk

A fund 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, a 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 a 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 a 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, a 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 a 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.

A fund may not commit more than 50% of its NAV to securities lending or repurchase transactions at any time and such transactions may be ended at any time.

Short selling risk

Some of the funds may engage in a limited amount of short selling. A "short sale" occurs when 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.

Small capitalization company risk

Some of the funds may invest in securities of small capitalization companies. The business models for these companies involve significant risks including the entire loss of the investment in the company. These companies can also provide significant returns if their underlying business grows at a substantial rate. Small capitalization companies typically have limited market and financial resources. They are less able to sustain adverse competitive and market changes. Companies with small capitalizations may not have a well-developed or liquid market for their securities. Accordingly, these securities may be difficult to trade, making their prices more volatile than securities of companies with large capitalization.

Tax risk

There can be no assurance that the tax laws applicable to a fund 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 fund or its unitholders.

If a fund does not, or ceases to, qualify as a “mutual fund trust” under the Tax Act, the income tax considerations described in “Income Tax Considerations for Investors – Tax ” on page 41 would be materially and adversely different in certain respects.

There can be no assurance that Canadian federal income tax laws and the administrative policies and assessing practices of the CRA respecting the treatment of mutual fund trusts will not be changed in a manner that adversely affects a fund or their unitholders. For example, changes to tax legislation or the administration thereof could affect the taxation of a fund or the constituent issuers in the fund’s portfolio.

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 additional 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. An exemption from the application of the loss restriction event rules may be available to a trust that at all times qualifies 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 a fund in non-resident funds that are trusts; however no assurances can be given in this regard.

Third-party ESG Reporting and Scoring risk

ESG risk ratings and scores from Bloomberg, Sustainalytics, Standard and Poor’s and MSCI, as well as others, may be used to assist in the portfolio management process of certain funds. In such instances, the

focus relating to portfolio construction will be on companies making an impact on the environment, in priority to societal or governmental factors. As a result, an issuer may be included in a fund's portfolio without having a high ESG score or low risk rating.

Trading price of ETF Units

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

Underlying fund risk

A fund may pursue its investment objectives indirectly by investing in securities of other funds, including ETFs, 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.

ORGANIZATION AND MANAGEMENT OF THE FUNDS

This section tells you about the companies that are involved in managing or providing services to the funds.

Manager:

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

Purpose is the manager, trustee, 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.

Trustee:

Purpose Investments Inc.
Toronto, Ontario

The trustee holds actual title to the property in each fund on behalf of the securityholders of the funds.

Portfolio Advisor:

Purpose Investments Inc.
Toronto, Ontario

The portfolio advisor is responsible for the investment portfolio of the funds. The portfolio advisor conducts research, selects, purchases, sells, and makes all investment decisions with regard to the portfolio securities of the funds. The portfolio advisor is responsible for any loss that arises out of any failure of the portfolio advisor: (i) to exercise the powers and discharge the duties of its office honestly, in good faith and in the best interests of the fund; or (ii) to exercise the degree of

care, diligence and skill that a reasonably prudent person would exercise in the circumstances.

Sub-Advisors:

Foundation Wealth Partners LP
Toronto, Ontario

The sub-advisors have been hired by Purpose to provide investment advice to Purpose in respect of the Foundation Wealth Funds and Black Diamond Impact Core Equity Fund, as applicable and as indicated in the fund description of each such fund.

Black Diamond Asset
Management Inc.
Toronto, Ontario

Foundation Wealth Partners LP is an affiliate of Purpose.

Custodian:

CIBC Mellon Trust Company
Toronto, Ontario

The custodian holds the assets of the funds.

**Registrar and Transfer
Agents of the mutual fund
units:**

CIBC Mellon Global Securities
Services Company
Toronto, Ontario

CIBC Mellon Global Securities Services Company, at its principal office in Toronto, Ontario, is the registrar and transfer agent for the mutual fund units. The register for the mutual fund units is kept in Toronto.

**Registrar and Transfer
Agent and Plan Agent of the
ETF Units:**

TSX Trust Company
Toronto, Ontario

TSX Trust Company, at its principal offices in Toronto, Ontario, is the registrar and transfer agent and dividend reinvestment plan agent for the ETF Units. The register for the ETF Units is kept in Toronto.

Auditor:

Ernst & Young LLP
Toronto, Ontario

As auditors, Ernst & Young LLP, Chartered Professional Accountants, Licensed Public Accountants, annually audit the financial statements of the funds to determine whether they fairly present, in all material respects, the funds' financial position, results of operations and changes in net assets in accordance with International Financial Reporting Standards. Ernst & Young LLP is independent of the funds within the meaning of the CPA Code of Professional Conduct of the Chartered Professional Accountants of Ontario.

Securities Lending Agent:

CIBC Mellon Trust Company
Toronto, Ontario

The securities lending agent acts on behalf of the funds in administering the securities lending transactions, repurchase transactions and reverse repurchase transactions entered into by the funds.

Independent Review Committee:

Under Canadian securities laws, the funds are required to have an independent review committee. Purpose is advised by an independent review committee (“IRC”) consisting of 3 members each of whom is independent of Purpose, the funds and entities related to Purpose. In fulfilling its duties, the IRC reviews and provides input on conflict of interest matters in respect of Purpose and the funds. The IRC also provides advice to Purpose on other issues relating to the management of the funds.

The IRC prepares, at least annually, a report for unitholders of its activities. This report will be available, at no cost, on the Purpose website at www.purposeinvest.com or upon request, at no cost, by contacting Purpose by email at info@purposeinvest.com.

Additional information about the independent review committee, including the names of its members, is available in the funds’ annual information form.

Investments in 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.

PURCHASES, SWITCHES AND REDEMPTIONS

You can buy funds, transfer or convert from one fund to another (where permitted) through a qualified financial advisor or broker. Transferring, which involves moving money from one investment to another, and converting are also known as switching. Selling may also be known as “redeeming”. ETF Units may be sold over an Exchange for the price then available in the market.

When you are buying or selling units of a fund directly with the fund, we base the transaction on the price of the Unit. The price per unit is called the net asset value or “NAV” per unit. See “Purchases, Switches and Redemptions – How the securities of the funds are valued” on page 22.

No unit of a New Fund will be issued unless subscriptions aggregating not less than \$500,000 have been received and accepted by the New Fund from investors other than the manager, portfolio advisor, promoter or sponsor of the New Fund or any of their respective partners, directors, officers or securityholders.

How the securities of the funds are valued

A 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 NAV per unit (“unit value”). We usually calculate the unit value for each class of a fund on each business day after the TSX closes, but in some circumstances, we may calculate it at another time. A business day is any day on which a regular session of the TSX is held. The NAVs can change daily. A separate NAV 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, switch or redemption order.

The NAV 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 a class.
- (b) Second, we subtract the liabilities allocated to that class from the fair value of such class. The difference between the fair value of all the assets and the liabilities expressed in Canadian dollars at the applicable exchange rate on such date of a class is the NAV for that class.
- (c) Lastly, we divide the NAV for a class by the total number of units of that class that investors in the fund are holding, which gives us the NAV for that class.

You can determine the worth of your investment in a fund by multiplying the NAV of 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 and administration fee. The difference in fund costs, management fees and administration fees between each class means that each class has a different NAV per unit.

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

How to buy, redeem and switch

It is up to you or your investment professional, if applicable, to determine which class is appropriate for you. Different classes 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. See "Fees and Expenses" on page 35 and "Dealer Compensation" on page 39.

Issuance of mutual fund units

Class A Units

Class A Units are available to all investors through authorized dealers. Class A Units are Canadian dollar denominated.

Class F Units

Class F Units are available to investors through authorized dealers. The manager has designed the Class F Units 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 Units pay fees to their dealer for investment advice and other services. At its discretion, the manager may also offer Class F units to other investors. The

manager does not pay any commissions to dealers in respect of the Class F Units which allows it to charge a lower management fee. Class F Units are Canadian dollar denominated.

If a unitholder ceases to be eligible to hold Class F Units of a fund, the manager may switch such unitholder's Class F Units into Class A Units of the same fund, if Class A Units are available, 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 Units. Unitholders may be charged a sales commission in connection with the switch by their dealer.

Class F Units of the Foundation Wealth Funds are presently closed to new and additional investments, other than in respect of automatic reinvestments. New and additional investments may again become available at the discretion of the manager and without notice to securityholders.

Class I Units

Class I Units 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 Units. If a securityholder ceases to be eligible to hold Class I Units, the manager may switch a securityholder's Class I Units 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 Units. Securityholders may be charged a sales commission in connection with the switch by their dealer.

Class E Units

Class E Units of the Foundation Wealth Funds are only available to investors who have accounts with certain dealers and advisors that have an agreement with the manager regarding the purchase of such Class E Units.

Initial investment

An investment in mutual fund units requires unitholders to invest and maintain a minimum balance. The table below outlines the minimums along with the minimum requirements for additional investments, pre-authorized purchase plans and redemptions of certain securities. See "Optional Services" on page 32.

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

Notes:

- (1) Investors purchasing through dealers may be subject to higher minimum initial or additional investment/redemption amounts.
(2) Minimums are per transaction.

Mutual fund units

If your balance falls below the minimum required balance for a class or you otherwise become ineligible to hold a class we may redeem or switch your units. Where a unitholder is or becomes a citizen or resident of the U.S. or a resident of any other foreign country, we may require such unitholder to redeem their units if their participation has the potential to cause adverse regulatory or tax consequences for a fund or other

unitholders of the fund. We may redeem your units if we are permitted or required to do so, including in connection with the termination of a fund and 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.

For us to act on an order to buy, redeem or switch units of a fund, the branch, telephone salesperson or dealer 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 the fund (“order cut-off time”) and assume all associated costs.

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 TSX, the NAV paid or received will be determined relative to that time. All orders are processed within two business days. You will find more information about buying and redeeming units of the funds in the funds’ annual information form. A dealer may establish earlier order cut-off times. Check with your dealer for details.

You have to pay for your units when you buy them. If we do not receive payment in full, we will cancel your order and redeem the units. If we redeem the units of a fund 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 the funds we received with your order.

Issuance of ETF Units

The TSX has conditionally approved the listing of ETF Units of Purpose Cash Management Portfolio. Listing is subject to Purpose Cash Management Portfolio fulfilling all of the requirements of the TSX on or before March 3, 2023. Subject to meeting the TSX’s original listing requirements in respect of the ETF Units of Purpose Cash Management Portfolio, and a receipt being issued for the final prospectus of Purpose Cash Management Portfolio by the securities regulatory authorities, ETF Units will be listed on the TSX and offered on a continuous basis, and an investor will be able to buy or sell ETF Units of Purpose Cash Management Portfolio on the TSX through registered brokers and dealers in the province or territory where the investor resides.

The NEO Exchange (“NEO”) has conditionally approved the listing application of the ETF Units of the Alternative Funds. Listing is subject to the Alternative Funds fulfilling all of the requirements of NEO. Subject to meeting the NEO’s original listing requirements in respect of the ETF Units of the Alternative Funds, and a receipt being issued for the final prospectus of the Alternative Funds by the securities regulatory authorities, ETF Units of the Alternative Funds will be listed on NEO and offered on a continuous basis, and an investor will be able to buy or sell ETF Units of an Alternative Fund on NEO through registered brokers and dealers in the province or territory where the investor resides.

Subject to the approvals noted above, ETF Units are therefore expected to be available to all investors. The ETF Units will be issued and sold on a continuous basis and there is no maximum number of ETF Units

that may be issued. An investor will be able to buy or sell such securities on the applicable Exchange 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 Units.

All orders to purchase ETF Units directly from a fund must be placed by designated brokers or dealers. A fund reserves 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 Units. On the issuance of ETF Units, 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 Units. There is no minimum investment required for ETF Units of a fund.

Purpose, on behalf of each fund that offers ETF Units, has entered, or will enter, into a designated broker agreement with a designated broker pursuant to which the designated broker agrees, or will agree, to perform certain duties relating to the ETF Units of the fund including, without limitation: (i) to subscribe for a sufficient number of ETF Units to satisfy the applicable Exchange's original listing requirements; (ii) to subscribe for ETF Units on an ongoing basis in connection with the rebalancing of and adjustments to the portfolio of the fund; and (iii) to post a liquid two-way market for the trading of ETF Units on the applicable 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, or will provide, that Purpose may from time to time require the designated broker to subscribe for ETF Units of a fund for cash in a dollar amount not to exceed 0.30% of the NAV of the ETF Units of a fund per quarter. The number of ETF Units issued will be the subscription amount divided by the NAV per ETF Unit next determined following the delivery by Purpose of a subscription notice to the designated broker. Payment for the ETF Units must be made by the designated broker, and the ETF Units, as applicable, 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 Units (or an integral multiple thereof) of a fund. If a subscription order is received by a 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 Units (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 Units has been received.

For each prescribed number of ETF Units 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 ETF 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 ETF Units of the fund next determined following the receipt of the subscription order and cash subscription fee, if applicable; (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 ETF 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 Units from time to time.

ETF Units 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 Units occur. See "Purchases, Switches and Redemptions – Redemptions – ETF Units" on page 29.

Short-term trading

Mutual fund units

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

Some investors may seek to trade 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 a fund to the detriment of other unitholders. 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 particular circumstances, Purpose will employ a combination of preventative and detective measures to discourage and identify excessive short-term trading in a fund, including:

- (a) imposition of short-term trading fees; and
- (b) monitoring of trading activity and refusal of trades.

ETF Units

At the present time, we are of the view that it is not necessary to impose any short-term trading restrictions on the funds that offer ETF Units as the ETF Units 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 Units 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.

Short-term trading fees for mutual fund units

If you redeem mutual fund units within 30 days of purchase, we may charge a short-term trading fee on behalf of a fund in circumstances where we determine 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 a fund.

Fees charged will be paid directly to the applicable 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 mutual fund where redemption notice requirements have been established by Purpose.

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 unitholders. 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 30 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.**

Purchases

Each fund has an unlimited number of classes of units and may issue an unlimited number of units of each class. See “Purchases, Switches and Redemptions – How to buy, redeem and switch” on page 23.

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 a 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 mutual fund units of a fund, the price you pay is the NAV of those units. Each class of units has a separate NAV. See “Purchases, Switches and Redemptions – How the securities of the funds are valued” on page 22.

When you buy Class A Units 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 Units 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.

We may limit or “cap” the size of a fund by restricting new purchases. We will continue redemptions and the calculation of a fund’s NAV for each class of units. We may subsequently decide to start accepting new purchases at any time.

Switches

Switching of Units

Unitholders may not switch mutual fund units of a fund for ETF Units, ETF shares, mutual fund shares or ETF units of any other fund managed by Purpose. Holders of mutual fund units may convert units of any class into units of any other class of the same fund.

Redemptions

Mutual fund units

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 – How to buy, redeem and switch” on page 23 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 TSX, the NAV value received will be determined relative to that time. Note that your dealer may establish an earlier cut-off time.

Redemption requests for mutual fund units of a fund must be for an amount of at least \$1,000 (unless the account balance is less than \$1,000). If your balance falls below the minimum required balance for a fund or you otherwise become ineligible to hold the fund we may redeem your units.

Within two business days following each valuation date, we will pay to each unitholder 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 unitholder's bank account or the mailing of a cheque in a postage prepaid envelope addressed to the unitholder unless the cheque is not honoured for payment.

Your redemption transaction will not be processed until your dealer has received all documentation. 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 applicable 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 CRA any capital gains or losses that you realize from redeeming units of the fund.** If you hold your fund units in a Registered Plan, withholding tax may apply if you withdraw money from the plan.

ETF Units

Redemption of ETF Units for Cash

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

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

Exchange of ETF Units for baskets of securities

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

To effect an exchange of a prescribed number of ETF Units, a holder of ETF Units 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 Units of the applicable fund on the effective day of the exchange request, payable by delivery of baskets of securities and cash. The ETF Units 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 Units should be aware that the NAV per ETF Unit of a fund will decline by the amount of the dividend on the ex-dividend date, which is one trading day or such other day as announced by the manager prior to the dividend record date. A securityholder that is no longer a holder of record on the applicable dividend record date will not be entitled to receive that dividend.

Costs associated with exchange and redemption

Purpose may charge to a holder of ETF Units, 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 Units of such fund.

Exchange and redemption of ETF Units through CDS Participants

The exchange and redemption rights described above must be exercised through the CDS Participant through which the holder of ETF Units holds its ETF Units, as applicable. Beneficial owners of ETF Units should ensure that they provide exchange and/or redemption instructions to the CDS Participants through which they hold ETF Units sufficiently in advance of the cut-off times described above.

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 the applicable 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 consideration for holders of ETF Units

The provisions of the “early warning” requirements set out in Canadian securities legislation do not apply in connection with the acquisition of ETF Units. The funds obtained exemptive relief from the securities regulatory authorities to permit holders of ETF Units to acquire more than 20% of the ETF Units of any fund through purchases on the applicable 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 Units of that fund at any meeting of securityholders.

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 each fund intends to satisfy its obligations under Canadian law for enhanced tax reporting to the CRA. As a result of such status, certain unitholders may be requested to provide information to a 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 unitholder 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 unitholder does not provide the requested information and indicia of US status is present, the IGA and Part XVIII of the Tax Act will generally require information about the unitholder’s investment in a fund to be reported to the CRA, unless the investment is held in a Registered Plan. The CRA is then required to 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 a fund for the purposes of such information exchange, unless the investment is held within a Registered Plan.

Registration and transfer through CDS – ETF Units

Registration of interests in, and transfers of, ETF Units, will be made only through CDS. ETF Units must be purchased, transferred and surrendered for exchange or redemption only through a CDS Participant. All rights of an owner of ETF Units 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 Units. Upon purchase of any ETF Units the owner will receive only the customary confirmation; physical certificates evidencing your ownership will not be issued. References in this simplified prospectus to a holder of ETF Units mean, unless the context otherwise requires, the beneficial owner of such ETF Units.

Neither the funds, nor the manager will have any liability for: (i) records maintained by CDS relating to the beneficial interests in the ETF Units 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 Units to pledge such ETF Units or otherwise take action with respect to such owner's interest in such ETF Units (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 Units through the book-based system in which case certificates for ETF Units in fully registered form will be issued to beneficial owners of such ETF Units to their nominees.

OPTIONAL SERVICES

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

Distribution reinvestment plan

Mutual fund units

A fund may earn income from its investments. It 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 of the same fund. 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 Units

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

Holders of ETF Units who are not residents of Canada may not participate in the reinvestment plan and any holder of ETF Units 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 Units who wishes to enrol in the reinvestment plan as of a particular dividend/distribution record date should notify the CDS Participant through which the holder holds its ETF Units sufficiently in advance of that dividend/distribution record date to allow such CDS Participant to notify CDS by 4:00 p.m. (Toronto time) on the dividend/distribution record date.

Dividends or distributions, as the case may be, 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 dividends/distributions under the reinvestment plan will not relieve ETF plan participants of any income tax applicable to such dividends/distributions. See “Income Tax Considerations for Investors” on page 41.

ETF plan participants may voluntarily terminate their participation in the reinvestment plan as of a particular dividend/distribution record date by notifying their CDS Participant sufficiently in advance of that dividend/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 dividend/distribution payment date after such notice is received from an ETF plan participant and accepted by a CDS Participant, dividends/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 Units; (ii) the plan agent; and (iii) if necessary, the applicable Exchange.

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 Units; (ii) the plan agent; and (iii) if necessary, the applicable 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 fund. 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” on page 23 for the minimum initial investment and the minimum additional investments required for the fund or class.
- (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.
- (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. Please contact your dealer or advisor for details. 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 minimum initial investment and the minimum additional investments required for the applicable 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.

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 the 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 CRA any capital gains or losses you realize on units disposed of.

Registered Plans

A fund may be purchased within all Registered Plans subject to tax rules that deal with prohibited investments. See "Income Tax Considerations for Investors – For units held in a Registered Plan" on page 42.

Registered Plans receive special treatment under the Tax Act. You should consult your tax advisor for more information about the tax implications of investing in a fund through a Registered Plan.

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 a fund. A fund 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 fund.

Being “no-load” classes, the type and level of expenses payable by Class F Units, Class I Units and Class E Units 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 the fund or the manager) is made in connection with the holding of securities of the fund. In the case of such changes by an arm’s length party, no prior consent is needed but securityholders 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 fund.

Purpose is the manager, trustee, 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 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, a 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.

Management fee rebates

To achieve effective and competitive management fees, Purpose may reduce the management fee borne by certain unitholders who have signed an agreement with Purpose. Purpose will pay out the amount of the reduction in the form of a management fee rebate directly to the eligible unitholder. 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 unitholder and Purpose. Purpose reserves the right to discontinue or change management fee rebates at any time.

Operating expenses

Purpose Money Market Fund and Purpose Cash Management Portfolio

Purpose has agreed to pay for certain operating and administrative expenses (the “administrative expenses”) incurred by Purpose Money Market Fund and Purpose Cash Management Portfolio in respect of units which exceed 0.05% per annum of the NAV of each of such fund’s classes of units. This means a fund pays only up to 0.05% per annum of the NAV of each such class of units for administrative expenses, plus the other costs and expenses referred to below. Administrative expenses include accounting, audit and legal fees, custodial fees, investor reporting cost for annual and semi-annual financial statements, expenses in connection with the preparation of prospectus and other regulatory reports, regulatory filing fees and other operating and administrative expenses incurred in connection with the day-to-day operation of the fund.

However, administrative expenses do not include, and a fund will be responsible for paying (the “additional expenses”), the costs and expenses incurred in complying with NI 81-107 (including any expenses related to the implementation and on-going operation of an independent review committee), the costs and expenses incurred in connection with the distribution reinvestment plan, portfolio transaction costs including brokerage expenses and commissions, transfer agency fees and expenses, income and withholding taxes as well as all other applicable taxes, including HST, bank charges and interest expenses, the costs of complying with any new governmental or regulatory requirement introduced after the fund was established and extraordinary expenses including any costs associated with the printing and distribution of any documents that the securities regulatory authorities require be sent or delivered to investors in the fund. The administrative expenses and additional expenses payable by the fund, plus applicable HST, will be calculated and accrued daily and paid monthly in arrears.

Purpose may, from time to time, in its sole discretion, pay all or a portion of any additional expenses which would otherwise be payable by the fund.

Foundation Wealth Funds

Each Foundation Wealth 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, interest expenses, administrative costs, regulatory participation fees, investor servicing costs and costs of financial and other reports to investors, as well as prospectuses.

All Funds – Independent Review Committee

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 funds 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, subject to a maximum of \$70,000 per member per annum over all the funds managed by Purpose. The annual retainer is apportioned among the funds managed by Purpose for which the IRC acts in a manner that is fair and reasonable. Members are also entitled to be reimbursed for all reasonable expenses incurred in the performance of their duties.

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.

A fund's share of the IRC's compensation will be disclosed in the fund's financial statements.

Effect of HST on MERs - All Funds

Operating expenses and other costs of the funds are subject to applicable taxes. 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 unitholders 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 unitholders will have an impact on the management expense ratio of a fund year over year.

Fund of funds fees and expenses

A fund may 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 and administration 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 fund in relation to its purchases or redemptions or 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 Units you buy. We deduct

the sales charge from the amount you invest and pay it to your dealer as a commission.

Short-term trading fees - mutual fund units

If a holder of mutual fund units redeems mutual fund units within 30 days of purchasing such units, the manager may charge a short-term trading fee on behalf of the applicable fund of up to 2% of the value of such mutual fund 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 Units.

See “Purchases, Switches and Redemptions – Short-Term Trading – Short-term trading fees for mutual fund units” on page 27.

Redemption fees

None

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.

Fees for fee-based accounts

You may have to pay an annual fee to your dealer based on the market value of your units. The amount of the fee is determined between you and your financial advisor.

Other fees and expenses

You may have to reimburse your dealer if it suffers a loss as a result of our having to redeem your units for insufficient payment. See “Purchases, Switches and Redemptions – How to buy, redeem and switch” on page 23.

ETF Unit administration fee

You may have to pay the fund an administration fee of up to 2% of the value of any ETF Units you exchange or redeem to offset certain transaction costs associated with the exchange or redemption of ETF Units.

Impact of sales charges

The following table shows the fees that you would pay if:

- (a) you invested \$1,000 in units of a fund; and
- (b) you held that investment for one, three, five or 10 years and you redeemed the entire investment immediately before the end of that period.

| | Fee at time of purchase | Redemption fee before end of: | | | |
|---------------|-------------------------|-------------------------------|---------|---------|----------|
| | | 1 year | 3 years | 5 years | 10 years |
| Class A Units | \$50 ¹ | Nil | Nil | Nil | Nil |
| Class F Units | Nil | Nil | Nil | Nil | Nil |
| Class I Units | Nil | Nil | Nil | Nil | Nil |
| Class E Units | Nil | Nil | Nil | Nil | Nil |
| ETF Units | Nil | Nil | Nil | Nil | Nil |

Note:

- (1) Assumes the maximum initial sales charge of 5%. The actual amount of the initial sales charge will be negotiated by you and your dealer. Purpose does not receive a sales charge or commission when you buy and redeem units.

DEALER COMPENSATION

How your investment professional and dealer are paid

Your investment professional usually is the person through whom you purchase a fund. 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.

Class A Units

If you buy Class A Units, 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 Units. A fund may also charge a short-term trading fee if you redeem your units within 30 days of buying them. See “Purchases, Switches and Redemptions – Short-Term Trading – Short-term trading fees for mutual fund units” on page 27.

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 Units of a fund. 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.

Annual Trailing Commission

| Fund | Class A Units |
|---------------------------------------|----------------------|
| Purpose Money Market Fund | 0.25% ⁽¹⁾ |
| Purpose Cash Management Portfolio | 0.25% ⁽¹⁾ |
| Purpose Credit Yield Plus Fund | 0.25% ⁽¹⁾ |
| Purpose Monthly Yield Plus Fund | 0.25% ⁽¹⁾ |
| Black Diamond Impact Core Equity Fund | 0.25% ⁽¹⁾ |

Note:

(1) Plus applicable HST.

We do not pay service fees on Class F Units, Class I Units, Class E Units or ETF Units.

Class F Units

We do not pay your dealer a commission if you buy Class F Units. Investors who buy Class F Units pay a negotiated fee to their dealer for investment advice and other services. A fund may also charge a short-term trading fee if you redeem your units within 30 days of buying them. See “Purchases, Switches and Redemptions – Short-Term Trading – Short-term trading fees for mutual fund units” on page 27.

Class I Units

We do not pay your dealer a commission if you buy Class I Units. Investors who buy Class I Units 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 30 days of buying them. See “Purchases, Switches and Redemptions – Short-Term Trading – Short-term trading fees for mutual fund units” on page 27.

Class E Units

We do not pay your dealer a commission if you buy Class E Units. A fund may also charge a short-term trading fee if you redeem your units within 30 days of buying them. See “Purchases, Switches and Redemptions – Short-Term Trading – Short-term trading fees for mutual fund units” on page 27.

ETF Units

We do not pay your dealer a commission if you buy ETF Units. At the present time, we are of the view that it is not necessary to impose any short-term trading restrictions on the ETF Units. See “Purchases, Switches and Redemptions – Short-term trading fees for mutual fund units” on page 27.

Other forms of dealer support

We may participate in co-operative advertising programs with dealers to help them market a fund. 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 Practices*.

DEALER COMPENSATION FROM MANAGEMENT FEES

During the financial year ended December 31, 2021, we paid or caused to be paid total cash compensation (sales commissions, trailing commissions or other kinds of dealer compensation such as promotional activities) to dealers who distributed securities of the mutual funds managed by the manager representing approximately 41.22% of the total management fees received by the manager from the funds managed by the manager during such periods.

INCOME TAX CONSIDERATIONS FOR INVESTORS

This section describes how your investment in a fund will be subject to Canadian income tax. This description is a general summary and assumes that:

- (a) you are a Canadian resident individual (other than a trust) for Canadian tax purposes;
- (b) you deal with the fund at arm's length; and
- (c) you hold your units as capital property and your transactions in units will be taxed on capital account.

Everyone's tax situation is different. You should consult your tax advisor about your individual situation.

How you can earn money from your investment

Your investment in a fund can earn money from:

- (a) distributions paid by the fund, which may consist of ordinary distributions, capital gains distributions or a return of capital; and
- (b) any capital gains you realize when you redeem units of the fund.

Tax status of the funds

This summary is based on the assumption that each fund, other than Purpose Cash Management Portfolio, will qualify at all times as a “mutual fund trust” within the meaning of the Tax Act. For a fund to qualify as a “mutual fund trust,” it must comply on a continuous basis with certain requirements relating to the qualification of its units for distribution to the public, the number of unitholders of the fund and the dispersal of ownership of its units. The manager expects that each Foundation Wealth Fund will file an election under the Tax Act with its first income tax return to be deemed to be a mutual fund trust from the date the fund was created. Purpose Cash Management Portfolio will qualify as a “mutual fund trust” within the

meaning of the Tax Act once it complies with the number of its unitholders and dispersal of ownership requirements which generally requires it to have at least 150 different investors.

How your investment is taxed

The tax you pay on your investment depends on whether you hold your units in a Registered Plan.

For units held in a Registered Plan

Eligibility

It is intended that units of each fund will be qualified investments for Registered Plans.

In the case of a TFSA, RRSP, RRIF, RESP and a RDSP, provided that you do not hold a significant interest in a fund in which you hold units and you deal at arm's length with the fund for purposes of the Tax Act, the units of such fund will not be a prohibited investment for your TFSA, RRSP, RRIF, RESP or RDSP. You should speak to your own tax advisor about the prohibited investment rules.

Distributions and capital gains

If you hold your units of a fund in a Registered Plan, you will not pay tax on distributions on units or capital gains from the disposition of units so long as they remain within the plan. However, any withdrawals or distributions from your Registered Plan may be subject to tax (other than a return of contributions from an RESP or certain withdrawals from an RDSP and withdrawals from a TFSA).

For units held in a non-registered account

Distributions

If you hold your units of a fund outside a Registered Plan, in calculating your income each year you must take into account the amount of any distributions (including any management fee distributions) paid or payable by the fund, whether you receive the distributions in cash or you reinvest them in units of the fund. Any amount reinvested in additional units of a fund will be added to the adjusted cost base of your units.

Distributions from a fund are treated as ordinary income, capital gains, foreign income, taxable dividends from Canadian corporations or non-taxable amounts (including a return of capital). Each type of distribution is taxed differently. For more information, please see the funds' annual information form.

You will be informed each year of the type of distributions paid to you and what amounts are treated as taxable capital gains, foreign income, taxable dividends from Canadian corporations and non-taxable amounts (including a return of capital), and the amount of any foreign taxes paid by a fund for which you may be able to claim a credit for tax purposes to the extent permitted by the Tax Act, where those items are applicable.

The NAV of the units may include income and/or capital gains that have been earned but not yet distributed. If you buy units of a fund just before it makes a distribution, such as just before a year-end distribution and you become entitled to receive that distribution, you will be taxed on that distribution payment even though it may have been reflected in the price you paid for your units.

If you redeem your units partway through a distribution period, you will not receive a distribution for those units as entitlement to distributions depends on holding units at the time of the distribution. However, a

portion or all of the distribution amount will be reflected in the price you received for selling your units. For Purpose Money Market Fund and Purpose Cash Management Portfolio, where we intend to maintain a fixed unit value, distribution amounts are not reflected in their unit value. For Purpose Money Market Fund and Purpose Cash Management Portfolio, distributions are accrued daily and you will receive the accrued distribution if you redeem your units part way through a month.

If you pay management fees directly in respect of units of a fund held outside a Registered Plan, you should consult your own tax advisor with respect to the deductibility of such management fees in your own particular circumstances.

Calculating your capital gains or losses when you redeem your units

You are responsible for tracking and reporting to the CRA any capital gain or loss that you realize. Your capital gain or loss for tax purposes on a redemption of units is the difference between the amount you receive for the redemption (less any fees) and the adjusted cost base of those units. One-half of a capital gain or a capital loss is taken into account in determining taxable capital gains and allowable capital losses. Allowable capital losses are only deductible against taxable capital gains in accordance with detailed tax rules. You may also realize capital gains or losses on units redeemed to pay any fees in connection with short-term trading fees.

In certain situations where you dispose of units of a fund and would otherwise realize a capital loss, the loss will be denied. This may occur if you, your spouse or another person affiliated with you (including a corporation controlled by you) has acquired units of the same fund (which are considered to be “substituted property”) within 30 days before or after you dispose of your units and the substituted units continue to be held at the end of the 30 day period after the disposition. In these circumstances, your 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 you have bought units at various times, you will likely have paid various prices. This includes units you received through reinvested distributions or switches. Your adjusted cost base of a unit of a class is the weighted average cost of all the units you hold in that class of such fund.

How to calculate the adjusted cost base of a unit of a class of a fund:

- (a) Start with your initial investment, including any sales charges you paid.
- (b) Add any additional investments, including any sales charges you paid, including any management fee rebates reinvested in additional units of the class.
- (c) Add the amount of any reinvested distributions.
- (d) Subtract the adjusted cost base of any units that were previously sold, redeemed to another fund or to another class.
- (e) Subtract any distributions that have been treated as a return of capital.
- (f) Divide the result of the foregoing by the number of units of that class that you own.

Portfolio turnover rate

In general, the higher the portfolio turnover rate of a fund in a year, the greater the chance that a unitholder may receive a capital gains dividend or distribution. If reinvested, this amount will be added to the adjusted cost base of the unitholder's units for tax purposes. There is not necessarily a relationship between a high turnover rate and the performance of a fund. However, a high turnover rate for a fund will increase trading costs, which are expenses payable by the fund.

Alternative minimum tax

Individuals (and certain trusts) who receive distributions of taxable capital gains or taxable Canadian dividends from a fund or who realize net capital gains from the disposition of units of the fund may be subject to alternative minimum tax under the Tax Act.

WHAT ARE YOUR LEGAL RIGHTS?

Mutual Fund Units

Securities legislation in some provinces gives you the right to withdraw from an agreement to buy mutual funds within two business days of receiving the simplified prospectus or fund facts, or to cancel your purchase within 48 hours of receiving confirmation of your order.

Securities legislation in some provinces and territories also allows you to cancel an agreement to buy shares or units of a mutual fund and get your money back or to make a claim for damages, if the simplified prospectus, annual information form, fund facts or financial statements misrepresent any facts about the fund. These rights must usually be exercised within certain time limits.

For more information, refer to the securities legislation of your province or territory or consult your lawyer.

ETF Units

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase ETF Units 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 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.

The purchaser 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

Exemptions and approvals

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

- (a) the purchase by a securityholder of a fund of more than 20% of the ETF Units of that fund through purchases on a stock exchange without regard to the take-over bid requirements of Canadian securities legislation;
- (b) to relieve the funds from the requirement that a prospectus contain a certificate of the underwriters;
- (c) to relieve the funds from the requirement to include in the prospectus a statement respecting purchasers' statutory rights of withdrawal and remedies of rescission as prescribed in Item 11 of Part A of Form 81-101F1 – *Contents of Simplified Prospectus*;
- (d) 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 Units 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 Units in accordance with the provisions of National Instrument 81-101 – *Mutual Fund Prospectus Disclosure*, other than the requirements pertaining to the filing of a fund facts document; and
- (e) the Alternative Funds have obtained exemptive relief from the restriction in subsection 5.1(4) of National Instrument 81-101 *Mutual Fund Prospectus Disclosure* ("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 Purpose, or an affiliate of Purpose, acts as the investment fund manager.

SPECIFIC INFORMATION ABOUT THE MUTUAL FUNDS DESCRIBED IN THIS DOCUMENT

How to read the fund descriptions

In this part of the document 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 units. An unlimited number of ETF Units and mutual fund units 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”.

This table gives you a brief summary of each fund. It describes what type of mutual fund it is, when it was established and the classes of units that the fund offers. The table also highlights that units of the fund are a qualified investment for Registered Plans. You will find more information about Registered Plans on page 34. 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 the 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 mutual 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 manager 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.

This section also highlights any significant investment restrictions adopted by the fund.

How a fund engages in securities lending transactions

Each 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).

How the funds use 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.

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.

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.

How the funds engage in 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.

A 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

A fund 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 IPUs 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 IPU's and which permit the Funds 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 Units 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 Units 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 Units 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.

What are the risks of investing in the fund?

Understanding risk and your comfort with risk is an important part of investing. This section highlights the specific risks of each fund. We have listed the risks in the order of relevance for each fund. You will find general information about the risks of investing and descriptions of each specific risk under "What is a mutual fund?" and "What are the general risks of investing in a mutual fund?" on page 6.

Who should invest in this fund?

This section tells you the type of investment portfolio or investor a fund may be suitable for. This is meant as a general guide only. For advice about your own circumstances, please consult your financial advisor.

Investment risk classification methodology

We assign an investment risk rating to each fund managed by Purpose as an additional guide to help you decide whether a fund is right for you. This information is only a guide. 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. 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:

- (a) **Low** – for funds with a level of risk that is typically associated with investments in money market funds and Canadian fixed income funds;
- (b) **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;
- (c) **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;
- (d) **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 regions or in specific sectors of the economy; and
- (e) **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 a substantial risk of loss (e.g., emerging markets and precious metals).

A copy of the methodology used by Purpose to identify the investment risk levels of the fund 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.

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 41 for more information.

Fund expenses indirectly borne by investors

Each fund pays its own operating expenses which in turn reduces the fund's returns. These tables show the fees and expenses paid by you if you hold units of a fund assuming: (a) a \$1,000 investment in the class of the fund; (b) the class of the fund earns a 5% total return in each period; and (c) the class of the fund paid the same management expense ratio ("MER") for the entire period as it did in its last financial year. Where the manager has waived a portion of its management fee or absorbed some of the fund's operating expenses during the past financial year, the MER would have been higher than in instances where no such waiver or absorption occurred and consequently would have increased the fund's expenses indirectly borne by you. For more information on fees and expenses paid directly by you, see "Fees and Expenses".

We cannot provide information regarding fund expenses indirectly borne by investors in respect of a fund that has not completed a financial year.

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.

Policies and procedures regarding proxy voting

As manager for the funds, Purpose has responsibility for the investment management of the funds, including the exercise of voting rights attaching to securities held by the funds. Each fund has proxy voting policies and procedures which require the fund's voting rights to be exercised in accordance with the best interests of the fund. Additional information about the policies and procedures regarding proxy voting, including how to obtain a copy of such policies, is available in the annual information form of the funds.

PURPOSE MONEY MARKET FUND

| | | |
|------------------------------------|--|-------------------------|
| Fund Type | money market fund | |
| Date Started | Class A units – March 7, 2019 Class F units – March 7, 2019 | |
| Type of Securities | Class A units and Class F units | |
| Management Fee | Class | Management Fee |
| | Class A units | 0.50% ⁽¹⁾⁽²⁾ |
| | Class F units | 0.25% ⁽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 seeks to maximize monthly income for unitholders while preserving capital and liquidity by investing primarily in high-quality money market securities issued by governments and corporations generally with term to maturity not exceeding one year.

The fundamental investment objective may only be changed with the approval of a majority of the votes cast at a meeting of unitholders called for that purpose.

Investment Strategies

To achieve its investment objectives the fund may invest in high-quality, short-term (one year or less) debt securities, including treasury bills and promissory notes issued or guaranteed by Canadian governments or their agencies, bankers acceptances, high interest deposit accounts with one or more Canadian Chartered Banks and/or Canadian Credit Unions, asset-backed commercial paper and commercial paper issued by Canadian chartered banks, loan companies, trust companies and corporations and securities of money market funds. Investments made by the fund will be in the top two ratings categories of any of the designated rating organizations (as defined in NI 81-102). The fund may enter into securities lending and repurchase and reverse repurchase 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.

What are the risks of investing in the fund?

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

- (a) interest rate risk;
- (b) collateral risk;
- (c) changes in legislation risk;
- (d) asset-backed and mortgage-backed securities risk;
- (e) debt securities risk;
- (f) fixed income security risk;
- (g) credit risk;
- (h) credit rating risk;
- (i) fixed income securities risk;
- (j) reliance on the manager and sub-advisor risk;
- (k) conflicts of interest risk;
- (l) tax risk;
- (m) risk of loss;
- (n) fluctuations in NAV and NAV per unit risk;
- (o) multi-class risk;
- (p) no ownership interest risk;
- (q) securities lending and repurchase and reverse repurchase transaction risk; and
- (r) cyber security risk.

Although the fund intends to maintain a constant price for its securities, there is no guarantee that the price will not go up or down.

Who should invest in this fund?

This fund may be right for you if:

- (a) you are seeking somewhat higher current income than available on funds invested solely in short-term government securities;
- (b) you are looking for a liquid, short-term investment; or

- (c) you can tolerate low risk.

The fund's risk classification is based on the fund's returns and the return of the Bank of Canada Treasury Bills One Month. The Bank of Canada Treasury Bills One Month measures the performance of One Month Treasuries issues by the Bank of Canada. Please see "Specific Information about the Mutual Funds Described in this Document – Investment Risk Classification Methodology" on page 49 for a description of how we determined the classification of this fund's risk level.

Distribution Policy

The fund expects to make distributions monthly, if any. **Distributions on units are reinvested in additional 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. For more information see "Distribution policy" on page 50 of the simplified prospectus.

Fund Expenses Indirectly Borne by Investors

This table is intended to help an investor compare the cost of investing in this fund with the cost of investing in other mutual funds or in another class of this fund, if applicable. See "Purchases, Switches and Redemptions – How to buy, redeem and switch" on page 23 for a description of each class and their availability. This table shows the fees and expenses paid by the fund that are indirectly borne by an investor. See "Fees and Expenses" on page 35 for more information.

| | 1 year | 3 years | 5 years | 10 years |
|--------------------|--------|---------|---------|----------|
| Class A units (\$) | \$4.94 | \$16.25 | \$29.71 | \$74.96 |
| Class F units (\$) | \$2.20 | \$7.28 | \$13.34 | \$33.89 |

PURPOSE CASH MANAGEMENT PORTFOLIO

| | | |
|------------------------------------|---|-------------------------|
| Fund Type | money market fund | |
| Date Started | Class A units – March 6, 2020 Class F units – March 6, 2020 ETF units - March 6, 2020 | |
| Type of Securities | Class A units, Class F units and ETF units | |
| Management Fee | Class | Management Fee |
| | Class A units | 0.50% ⁽¹⁾⁽²⁾ |
| | Class F units | 0.25% ⁽¹⁾⁽²⁾ |
| | ETF units | 0.25% ⁽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 seeks to earn a high rate of income, while at the same time preserving capital and maintaining liquidity, by investing primarily in high-quality debt securities, generally maturing in not more than one year.

The fundamental investment objective may only be changed with the approval of a majority of the votes cast at a meeting of unitholders called for that purpose.

Investment Strategies

To achieve its investment objectives the fund intends to have a significant proportion of its portfolio invested in high-quality short term corporate debt instruments. The fund may also invest in high interest deposit accounts, as well as treasury bills or other short term debt obligations of, or guaranteed by, the Canadian governments or their agencies, Canadian chartered banks, Canadian loan or trust companies or Canadian corporations, as well as bank-sponsored asset-backed commercial paper which may allow the fund to enhance its yield while maintaining credit quality.

The fund may enter into securities lending and repurchase and reverse repurchase 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.

What are the risks of investing in the fund?

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

- (a) interest rate risk;
- (b) collateral risk;
- (c) changes in legislation risk;
- (d) asset-backed and mortgage-backed securities risk;
- (e) debt securities risk;
- (f) fixed income security risk;
- (g) credit risk;
- (h) credit rating risk;
- (i) fixed income securities risk;
- (j) reliance on the manager and sub-advisor risk;
- (k) conflicts of interest risk;
- (l) tax risk;
- (m) risk of loss;
- (n) fluctuations in NAV and NAV per unit risk;
- (o) multi-class risk;
- (p) no ownership interest risk;
- (q) securities lending and repurchase and reverse repurchase transaction risk;
- (r) cyber security risk;
- (s) absence of an active market for the ETF units;
- (t) rebalancing and adjustment risk; and
- (u) trading price of ETF units.

Although the fund intends to maintain a constant price for its securities, there is no guarantee that the price will not go up or down.

Who should invest in this fund?

This fund may be right for you if:

- (a) you are seeking somewhat higher current income than available on funds invested solely in short-term government securities;
- (b) you are looking for a liquid, short-term investment; or
- (c) you can tolerate low risk.

The fund's risk classification is based on the fund's returns and the return of the Bank of Canada Treasury Bills One Month. The Bank of Canada Treasury Bills One Month measures the performance of One Month Treasuries issues by the Bank of Canada. Please see "Specific Information about the Mutual Funds Described in this Document – Investment Risk Classification Methodology" on page 49 for a description of how we determined the classification of this fund's risk level.

Distribution Policy

The fund expects to make distributions monthly, if any. **Distributions on units are reinvested in additional 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. For more information see "Distribution policy" on page 50 of the simplified prospectus.

Fund Expenses Indirectly Borne by Investors

Note, fund expense information relating is not yet available as units of the fund have not yet been issued.

FOUNDATION WEALTH EQUITY POOL

| | | |
|------------------------------------|--|---|
| Fund Type | equity growth fund | |
| Date Started | Class F units – March 31, 2020 Class I units – March 6, 2020 Class E units– March 31, 2020 | |
| Type of Securities | Class F units, Class I units and Class E units | |
| Management Fee | Class | Management Fee |
| | Class F units | 0.75% ⁽¹⁾⁽²⁾⁽³⁾ |
| | Class I units | Holders of Class I units pay a negotiated management fee directly to Purpose of up to 0.50% per annum ⁽¹⁾⁽²⁾ |
| | Class E units | 0.25% ⁽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.
- (3) Class F Units are presently closed to new and additional investments, other than in respect of automatic reinvestments. New and additional investments may again become available at the discretion of the manager and without notice to securityholders.

What does the fund invest in?***Investment Objectives***

The fund seeks to provide unitholders with long term capital appreciation through investment in a portfolio of global equity securities.

The fundamental investment objective may only be changed with the approval of a majority of the votes cast at a meeting of unitholders called for that purpose.

Investment Strategies

The fund invests in a portfolio of global securities which may include common stocks, ETFs, mutual funds and securities offered under offering memorandum. The investment advisor will employ fundamental analysis to identify investment opportunities with the potential for long term capital appreciation. The portfolio will be actively managed with a focus on creating value while reducing investment risk over the longer term. Some fund investments may be considered illiquid but exposure to these investments will be within the parameters permitted for conventional mutual funds under NI 81-102.

The fund's investment strategy is primarily North American focused, but will include exposure to global developed and emerging markets to add diversification to reduce risk and enhance return where appropriate.

The fund may invest in underlying funds to achieve its investment objectives. See "Specific Information about the Mutual Funds Described in this Document – Investments In Underlying Funds" on page 48.

In addition, when appropriate, the portfolio may also use derivatives for both hedging and non-hedging purposes, 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 generate income, hedge against

losses from changes in the prices of the fund's investments and from exposures to foreign currencies and/or as a substitute to generate additional income. The fund may enter into securities lending transactions to generate additional income. The fund may also engage in short selling as permitted by Canadian securities laws. In determining whether a particular security should be sold short, the investment 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 investment objectives.

Changes to investment strategies

The manager may change the fund's investment strategies at its discretion without notice to or approval of securityholders.

What are the risks of investing in the fund?

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

- (a) asset class risk;
- (b) cease trading of constituent securities risk;
- (c) commodity risk;
- (d) concentration risk;
- (e) currency risk;
- (f) derivatives risk;
- (g) distribution in specie;
- (h) ETF risk;
- (i) equity securities risk;
- (j) foreign investment risk;
- (k) illiquid securities risk;
- (l) inflation risk;
- (m) legal risk;
- (n) liquidity risk;
- (o) market risk;
- (p) private company risk;
- (q) regulatory risk;
- (r) short selling risk;

- (s) large redemption/investors/transaction risk;
- (t) small capitalization company risk;
- (u) underlying fund risk;
- (v) interest rate risk;
- (w) collateral risk;
- (x) changes in legislation risk;
- (y) multi-class risk;
- (z) no ownership interest risk;
- (aa) reliance on the manager and sub-advisor risk;
- (bb) conflicts of interest risk;
- (cc) tax risk;
- (dd) risk of loss;
- (ee) fluctuations in NAV and NAV per unit risk;
- (ff) securities lending and repurchase and reverse repurchase transaction risk; and
- (gg) cyber security risk.

Who should invest in this fund?

This fund may be right for you if:

- (a) you want capital growth over the long term;
- (b) you are investing for the medium and/or long term; or
- (c) you can tolerate medium risk.

The fund's risk classification is based on the fund's returns and a blended benchmark return made up of 25% of the S&P/TSX Composite Index, 45% of the S&P 500 Index and 30% of the MSCI EAFE Index.

The S&P/TSX Composite Index is the benchmark Canadian index, representing roughly 70% of the total market capitalization on the Toronto Stock Exchange with about 250 companies included in it. The S&P 500 is a stock market index that measures the stock performance of 500 large companies listed on stock exchanges in the United States. It is one of the most commonly followed equity indices, and many consider it to be one of the best representations of the U.S. stock market.

Please see "Specific Information about the Mutual Funds Described in this Document –Investment Risk Classification Methodology" on page 49 for a description of how we determined the classification of this fund's risk level.

Distribution Policy

The fund expects to make distributions annually. **Distributions on units are reinvested in additional 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. For more information see “Distribution policy” on page 50 of the simplified prospectus.

Fund Expenses Indirectly Borne by Investors

This table is intended to help an investor compare the cost of investing in this fund with the cost of investing in other mutual funds or in another class of this fund, if applicable. See “Purchases, Switches and Redemptions – How to buy, redeem and switch” on page 23 for a description of each class and their availability. This table shows the fees and expenses paid by the fund that are indirectly borne by an investor. See “Fees and Expenses” on page 35 for more information.

| | 1 year | 3 years | 5 years | 10 years |
|--------------------|---------------|----------------|----------------|-----------------|
| Class E units (\$) | \$5.36 | \$17.62 | \$32.21 | \$81.19 |

Note, information relating to Class F Units and Class I Units are not yet available as such Units of the fund have not yet been issued.

FOUNDATION WEALTH INCOME POOL

| | | |
|------------------------------------|---|---|
| Fund Type | total return bond fund | |
| Date Started | Class F units – March 31, 2020 Class I units – March 6, 2020 Class E units – March 31, 2020 | |
| Type of Securities | Class F units, Class I units and Class E units | |
| Management Fee | Class | Management Fee |
| | Class F units | 0.75% ⁽¹⁾⁽²⁾⁽³⁾ |
| | Class I units | Holders of Class I units pay a negotiated management fee directly to Purpose of up to 0.50% per annum ⁽¹⁾⁽²⁾ |
| | Class E units | 0.25% ⁽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.
- (3) Class F Units are presently closed to new and additional investments, other than in respect of automatic reinvestments. New and additional investments may again become available at the discretion of the manager and without notice to securityholders.

What does the fund invest in?***Investment Objectives***

The fund seeks to achieve a positive total return over time by investing in a broad range of fixed income securities, primarily through ETFs and mutual funds that invest in government debt, investment grade corporate debt and high yield debt.

The fundamental investment objective may only be changed with the approval of a majority of the votes cast at a meeting of unitholders called for that purpose.

Investment Strategies

The fund invests in a portfolio of primarily North American securities, primarily through ETFs and mutual funds that invest in government debt, investment grade debt and high yield debt. The fund may also invest directly in fixed income securities, preferred securities and securities that hold portfolios of mortgages as permitted by Canadian securities laws. The fund may also invest in dividend-paying equities, REITs, and income trusts to a lesser extent to improve income generation and diversification. The fund may also invest globally in order to diversify risk and enhance return. The portfolio will be actively managed with a focus on creating value and current income while reducing investment risk over the longer term.

The fund may invest in underlying funds to achieve its investment objectives. See “Specific Information about the Mutual Funds Described in this Document – Investing In Underlying Funds” on page 48.

In addition, when appropriate, the portfolio may also use derivatives for both hedging and non-hedging purposes, 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 generate income, hedge against losses from changes in the prices of the fund’s investments and from exposures to foreign currencies and/or

as a substitute to generate additional income. The fund may enter into securities lending transactions to generate additional income. The fund may also engage in short selling as permitted by Canadian securities laws. In determining whether a particular security should be sold short, the investment 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 investment objectives.

Changes to investment strategies

The manager may change the fund's investment strategies at its discretion without notice to or approval of securityholders.

What are the risks of investing in the fund?

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

- (a) asset class risk;
- (b) cease trading of constituent securities risk;
- (c) currency risk;
- (d) distribution in specie;
- (e) foreign investment risk;
- (f) illiquid securities risk;
- (g) interest rate risk;
- (h) maturity risk;
- (i) derivatives risk;
- (j) ETF risk;
- (k) changes in legislation risk;
- (l) debt securities risk;
- (m) fixed income security risk;
- (n) credit risk;
- (o) credit rating risk;
- (p) fixed income securities risk;
- (q) reliance on the manager and sub-advisor risk;
- (r) conflicts of interest risk;
- (s) underlying fund risk;

- (t) no ownership interest risk;
- (u) private company risk;
- (v) regulatory risk;
- (w) small capitalization company risk;
- (x) underlying fund risk;
- (y) tax risk;
- (z) risk of loss;
- (aa) fluctuations in NAV and NAV per unit risk;
- (bb) multi-class risk;
- (cc) short selling risk;
- (dd) large redemption/investors/transaction risk;
- (ee) securities lending and repurchase and reverse repurchase transaction risk; and
- (ff) cyber security risk.

Who should invest in this fund?

This fund may be right for you if:

- (a) you want capital growth over the long term;
- (b) you want regular monthly income;
- (c) you are investing for the medium and/or long term; or
- (d) you can tolerate low risk.

The fund's risk classification is based on the fund's returns and the return of the FTSE Canada Universe Bond Index. The FTSE Canada Universe Bond Index is designed to track the performance of bonds denominated in Canadian Dollars. Please see "Specific Information about the Mutual Funds Described in this Document – Investment Risk Classification Methodology" on page 49 for a description of how we determined the classification of this fund's risk level.

Distribution Policy

The fund expects to make distributions monthly, if any. **Distributions on units are reinvested in additional 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. For more information see "Distribution policy" on page 50 of the simplified prospectus.

Fund Expenses Indirectly Borne by Investors

This table is intended to help an investor compare the cost of investing in this fund with the cost of investing in other mutual funds or in another class of this fund, if applicable. See “Purchases, Switches and Redemptions – How to buy, redeem and switch” on page 23 for a description of each class and their availability. This table shows the fees and expenses paid by the fund that are indirectly borne by an investor. See “Fees and Expenses” on page 35 for more information.

| | 1 year | 3 years | 5 years | 10 years |
|--------------------|---------------|----------------|----------------|-----------------|
| Class E units (\$) | \$6.51 | \$21.40 | \$39.08 | \$98.22 |

Note, information relating to Class F Units and Class I Units are not yet available as such Units of the fund have not yet been issued.

FOUNDATION WEALTH DIVERSIFIER POOL

| | | |
|------------------------------------|--|---|
| Fund Type | multi-asset fund | |
| Date Started | Class F units – October 8, 2020 Class I units – March 6, 2020 Class E units – April 17, 2020 | |
| Type of Securities | Class F units, Class I units and Class E units | |
| Management Fee | Class | Management Fee |
| | Class F units | 0.75% ⁽¹⁾⁽²⁾⁽³⁾ |
| | Class I units | Holders of Class I units pay a negotiated management fee directly to Purpose of up to 0.50% per annum ⁽¹⁾⁽²⁾ |
| | Class E units | 0.25% ⁽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.
- (3) Class F Units are presently closed to new and additional investments, other than in respect of automatic reinvestments. New and additional investments may again become available at the discretion of the manager and without notice to securityholders.

What does the fund invest in?***Investment Objectives***

The fund seeks to provide unitholders with positive absolute returns that have reduced correlations to the broader securities markets. The fund will utilize a multi-strategy approach by allocating its assets across various asset classes including equities and commodities.

The fundamental investment objective may only be changed with the approval of a majority of the votes cast at a meeting of unitholders called for that purpose.

Investment Strategies

The fund seeks to achieve its investment objectives by investing in securities including, equities, mutual funds, ETFs and securities offered under offering memorandum, that are expected to have a reduced correlation with more traditional investments. The investment advisor utilizes a fundamental approach to select securities that provide broad diversification for investors including commodities and cryptocurrencies (all within the parameters permitted for conventional mutual funds under NI 81-102) and hedge fund strategies. With respect to investments in cryptocurrency, the fund's total exposure will not exceed 10% of its total net assets. Such exposure to cryptocurrency will be obtained indirectly through publicly listed securities.

Some fund investments may be considered illiquid but exposure to these investments will be within the parameters permitted for conventional mutual funds under NI 81-102. The fundamental research includes analysis of broad economic and market trends as well as in-depth reviews of the managers of funds held.

The fund may invest in underlying funds to achieve its investment objectives. See “Specific Information about the Mutual Funds Described in this Document – Investing In Underlying Funds” on page 48.

In addition, when appropriate, the portfolio may also use derivatives for both hedging and non-hedging purposes, 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 generate income, hedge against losses from changes in the prices of the fund’s investments and from exposures to foreign currencies and/or as a substitute to generate additional income. The fund may enter into securities lending transactions to generate additional income. The fund may also engage in short selling as permitted by Canadian securities laws. In determining whether a particular security should be sold short, the investment 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 investment objectives.

Changes to investment strategies

The manager may change the fund’s investment strategies at its discretion without notice to or approval of securityholders.

What are the risks of investing in the fund?

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

- (a) asset class risk;
- (b) attacks on Bitcoin Network risk;
- (c) attacks on Ethereum Network risk;
- (d) cease trading of constituent securities risk;
- (e) commodity risk;
- (f) concentration risk;
- (g) cryptocurrency risk;
- (h) currency risk;
- (i) derivatives risk;
- (j) distribution in specie;
- (k) ETF risk;
- (l) equity securities risk;
- (m) foreign investment risk;
- (n) illiquid securities risk;
- (o) legal risk;

- (p) market risk;
- (q) interest rate risk;
- (r) collateral risk;
- (s) changes in legislation risk;
- (t) reliance on the manager and sub-advisor risk;
- (u) conflicts of interest risk;
- (v) tax risk;
- (w) risk of loss;
- (x) fluctuations in NAV and NAV per unit risk;
- (y) multi-class risk;
- (z) large redemption/investors/transaction risk;
- (aa) securities lending and repurchase and reverse repurchase transaction risk; and
- (bb) cyber security risk.

Who should invest in this fund?

This fund may be right for you if:

- (a) you want capital growth over the long term;
- (b) you are investing for the medium and/or long term; or
- (c) you can tolerate low to medium risk.

The fund's risk classification is based on the fund's returns and a blended benchmark return made up of 60% of the HFRX Global Hedge Fund Index, 20% of the FTSE EPRA NAREIT Canada Index and 20% of the S&P Global Infrastructure Index. The HFRX Global Hedge Fund Index is designed to be representative of the overall composition of the hedge fund universe. It is comprised of all eligible hedge fund strategies falling within four principal strategies: equity hedge, event driven, macro/CTA, and relative value arbitrage. The FTSE EPRA NAREIT Canada Index measures the performance of listed real estate companies and REITS in North American markets (US and Canada). The S&P Global Infrastructure Index is designed to track 75 companies from around the world chosen to represent the listed infrastructure industry while maintaining liquidity and tradability. To create diversified exposure, the index includes three distinct infrastructure clusters: energy, transportation, and utilities.

Please see "Specific Information about the Mutual Funds Described in this Document – Investment Risk Classification Methodology" on page 49 for a description of how we determined the classification of this fund's risk level.

Distribution Policy

The fund expects to make distributions annually. **Distributions on units are reinvested in additional 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. For more information see “Distribution policy” on page 50 of the simplified prospectus.

Fund Expenses Indirectly Borne by Investors

This table is intended to help an investor compare the cost of investing in this fund with the cost of investing in other mutual funds or in another class of this fund, if applicable. See “Purchases, Switches and Redemptions – How to buy, redeem and switch” on page 23 for a description of each class and their availability. This table shows the fees and expenses paid by the fund that are indirectly borne by an investor. See “Fees and Expenses” on page 35 for more information.

| | 1 year | 3 years | 5 years | 10 years |
|--------------------|---------------|----------------|----------------|-----------------|
| Class E units (\$) | \$6.30 | \$20.71 | \$37.83 | \$95.14 |

Note, information relating to Class F Units and Class I Units are not yet available as such Units of the fund have not yet been issued.

PURPOSE CREDIT YIELD PLUS FUND

| | | |
|------------------------------------|--|-------------------------|
| Fund Type | global corporate fixed income | |
| Date Started | Class A units – March 22, 2022 Class F units – March 22, 2022 ETF units - March 22, 2022 | |
| Type of Securities | Class A units, Class F units and ETF units | |
| Management Fee | Class | Management Fee |
| | Class A units | 1.65% ⁽¹⁾⁽²⁾ |
| | Class F units | 0.65% ⁽¹⁾⁽²⁾ |
| | ETF 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. 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 seeks to provide unitholders with (i) high level of monthly distributions, consisting of both income generated by the portfolio and capital appreciation and (ii) long-term capital appreciation by investing in a diversified mix of global fixed income and floating rate securities and cash.

The fund will use leverage. The leverage will be created through the use of cash borrowings. The aggregate gross exposure of the fund 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 fundamental investment objective may only be changed with the approval of a majority of the votes cast at a meeting of unitholders called for that purpose.

Investment Strategies

To achieve its investment objective, the portfolio manager will invest across a broad range of global fixed and floating rate securities and cash with the goal of generating high levels of income, achieving a positive total return in diverse market environments while reducing portfolio risk. The fund will be actively managed and will implement various strategies to seek to maximize portfolio income while reducing risk.

The portfolio manager uses credit investment strategies designed to generate high level of income, maximize risk-adjusted total returns and preserve capital in each phase of the credit cycle. The portfolio manager employs hedging strategies, including shorting securities and holding cash, designed to generate positive returns and/or protect the fund against the risk of losses from currency fluctuations, interest rate changes and market declines.

Fixed income securities may include domestic and foreign corporate and government fixed income securities and money market instruments including within emerging markets. The fund may invest in corporate bonds that have a low credit rating or are unrated, but offer a higher yield than investment grade bonds. It may also invest in bank loans, floating rate debt instruments and other debt securities. These investments may be denominated in or have exposure to foreign currencies. The fund can invest in these securities and strategies either directly or indirectly through investments in underlying funds or through the use of derivatives. See “Specific Information about the Mutual Funds Described in this Document – Investing In Underlying Funds” on page 48.

As permitted by applicable securities legislation, the fund may choose to (a) write cash-covered put options in respect of the individual securities 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) use warrants, ETFs and derivatives such as options, forward contracts, futures contracts and swaps for both hedging and non-hedging strategies to generate income, hedge against losses from changes in the prices of the fund’s investments and from exposure to foreign currencies, interest rates and/or gain exposure to individual securities and markets instead of buying the securities directly and/or (d) hold cash or fixed income securities for strategic reasons or provide cover for the writing of cash covered put options in respect of securities in which the fund is permitted to invest. Such options in respect of (a) and (b) above may be either exchange-traded or over-the-counter options.

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 manager 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.

In addition, when appropriate, the fund may also use derivatives for both hedging and non-hedging purposes, 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 generate income, hedge against losses from changes in the prices of the fund’s investments and from exposure to foreign currencies and/or as a substitute for direct investment.

The fund may invest up to 100% of its assets in foreign securities.

The fund may also enter into repurchase agreements, reverse repurchase agreements and/or securities lending transactions to generate additional income.

The portfolio holdings may be reconstituted and rebalanced from time to time in the discretion of the manager. 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.

The fund will be entitled to utilize leverage, through borrowings, in an amount not exceeding 30% of NAV at the fund's inception.

The amount of leverage employed could increase beyond the 30% limit due to changes in the value of the fund's investments rather than the amount borrowed by the fund. When the NAV changes by virtue of subscriptions and/or redemptions, the portfolio manager will adjust the leverage employed so that it remains constant. If the leverage amount exceeds 50% of NAV, the fund will be required to sell portfolio holdings in order to reduce the amount of leverage employed. If the portfolio manager has to reduce the amount of leverage, it can be re-increased, up to the initial leverage, if the fund's investments have experienced positive returns and the leverage amount is below 50% of NAV.

Changes to investment strategies

The manager may change the fund's investment strategies at its discretion without notice to or approval of securityholders.

What are the risks of investing in the fund?

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

- (a) asset class risk;
- (b) derivative risk;
- (c) interest rate risk;
- (d) equity security risk;
- (e) foreign investment risk;
- (f) fluctuations in NAV and NAV per unit;
- (g) capital depreciation risk;
- (h) currency risk;
- (i) counterparty risk;
- (j) reliance on the manager and sub-advisor risk;

- (k) NEO approval of listing;
- (l) leverage risk;
- (m) cease trading of constituent securities;
- (n) changes in legislation risk;
- (o) tax risk;
- (p) securities lending and repurchase and reverse repurchase transaction risk;
- (q) liquidity risk;
- (r) distributions *in specie* risk;
- (s) cyber security risk;
- (t) absence of an active market for the ETF units;
- (u) rebalancing and adjustment risk; and
- (v) trading price of ETF units.

Although the fund intends to maintain a constant price for its securities, there is no guarantee that the price will not go up or down.

Who should invest in this fund?

This fund may be right for you if:

- (a) you want distributions payable to you monthly;
- (b) you want capital growth over the long term;
- (c) you seek an attractive risk-adjusted rate of return;
- (d) you are investing for the medium and/or long term; and
- (e) you can tolerate low to medium risk.

The fund's risk classification is based on the return of the composite of the following market indices: 20% of S&P 500 Index and 80% of ICE BofAML US Cash Pay High Yield Index. The S&P 500 Index is a broad based unmanaged index of 500 stocks, which is widely recognized as representative of the equity market in general and the ICE BofAML US Cash Pay High Yield Index tracks the performance of below investment grade, but not in default, US dollar denominated corporate bonds publicly issued in the US domestic market, and includes issues with a credit rating of BBB or below, as rated by Moody's and S&P. Please see "Specific Information about the Mutual Funds Described in this Document – Investment Risk Classification Methodology" on page 49 for a description of how we determined the classification of this fund's risk level.

Distribution Policy

The fund expects to make distributions monthly. **Distributions on mutual fund units are reinvested in additional mutual fund units of the same series of the fund unless you tell your dealer to inform us that you want them in cash.** Distributions of any excess income and capital gains are determined annually in December. If the aggregate amount of the monthly distributions made to a series in a year exceeds the portion of the net income and net capital gains allocated to that series, the excess will constitute a return of capital. Distributions are not guaranteed and may change from time to time at our discretion. For more information see “Distribution policy” on page 50 of the simplified prospectus.

Fund Expenses Indirectly Borne by Investors

Note, fund expense information relating is not yet available as units of the fund have not yet been issued.

PURPOSE MONTHLY YIELD PLUS FUND

| | | |
|------------------------------------|--|-------------------------|
| Fund Type | global neutral balanced | |
| Date Started | Class A units – March 22, 2022 Class F units – March 22, 2022 ETF units - March 22, 2022 | |
| Type of Securities | Class A units, Class F units and ETF units | |
| Management Fee | Class | Management Fee |
| | Class A Units | 1.65% ⁽¹⁾⁽²⁾ |
| | Class F Units | 0.65% ⁽¹⁾⁽²⁾ |
| | ETF 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. 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 seeks to provide unitholders with (i) high level of monthly distributions, consisting of both income generated by the portfolio and capital appreciation and (ii) long-term capital appreciation by investing in a broad range of asset classes which may include equity, fixed income, alternatives and cash.

The fund will use leverage. The leverage will be created through the use of cash borrowings. The aggregate gross exposure of the fund 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 fundamental investment objective may only be changed with the approval of a majority of the votes cast at a meeting of unitholders called for that purpose.

Investment Strategies

To achieve its investment objective, the portfolio manager invest across a broad range of asset classes with focus on income producing securities including equities, fixed income, inflation sensitive securities, alternatives, derivatives strategies and cash with the goal of generating high levels of income achieving a positive total return in diverse market environments while reducing portfolio risk. The fund is not limited to how much it invests in each asset class and will vary according to market conditions. The fund will be actively managed and will implement various strategies to seek to maximize portfolio income while reducing risk.

Income-producing securities may include, but are not limited to equity securities, common and preferred shares, real estate investment trusts (REITs), convertible securities, investment grade fixed income securities, higher yielding, lower quality fixed income securities, floating rate debt instruments and asset-backed securities and mortgage-backed securities. The fund can invest in these securities either directly or indirectly through investments in underlying funds or through the use of derivatives. See “Specific Information about the Mutual Funds Described in this Document – Investing In Underlying Funds” on page 48.

Fixed income securities may include domestic and foreign corporate and government fixed income securities and money market instruments including within emerging markets. The fund may invest in corporate bonds that have a low credit rating or are unrated, but offer a higher yield than investment grade bonds. It may also invest in bank loans, floating rate debt instruments and other debt securities. These investments may be denominated in or have exposure to foreign currencies. The fund can invest in these securities and strategies either directly or indirectly through investments in underlying funds or through the use of derivatives. See “Specific Information about the Mutual Funds Described in this Document – Investing In Underlying Funds” on page 48.

The fund may invest in publicly listed securities (including investment funds) and derivative instruments that provide exposure to digital assets (including Bitcoin and/or Ether). The fund will implement derivatives strategies designed to generate income, capture non-traditional returns from digital assets and digital asset companies and reduce portfolio volatility. Initially, the total exposure to digital assets will not exceed 5% of the total net assets of the fund.

In order to seek to generate additional returns and enhance the portfolio’s income, the manager may write covered call options and cash covered put options in respect of the securities held by the fund. Such options may be either exchange-traded options or over-the-counter options in accordance with Canadian securities laws. The manager may write covered call options and cash covered put options in respect of some or all of the securities held by the fund. The decision as to which of the portfolio securities options will be written on, the number of options to be written on such securities, and the terms of such options will be based upon the manager’s assessment of the market and of the best value offered by the option premiums available on the securities held by the fund at the time such options are written. Covered call options and cash covered put options will be written at a strike price that is at-the-money or out-of-the-money as determined by the manager at its discretion. Initially, the manager expects that covered options will be written on up to 50% of the fund’s portfolio. The fund can invest in these securities and strategies either directly or indirectly through investments in underlying funds. See “Specific Information about the Mutual Funds Described in this Document – Investing In Underlying Funds” on page 48.

As permitted by applicable securities legislation, the fund may choose to (a) write cash-covered put options in respect of the individual securities 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) use warrants, ETFs and derivatives such as options, forward contracts, futures contracts and swaps for both hedging and non-hedging strategies to generate income, hedge against losses from changes in the prices of the fund’s investments and from exposure to foreign currencies, interest rates and/or gain exposure to individual securities and markets instead of buying the securities directly and/or (d) hold cash or fixed income securities for strategic reasons or provide cover for the writing of cash covered put options in respect of securities in which the fund is permitted to invest. Such options in respect of (a) and (b) above may be either exchange-traded or over-the-counter options.

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 manager 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.

In addition, when appropriate, the fund may also use derivatives for both hedging and non-hedging purposes, 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 generate income, hedge against losses from changes in the prices of the fund's investments and from exposure to foreign currencies and/or as a substitute for direct investment.

The fund may invest up to 100% of its assets in foreign securities.

The fund may also enter into repurchase agreements, reverse repurchase agreements and/or securities lending transactions to generate additional income.

The portfolio holdings may be reconstituted and rebalanced from time to time in the discretion of the manager. 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.

The fund will be entitled to utilize leverage, through borrowings, in an amount not exceeding 30% of NAV at the fund's inception.

The amount of leverage employed could increase beyond the 30% limit due to changes in the value of the fund's investments rather than the amount borrowed by the fund. When the NAV changes by virtue of subscriptions and/or redemptions, the portfolio manager will adjust the leverage employed so that it remains constant. If the leverage amount exceeds 50% of NAV, the fund will be required to sell portfolio holdings in order to reduce the amount of leverage employed. If the portfolio manager has to reduce the amount of leverage, it can be re-increased, up to the initial leverage, if the fund's investments have experienced positive returns and the leverage amount is below 50% of NAV.

Changes to investment strategies

The manager may change the fund's investment strategies at its discretion without notice to or approval of securityholders.

What are the risks of investing in the fund?

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

- (a) asset class risk;
- (b) derivative risk;
- (c) interest rate risk;
- (d) equity security risk;
- (e) foreign investment risk;
- (f) fluctuations in NAV and NAV per unit;
- (g) capital depreciation risk;
- (h) currency risk;
- (i) counterparty risk;
- (j) reliance on the manager and sub-advisor risk;
- (k) NEO approval of listing;
- (l) leverage risk;
- (m) cease trading of constituent securities;
- (n) changes in legislation risk;
- (o) tax risk;
- (p) securities lending and repurchase and reverse repurchase transaction risk;
- (q) liquidity risk;
- (r) distributions *in specie* risk;
- (s) attacks on the Bitcoin Network risk;
- (t) attacks on the Ethereum Network risk;
- (u) cryptocurrency risk;
- (v) cyber security risk;

- (w) absence of an active market for the ETF units;
- (x) rebalancing and adjustment risk; and
- (y) trading price of ETF units.

Although the fund intends to maintain a constant price for its securities, there is no guarantee that the price will not go up or down.

Who should invest in this fund?

This fund may be right for you if:

- (a) you want distributions payable to you monthly;
- (b) you want capital growth over the long term;
- (c) you seek an attractive risk-adjusted rate of return;
- (d) you are investing for the medium and/or long term; and
- (e) you can tolerate low to medium risk.

The fund's risk classification is based on the return of a blended index composed of the ICE BofAML US Cash Pay High Yield Index (25%), S&P/TSX North American Preferred Stock Index (10%), S&P/TSX Capped REIT Index (10%), S&P/TSX Dividend Index (30%) and FTSE TMX Canada Universe Bond Index (25%). Please see "Specific Information about the Mutual Funds Described in this Document – Investment Risk Classification Methodology" on page 49 for a description of how we determined the classification of this fund's risk level.

Distribution Policy

The fund expects to make distributions monthly. **Distributions on mutual fund units are reinvested in additional mutual fund units of the same series of the fund unless you tell your dealer to inform us that you want them in cash.** Distributions of any excess income and capital gains are determined annually in December. If the aggregate amount of the monthly distributions made to a series in a year exceeds the portion of the net income and net capital gains allocated to that series, the excess will constitute a return of capital. Distributions are not guaranteed and may change from time to time at our discretion. Distributions are not guaranteed and may change from time to time at our discretion. For more information see "Distribution policy" on page 50 of the simplified prospectus.

Fund Expenses Indirectly Borne by Investors

Note, fund expense information relating is not yet available as units of the fund have not yet been issued.

BLACK DIAMOND IMPACT CORE EQUITY FUND

| | | |
|------------------------------------|--|---|
| Fund Type | global equity fund | |
| Date Started | Class A units – March 22, 2022 Class F units – March 22, 2022 Class I units - March 22, 2022 | |
| Type of Securities | Class A units, Class F units and Class I units | |
| Management Fee | Class | Management Fee |
| | Class A units | 1.95% ⁽¹⁾⁽²⁾ |
| | Class F units | 0.95% ⁽¹⁾⁽²⁾ |
| | Class I units | Holders of Class I units pay a negotiated management fee directly to Purpose of up to 1.95% 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. 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) income. The fund will achieve its investment objectives by primarily investing in equity securities of companies anywhere in the world that demonstrate a forward-looking sensitivity to Environmental, Social and Governance (ESG) issues and considerations, with a focus on companies making an impact on the environment in priority to societal or governance factors. The fund may also invest in other types of asset classes and securities that distribute, or may be expected to distribute, income.

The fundamental investment objective may only be changed with the approval of a majority of the votes cast at a meeting of unitholders called for that purpose.

Investment Strategies

The sub-advisor employs a disciplined, fundamental investment process to construct a portfolio of attractively valued companies that combines the potential for growth and income from the underlying securities. Stock selection is the primary contributor to value added, with attention paid to both upside potential and downside risk. The sub-advisor's management style is fundamental with particular emphasis on the free-cash-flow and return-on-invested-capital potential of any company's core operations. Sector allocation and stock selection are employed to manage overall portfolio risk.

The fund will attempt to invest in underlying securities that demonstrate a forward-looking sensitivity to Environmental, Social and Governance (ESG) issues and considerations. "Forward-looking sensitivity" refers an investee issuer's business model, management philosophy, products/services and/or strategic initiatives (collectively, "**Operations**") favourably addressing one or more ESG considerations. The sub-advisor will make such determination through proprietary fundamental research and analysis of available 3rd party inputs and reports, as deemed relevant in the sub-advisor's opinion.

In doing so, the sub-advisor may rely upon third party ESG risk and score metrics, on occasion, but has a preference for selecting businesses that exhibit ESG-sensitivity directly in their business model, as identified through primary research. ESG risk ratings and scores from Bloomberg, Sustainalytics, Standard and Poor's and MSCI, as well as others, may also be used to assist the decision-making process. Factors that influence such scores and ratings (and therefore how determinations are made as to why one issuer may be more attractive than another based on those metrics) include the following:

- ESG Metrics – for each of environmental, social and governance matters, metrics are based on data collected from company-sourced filings, such as corporate social responsibility reports, makeup of a company's management and board of directors, annual reports, the company website, and proprietary surveys that request corporate data directly.
- ESG Disclosure Scores – is a measure of the amount of ESG data a company has reported for the latest fiscal year. The number of data points disclosed is presented as a percentage of total possible disclosure across the ESG fields available, with a higher value representing fuller disclosure. The score is available for over 11,000 companies in more than 100 countries.
- Climate Score - is score that assesses a company's action on climate change based on its response to survey questionnaires. Higher scores indicates that a company has a fully integrated climate change strategy driving significant reductions in emissions due to climate change initiatives, while lower scores indicates a company with lower or minimal initiatives on carbon management.
- Environmental Sustainability – are metrics related to environmental sustainability efforts by a company. Metrics are determined by responsible and sustainable investment industry standards for ESG data disclosure, including those developed by various industry bodies. Metric selection is also determined by data availability through public company reporting in annual reports, and sustainability or corporate responsibility reports.
- Sustainalytics Rank - identifies where a company might be leading or lagging compared to its peers in its management of ESG risks and opportunities via an overall percentile rank assigned to the company based on its ESG total score relative to its industry peers.

Such scores and ratings will not be used in any systematic way (no specific ESG-related targets will be used), but instead will be employed as one input into a holistic determination of whether an issuer's Operations have been built for favourable impact on environmental concerns. In view of the sub-advisor, environmental issues may arise because of unmeasurable negative externalities that are not priced into product/service markets. Relying solely on "measurable" scores and ratings therefore tends to favour issuers that can show a reduction of their own pollution through offsets and initiatives (e.g., a traditional mining company's operations), "greenwashing" and other metric-heavy frameworks that do not necessarily reflect the nature and methods used in such issuers' core activities and, ultimately, their true impact on the environment.

The sub-advisor therefore will include in the fund's portfolio what it considers true, logical, "impacts" (as defined above) and often such "impacts" will demonstrate disruption or significant innovation (product or method) in their business. Portfolio construction of the fund will therefore be primarily centered upon companies making an impact on environmental factors (and especially innovative disruption towards a cleaner overall economy) and such environmental factors will be prioritized over societal and governance factors. Companies focused on the environment, including, but not limited to, solar and wind energy, carbon reduction, electric vehicles, may be included in the fund's portfolio. As noted, no specific targets on ESG-related metrics will be used. Although the sub-advisor's subjective analysis of environmental factors will

be prioritized over social and governance factors in determining an issuer's attractiveness for inclusion in the fund's portfolio on ESG grounds, the latter two factors will still be subjectively considered.

Specifically, the sub-advisor's fundamental investment research process will include a careful analysis of governance structures, stakeholder alignment, incentives and capital allocation. Additional considerations around diversity, equity and inclusion (DEI) will be made (namely, board and senior management composition, inclusivity initiatives, etc.) and will be considered as part of the holistic evaluation of whether the potential investee is a favourable impact-generator on ESG grounds, as defined by the fund's mandate. Likewise, social factors such as company culture and values are typically evaluated as part of a disciplined, fundamental investment approach. The sub-advisor will continue to consider such factors, and, as part of the portfolio selection process, generally will exclude issuers whose revenues are deemed to be unsustainable and/or fall within the following industries that have clear negative social impacts:

1. Tobacco: over 10% revenue derived from tobacco production;
2. Gambling: over 10% revenue derived from gambling operations, gambling specialized equipment, gambling supporting products;
3. Adult Entertainment: over 10% revenue derived from the production or distribution of adult entertainment;
4. Controversial Weapons: any association or involvement with:
 - anti-personnel landmines,
 - cluster munitions,
 - biological and chemical weapons,
 - nuclear weapons,
 - depleted uranium,
 - white phosphorus;
5. Fossil Fuels: over 10% revenue derived from the production of:
 - thermal coal,
 - oil sands,
 - shale energy,
 - arctic oil and gas;
6. Nuclear energy: over 10% revenue derived from the production, supporting products and services or distribution of nuclear energy.

The fund will not employ proxy voting, shareholder engagement, or ESG-related indices as part of its ESG strategies.

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 diversified portfolio, though investment opportunities may entail regional and/or industry concentration. Diversification, sector allocation, and stock selection are the primary risk-management tools employed by the fund managers.

As well as 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 manager expects the fund's exposure to emerging markets will not comprise more than 25% of the Fund's assets. Although the fund does not anticipate such extensive emerging markets exposure, nor the investment in securities other than equities, it reserves the right to do so to support its impact investment objective (supporting companies that are actively adapting and embracing ESG considerations) in response to the global opportunity set for quality, long-term ESG investments.

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. Depending on market conditions, the portfolio manager's investment style may result in a higher portfolio turnover rate than less actively managed funds, in-line with intrinsic value-oriented funds' generally lower turnover than other active management styles.

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. That said, the fund is based around long-term, fundamental stock selection and aims to have relatively low turnover, as permitted by market conditions.

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.

Changes to investment strategies

The manager may change the fund's investment strategies at its discretion without notice to or approval of securityholders.

What are the risks of investing in the fund?

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

- (a) fluctuations in NAV and NAV per unit;
- (b) credit risk;
- (c) concentration risk;
- (d) risk of loss;
- (e) capital depreciation risk;
- (f) equity security risk;

- (g) interest rate risk;
- (h) currency risk;
- (i) commodity risk;
- (j) reliance on the manager and sub-advisor risk;
- (k) derivative risk;
- (l) futures contract liquidity risk;
- (m) futures contract margin risk;
- (n) tax risk;
- (o) liquidity risk;
- (p) illiquid securities risk;
- (q) cease trading of constituent securities risk;
- (r) changes in legislation risk;
- (s) third-party ESG reporting and scoring risk;
- (t) ESG investment risk;
- (u) securities lending and repurchase and reverse repurchase transaction risk; and
- (v) cyber security risk.

Although the fund intends to maintain a constant price for its securities, there is no guarantee that the price will not go up or down.

Who should invest in this fund?

This fund may be right for you if:

- (a) you are seeking equity exposure to companies throughout the world;
- (b) you want capital growth over the long term;
- (c) you are investing for the medium and/or long term;
- (d) you can tolerate low to medium risk; and
- (e) you favour investments that prioritize sustainable economics over unconditional returns.

The fund's risk classification is based on the fund's returns and the return of the MSCI World Index (CAD). The MSCI World Index (CAD) tracks the performance of large-cap and mid-cap stocks across 23 developed

markets. Please see “– Investment Risk Classification Methodology” on page 49 for a description of how we determined the classification of this fund’s risk level.

Distribution Policy

The fund expects to pay distributions annually. Specifically, distributions of any excess income and capital gains are determined and 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. For more information see “Distribution policy” on page 50 of the simplified prospectus.

Fund Expenses Indirectly Borne by Investors

Note, fund expense information relating is not yet available as units of the fund have not yet been issued.

**PURPOSE MONEY MARKET FUND
PURPOSE CASH MANAGEMENT PORTFOLIO
FOUNDATION WEALTH EQUITY POOL
FOUNDATION WEALTH INCOME POOL
FOUNDATION WEALTH DIVERSIFIER POOL
PURPOSE CREDIT YIELD PLUS FUND
PURPOSE MONTHLY YIELD PLUS FUND
BLACK DIAMOND IMPACT CORE EQUITY FUND**

You will find more information about a fund in its annual information form, fund facts, 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, the annual information form, the management reports of fund performance and the financial statements from the Purpose website at www.purposeinvest.com.

These documents and other information about a fund, such as information circulars and material contracts, are also available at www.sedar.com.

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